

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AGENDA

REGULAR MEETING | JANUARY 23, 2024 AT 6:00 PM
CITY COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE , KENNEDALE, TX 76060

I. CALL TO ORDER

To address the Kennedale Economic Development Corporation Board of Directors regarding an agenda item, submit a 'Request to Speak' form before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the form, and should address the Kennedale Economic Development Corporation Board of Directors as a whole, rather than individual members or staff. Pursuant to Texas Government Code §551.071, the Kennedale Economic Development Corporation Board of Directors reserves the right to adjourn into Executive (Closed) Session at any time during the meeting to seek legal advice from the City Attorney on any item posted on the agenda.

A. ROLL CALL

II. REGULAR SESSION

A. REPORTS AND ANNOUNCEMENTS

In addition to any items below, the Kennedale Economic Development Corporation Board of Directors, the presiding officer, and/or staff may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

1. Grant Opportunities for Point of Sale (POS).
2. Purchase of land Eden Road.
3. Offer Accepted on 670, 6724, 6728, 6732 Oak Crest Dr W (close on 1/31/24).
4. 380 Agreement - Southwest Ambulance Sales, LLC.
5. Financial Reports for the EDC.
6. Discussion of Agreement with Craig Hughes and the EDC.
7. Veterans Memorial Update.

III. EXECUTIVE SESSION

The Kennedale Economic Development Corporation Board of Directors reserves the right to meet in Executive (Closed) Session at any time during the meeting pursuant to the below cited sections of the Texas Government Code:

- A. **PURSUANT TO §551.071** — *Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act.*

B. **PURSUANT TO §551.072** — *Deliberation regarding the purchase, exchange, lease, or value of real property.*

C. **PURSUANT TO §551.087** — *(1) Deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision.*

IV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

V. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE JANUARY 23, 2024 KENNEDALE ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.



BOARD OR COMMISSION SECRETARY

In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.

SUBJECT

REPORTS AND ANNOUNCEMENTS

In addition to any items below, the Kennedale Economic Development Corporation Board of Directors, the presiding officer, and/or staff may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



KENNEDALE
You're Here, Your Home
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STAFF REPORT **to the Kennedale Economic Development Corporation Board of Directors**

MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.1.

SUBJECT

Grant Opportunities for Point of Sale (POS).

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.2.

SUBJECT

Purchase of land Eden Road.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.3.

SUBJECT

Offer Accepted on 670, 6724, 6728, 6732 Oak Crest Dr W (close on 1/31/24).

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.4.

SUBJECT

380 Agreement - Southwest Ambulance Sales, LLC.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

1.	380 Agreement SW Ambulance Sales	380 Agreement SW Ambulance Sales.pdf
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Will the expenditure of KEDC funds result in the creation or retention of "primary jobs" as such term is defined in Section 501.002(12) of the Texas Local Government Code? ☒ YES ☐ NO

If yes, how many primary jobs will be created or retained within the next five years?

30 NEW
20 RETAINED

If yes, which of the following types of facilities will the requested KEDC funds be used to help develop, retain or expand? (Check all that apply):

- | | |
|--|--|
| ☒ manufacturing and Industrial | ☐ distribution centers |
| ☐ research and development | ☐ recycling |
| ☐ military | ☐ regional or national corporate headquarters |
| ☐ small warehouse | ☐ other related improvements: _____ |

If the expenditure of KEDC funds will not result in the creation or retention of primary jobs, will such expenditure be used to construct public infrastructure necessary to promote or develop a new or expanding business?: ☐ YES ☐ NO

If yes, which of the following types of infrastructure will the grant of KEDC funds be used to construct? (check all that apply):

- | | |
|--|--|
| ☐ streets and roads | ☐ drainage |
| ☐ rail spurs | ☐ site improvements |
| ☐ water and sewer utilities | ☐ telecommunications |
| ☐ electric utilities | ☐ Internet improvements |
| ☐ gas utilities | ☐ other related improvements: _____ |

If the expenditure of KEDC funds will not result in the creation or retention of primary jobs, will such expenditure result in Applicant's hiring of additional full-time employees?: ☐ YES ☐ NO

If yes, how many additional full-time employees will be hired within the next five years?: _____

Will the expenditure of KEDC funds be used for job training as provided in Sections 501.102 and 501.162 of the Texas Local Government Code?: ☒ YES ☐ NO

Will the expenditure of KEDC funds be used to undertake a project the primary purpose of which is to provide any of the following: (1) a transportation facility; (2) a solid waste disposal facility; (3) a sewage facility; (4) a facility for furnishing water to the general public; or (5) an air or water pollution control facility?: ☐ YES ☒ NO

If yes, will the facility benefit a property acquired for a project that has another primary purpose?: ☐ YES ☐ NO

NOTICE: In the event the Board determines that Applicant is eligible for a grant of KEDC funds, Applicant will be required to sign a performance agreement meeting the requirements of Section 501.158 of the Texas Local Government Code. The performance agreement is subject to the approval of both the KEDC Board and the Kennedale City Council. By signing this application, you acknowledge and represent that all of the answers and information provided in this application are true and correct.

TO THIS APPLICATION - PLEASE ATTACH:

1. PHOTOS OF EXISTING PROPERTY INTENDED FOR UPGRADING AND/OR DEVELOPMENT,
2. A WRITTEN PROJECT IMPROVEMENT/DEVELOPMENT DESCRIPTION,
3. PLANS AND DRAWINGS OF THE PROPOSED UNDERTAKING, AND
4. AN ITEMIZED COST SPREADSHEET BACKED BY WRITTEN QUOTES SUBMITTED BY CONTRACTORS/VENDORS/SUPPLIERS.

Signature: _____



Date: _____

10/17/2023



ECONOMIC DEVELOPMENT CORPORATION



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.5.

SUBJECT

Financial Reports for the EDC.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

1.	03 December 2023 EDC	03 December 2023 EDC.pdf
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**KENNEDALE
ECONOMIC DEVELOPMENT CORPORATION
MONTHLY FINANCIAL REPORT
Month Ended December 31, 2023
EXECUTIVE OVERVIEW**

TO Members of the Economic Development Corporation
Darrell Hull, Executive Director

FROM Jon Horton, Finance Director for the City of Kennedale

DATE January 23, 2024

SUBJECT Monthly Financial Report for December 2023

Below is an overview of the monthly financial results for the current fiscal year through December. Detail schedules for each fund are attached for your review.

Results through December represent 25% of the fiscal year.

EDC FUND (15)

- ◇ Sales tax revenues received year-to-date \$41,895; 6.8% of total budget; receipts from the State are two months delayed; i.e. October sales taxes are received in December; November in January, etc.
- ◇ Rental fees for the Shopping Center year-to-date \$84,113; 27.1% of total budget
- ◇ EDC Operations expenditures year-to-date \$134,609; 18.8% of total budget; includes \$17,916 for annual Christmas event
- ◇ EDC Town Shopping Center expenditures year-to-date \$48,497; 14.3% of total budget
- ◇ Fund Balance year-to-date is \$2,365,544; 604 days of total budgeted expenditures and transfers out; budgeted Fund Balance at year-end is 463 days

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended December 31, 2023

EDC FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year (unaudited)	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
EDC Fund (15)									
EDC Fund Revenues	\$ 1,121,315	\$ 84,326	\$ 149,769	13.4%	\$ 1,093,807	\$ 113,888	\$ 453,124	41.4%	\$ 640,683
EDC Fund Expenditures									
Operations Expenditures	555,407	40,472	97,624	17.6%	714,406	50,163	134,609	18.8%	579,797
Debt Service Expenditures	306,463	5,024	30,918	10.1%	309,200	5,160	33,843	10.9%	275,357
Town Shopping Center Expenditures	73,091	6,680	30,073	41.1%	338,461	22,254	48,497	14.3%	289,964
Total EDC Fund Expenditures	934,961	52,176	158,615	17.0%	1,362,067	77,577	216,950	15.9%	1,145,117
Revenues Over (Under) Expenditures	186,354	32,150	(8,846)		(268,260)	36,311	236,174		
Transfers (Out)	(56,124)	-	-	0.0%	(61,520)	(5,127)	(15,380)	25.0%	(46,140)
Net Change in Fund Balance	130,230	32,150	(8,846)		(329,780)	31,185	220,794		
Beginning Fund Balance - NOVober 1	2,005,520		2,005,520		2,135,750		2,135,750		
Ending Fund Balance - year-to-date	\$ 2,135,750		\$ 1,996,674		\$ 1,805,970		\$ 2,356,544		
Average Daily Annual Expenditures	\$ 2,715				\$ 3,900				
Days of Fund Balance	787		735		463		604		
EDC Bond Reserve Fund (95)									
EDC Bond Reserve Fund Revenues	\$ 4,350	\$ 232	\$ 602	13.8%	\$ 2,800	\$ 567	\$ 1,713	61.2%	\$ 1,087
EDC Bond Reserve Fund Expenditures	0	-	-	0.0%	0	-	-	0.0%	0
Revenues Over (Under) Expenditures	4,350	232	602		2,800	567	1,713		
Beginning Fund Balance - NOVober 1	126,575		126,575		130,925		130,925		
Ending Fund Balance - year-to-date	\$ 130,925		\$ 127,177		\$ 133,725		\$ 132,638		



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.6.

SUBJECT

Discussion of Agreement with Craig Hughes and the EDC.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

1.	2021_11.17 Town Center	2021_11.17 Town Center.pdf
2.	EDC Developer Agreement-TownCenter	EDC Developer Agreement-TownCenter.pdf
3.	First Loan Modification Agreement - Bldg. 5	First Loan Modification Agreement - Bldg. 5.pdf
4.	Second Modification - Executed	Second Modification - Executed.pdf
5.	Third Loan Modification Agreement	Third Loan Modification Agreement.pdf
6.	Fourth Loan Modification Agreement - updated	Fourth Loan Modification Agreement - updated.pdf

VALLIANCE BANK – LOAN NO.

AFTER RECORDING RETURN TO:

VALLIANCE BANK
5900 S. Lake Forest Drive, Suite 100
McKinney, Texas 75070
Attention: Cara McClain

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.

**DEED OF TRUST, SECURITY AGREEMENT,
ASSIGNMENT OF LEASES, AND FINANCING STATEMENT**

This **DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES, AND FINANCING STATEMENT** (as amended, modified or restated from time to time, this "*Deed of Trust*") is made on the date stated below by Fee Owner in favor of Trustee, for the benefit of Lender, who are identified and whose addresses are stated below. By signing this Deed of Trust, Fee Owner agrees to the terms and conditions and makes the covenants stated in this Deed of Trust.

"EFFECTIVE DATE": **NOVEMBER 17, 2021**

"FEE OWNER": **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**,
a nonprofit corporation organized as a Type B Corporation under the
Development Corporation Act of 1979
405 Municipal Drive
Kennedale, Texas 76060
Attention: EDC Executive Director

"LENDER": **VALLIANCE BANK**
5900 S. Lake Forest Drive, Suite 100
McKinney, Texas 75070
Attention: Cara McClain

"TRUSTEE": **SHELBY BRUHN**
VALLIANCE BANK
777 Main Street, Ste. 2160
Fort Worth, Texas 76102

"DEBTOR": collectively: **KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC**, a Texas series limited liability company, **KDP, SERIES LLC-BLDG 5-SERIES 1**, a Texas series limited liability company, **KDP, SERIES LLC-BLDG 6-SERIES II**, **KDP**, a Texas series limited liability company, **SERIES LLC-BLDG 7-SERIES III**, a Texas series limited liability company, and **CARRIER EBJ, L.P.**, a Texas limited partnership
3304 Park View Ct.

Colleyville, TX 76034
Attention: Mark Wong

“NOTE”:

Collectively, the following promissory notes executed by Debtor, payable to the order of Lender, as the same may be amended, modified or restated from time to time: (i) that certain **PROMISSORY NOTE [BLDG. 5]** dated as of even date herewith, executed by Debtor, payable to the order of Lender, in the original notational amount of **\$897,000.00**; (ii) that certain **PROMISSORY NOTE [BLDG. 6]** dated as of even date herewith, executed by Debtor, payable to the order of Lender, in the original notational amount of **\$795,000.00**; (iii) that certain **PROMISSORY NOTE [BLDG. 7]** dated as of even date herewith, executed by Debtor, payable to the order of Lender, in the original notational amount of **\$1,394,000.00**; and (iv) that certain **PROMISSORY NOTE [Carrier]** dated as of even date herewith, executed by Debtor, payable to the order of Lender, in the original notational amount of **\$848,000.00**.

“LAND”:

The land described in Exhibit A attached hereto and made a part hereof for all purposes.

**ARTICLE I
SECURITY**

1.01 CONVEYANCE IN TRUST. For value received, the receipt and sufficiency of which Fee Owner acknowledges, and to secure the payment of the Indebtedness described in Section 2.01 and performance of the covenants and agreements of Fee Owner stated in this Deed of Trust and in the Loan Documents, Fee Owner conveys the Property described in Section 1.02, including without limitation, the Land, to the Trustee in trust, with power of sale, **TO HAVE AND TO HOLD** the Property, together with the rights, privileges, and appurtenances thereto belonging unto the Trustee and the Trustee’s substitutes or successors forever. Fee Owner binds itself and its heirs, executors, administrators, personal representatives, successors, and assigns to **WARRANT AND FOREVER DEFEND** the Property unto the Trustee, and the Trustee’s substitutes or successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof.

1.02 PROPERTY. The Property covered by this Deed of Trust includes the Land and the following items described in this Section 1.02, whether now owned or hereafter acquired by Fee Owner, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by this Deed of Trust, and all rights, hereditaments and appurtenances pertaining thereto, all of which are referred to as the “Property”:

(a) Any and all buildings, improvements (including, but not limited to, roads, curbs, gutters, public utilities, and drainage systems), and tenements now or hereafter attached to or placed, erected, constructed, or developed on the Land (the “Improvements”);

(b) All equipment, fixtures, furnishings, inventory, and articles of personal property (the “Personalty”) now or hereafter attached to or used in or about the Improvements or that are necessary or useful for the complete and comfortable use and occupancy of the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed, or which Personalty is or may be used in or related to the planning, development, financing or operation of the Improvements, and all renewals of or replacements or substitutions for any of the foregoing, whether or not the same are or shall be attached to the Land or Improvements;

(c) All water and water rights, timber, crops, and mineral interest pertaining to the Land;

(d) All building materials and equipment now or hereafter delivered to and intended to be installed in or on the Land or the Improvements, and all other building materials, regardless of location, intended to be installed in or on the Land or the Improvements;

(e) All plans and specifications for the Improvements and for any future development of or construction on the Land and all contracts and subcontracts relating to the construction of the Improvements on the Land;

(f) All rights (but not Fee Owner's obligations) under any contracts relating to the Land, the Improvements or the Personalty, including, without limitation, all sales and professional contracts;

(g) All deposits (including tenant security deposits), bank accounts, funds, deeds of trust, notes or chattel paper arising from or by virtue of any transactions related to the Land, the Improvements or the Personalty;

(h) All rights (but not Fee Owner's obligations) under any documents, contract rights, accounts, commitments, construction contracts (and all payment and performance bonds, statutory or otherwise, issued by any surety in connection with any such construction contracts, and the proceeds of such bonds), architectural contracts, engineering contracts, and general intangibles (including without limitation trademarks, trade names, and symbols) arising from or by virtue of any transactions related to the Land, the Improvements, or the Personalty;

(i) All permits, licenses, franchises, certificates, and other rights and privileges now owned or held or hereafter obtained in connection with the Land, the Improvements, or the Personalty;

(j) All development rights, utility commitments, water and wastewater taps, living unit equivalents, capital improvement project contracts, utility construction agreements with any governmental authority, including municipal utility districts, or with any utility companies (and all refunds and reimbursements thereunder) relating to the Land or the Improvements;

(k) All proceeds arising from or by virtue of the sale, lease or other disposition of the Land, the Improvements, or the Personalty;

(l) All proceeds (including premium refunds) of each policy of insurance relating to the Land, the Improvements, or the Personalty;

(m) All proceeds from the taking of any of the Land, the Improvements, the Personalty or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof, including change of grade of streets, curb cuts or other rights of access, for any public or quasi-public use under any law;

(n) All right, title, and interest in and to all streets, roads, public places, easements, and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land;

(o) All of the Leases, rents (but not including rent or monies paid by Debtor to Fee Owner in accordance with the Ground Lease), royalties, bonuses, issues, profits, revenues, or other benefits of the Land, the Improvements, or the Personalty, including without limitation cash or securities deposited pursuant to Leases to secure performance by the tenants of their obligations thereunder;

(p) All consumer goods located in, on, or about the Land or the Improvements or used in connection with the use or operation thereof; however, neither the term "consumer goods" nor the term "Personalty" includes clothing, furniture, appliances, linens, china, crockery, kitchenware, or personal effects used primarily for personal, family, or household purposes;

(q) All other interest of every kind and character that Fee Owner now has or at any time hereafter acquires in and to the Land, Improvements, and Personalty and all property that is used or useful in connection therewith, including rights of ingress and egress and all reversionary rights or interests of Fee Owner with respect to such property and all of Fee Owner's rights (but not Fee Owner's obligations) under any covenants, conditions, and

restrictions for the Land, as the same may be amended from time to time, including Fee Owner's rights, title, and interests thereunder as declarant or developer, if applicable; and

(r) All products and proceeds of the Personalty described in this Section 1.02 (the Personalty and other personal property described in this Section 1.02 being sometimes collectively referred to as the "Personal Property").

1.03 CONSTRUCTION MORTGAGE. This Deed of Trust constitutes a "construction mortgage" as defined in Section 9.334(h) and Section 2A.309 of the Tex. Bus. & Comm. Code. The liens and security interests created and granted by this Deed of Trust secure an obligation incurred for the construction of the Improvements on the Land, including the acquisition cost of the Land.

ARTICLE II INDEBTEDNESS AND PAYMENTS

2.01 INDEBTEDNESS. The indebtedness secured by this Deed of Trust (the "Indebtedness") shall mean and include the following:

(a) The Indebtedness (as defined in the Loan Agreement) including any and all sums becoming due and payable pursuant to the Note;

(b) Any and all other sums becoming due and payable by Debtor to Lender as a result of advancements made by Lender pursuant to the terms and conditions of this Deed of Trust or any other Loan Documents securing or executed in connection with or otherwise relating to the Note, including without limitation the repayment of any future advances made by Lender to Debtor as provided in paragraph (c) below and the repayment of any sums advanced for the protection of Lender's security pursuant to this Deed of Trust;

(c) [intentionally omitted]; and

(d) Any and all renewals, extensions, replacements, rearrangements, substitutions, or modifications of the Indebtedness, or any part of the Indebtedness.

2.02 OTHER LOAN DOCUMENTS. The term "Loan Documents" as used herein means this Deed of Trust, the Note, any guaranty and the other agreements, instruments and documents evidencing, securing, governing, guaranteeing or pertaining to the Note, including, but not limited to, that certain **LOAN AND SECURITY AGREEMENT** dated as of even date herewith between Debtor and Lender (as amended, modified or restated from time to time, the "Loan Agreement"). This Deed of Trust shall also secure the performance of all obligations and covenants of Debtor under this Deed of Trust and the other Loan Documents.

2.03 [intentionally omitted].

2.04 APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender from Fee Owner under the Note or this Deed of Trust shall be applied by Lender in the following order of priority: (a) amounts payable to Lender by Fee Owner under this Deed of Trust; (b) sums payable to Lender under the Note, to be applied to principal or interest as provided in any other Loan Document, or if no such provision, as Lender may determine in its discretion; and (c) any other sums secured by this Deed of Trust in such order as Lender, at Lender's option, may determine.

2.05 GUARANTOR. The term "Guarantor" shall include any person, company, or entity obligated to pay or guaranteeing collection of all or any portion of the Indebtedness, directly, or indirectly.

2.06 SUBROGATION TO EXISTING LIENS; VENDOR'S LIEN. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by Lender at Debtor's request, and Lender shall be subrogated to any and all rights, security interests and liens owned by any owner or holder of such

outstanding liens, security interests, charges or encumbrances, however remote, irrespective of whether said liens, security interests, charges or encumbrances are released, and all of the same are recognized as valid and subsisting and are renewed and continued and merged herein to secure the secured indebtedness, but the terms and provisions of this Deed of Trust shall govern and control the manner and terms of enforcement of the liens, security interests, charges and encumbrances to which Lender is subrogated hereunder. It is expressly understood that, in consideration of the payment of such indebtedness by Lender, Fee Owner hereby waives and releases all demands and causes of action for offsets and payments in connection with the said indebtedness. If all or any portion of the proceeds of the Indebtedness evidenced by the Note or of any other secured indebtedness has been advanced for the purpose of paying the purchase price for all or a part of the Property, no vendor's lien is waived; and Lender shall have, and is hereby granted, a vendor's lien on the Property as cumulative additional security for the secured indebtedness. Lender may foreclose under this Deed of Trust or under the vendor's lien without waiving the other or may foreclose under both.

ARTICLE III
[intentionally omitted]

ARTICLE IV
ASSIGNMENT OF LEASES

4.01 ASSIGNMENT OF LEASES. Fee Owner assigns to Lender, and grants to Lender a security interest in, all of Fee Owner's rights, but not Fee Owner's obligations, under existing and future leases, including subleases, and any and all extensions, renewals, modifications, and replacements of such leases, upon any part of the Property (the "Leases"). Fee Owner also assigns to Lender all guaranties of tenant's performance under the Leases. Prior to an Event of Default, Fee Owner shall have the right, without joinder of Lender, to enforce the Leases, unless Lender directs otherwise.

4.02 [Intentionally Omitted].

4.03 [Intentionally Omitted].

4.04 [Intentionally Omitted].

4.05 ATTORNMENT OF TENANTS. All future Leases of the Property of which Fee Owner is a party shall specifically provide: (a) that such Leases are subordinate to this Deed of Trust; (b) that the tenant attorns to Lender, such attornment to be effective upon Lender's acquisition of title to the Property; (c) that the tenant agrees to execute such further evidences of attornment as Lender may from time to time request; (d) that the attornment of the tenant shall not be terminated by foreclosure; and (e) that Lender may, at Lender's option, accept or reject such attornments.

4.06 SETTLEMENT FOR TERMINATION. Fee Owner agrees that no settlement for damages for termination of any of the Leases under the Federal Bankruptcy Code, or under any other federal, state, or local statute, shall be made without the prior written consent of Lender, and any check in payment of such damages shall be made payable to both Fee Owner and Lender. Fee Owner hereby assigns any such payment to Lender, to be applied to the Indebtedness as Lender may elect, and Fee Owner agrees to endorse any check for payment to the order of Lender.

4.07 LENDER IN POSSESSION. Lender's acceptance of this assignment shall not, prior to entry upon and taking possession of the Property by Lender, be deemed to constitute Lender a mortgagee in possession, nor obligate Lender to appear in or defend any proceeding relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the Leases, or assume any obligation for any deposits delivered to Fee Owner by any tenant and not delivered to Lender. Lender shall not be liable for any injury or damage to person or property in or about the Property.

4.08 APPOINTMENT OF ATTORNEY. Fee Owner hereby appoints Lender its attorney-in-fact, coupled with an interest, empowering Lender to subordinate any Leases to this Deed of Trust.

4.09 [Intentionally Omitted].

4.10 **RECORDS.** Upon request by Lender, Fee Owner shall deliver to Lender executed originals of all Leases in its possession and copies of all records relating thereto.

4.11 **MERGER.** There shall be no merger of the Ground Lease, created by the Leases, with the fee estate of the Land without the prior written consent of Lender.

4.12 [Intentionally Omitted].

ARTICLE V [INTENTIONALLY OMITTED]

ARTICLE VI FEE OWNER'S REPRESENTATIONS, WARRANTIES, COVENANTS, AND AGREEMENTS

Fee Owner covenants, warrants, represents to and agrees with Lender as follows:

6.01 **PAYMENT AND PERFORMANCE.** Fee Owner punctually and properly perform all of Fee Owner's covenants, obligations and liabilities under this Deed of Trust.

6.02 **TITLE TO PROPERTY AND LIENS OF THIS DEED OF TRUST.** Fee Owner has good and indefeasible title to the Land, free and clear of any liens, charges, encumbrances, security interests, and adverse claims whatsoever, except for the matters, if any, set forth on Schedule B to the mortgagee title insurance to the extent the same are valid and subsisting and affect the Property. If the interest of Lender in the Property or any part thereof shall be endangered or shall be attacked, directly or indirectly, Fee Owner authorizes Lender, at Debtor's expense, to take all necessary and proper steps for the defense of such interest, including the employment of attorneys, the prosecution or defense of litigation, and the compromise or discharge of claims made against such interest.

6.03 [intentionally omitted].

6.04 [intentionally omitted].

6.05 [intentionally omitted].

6.06 [intentionally omitted].

6.07 **CONDEMNATION.**

(a) Fee Owner assigns to Lender all judgments, decrees, and awards for injury or damage, direct or consequential, to the Property, and all awards pursuant to proceedings for condemnation or other taking, whether direct or indirect, of the Property or any part of the Property. Lender may apply any condemnation proceeds to the Indebtedness in such manner as Lender may elect. Fee Owner shall promptly notify Lender of any action or proceeding (or threatened action or proceeding) relating to any condemnation or other taking, whether direct or indirect, of all or any part of the Property. Fee Owner shall, unless otherwise directed by Lender in writing, file or defend its claim under any such action and prosecute the same with due diligence to its final disposition and shall cause any awards or settlements to be paid over to Lender for disposition pursuant to the terms of this Deed of Trust. Fee Owner authorizes Lender, at Lender's option, as attorney-in-fact for Fee Owner, to commence, appear in, and prosecute, in Lender's or Fee Owner's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment, or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender. Lender shall be

entitled to participate in, control, and be represented by attorneys of Lender's own choice in any such action. Fee Owner shall deliver, or cause to be delivered, to Lender such instruments as may be requested by it from time to time to permit such participation.

(b) Fee Owner authorizes Lender to apply such awards, payments, proceeds, or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to restoration or repair of the Property, or to payment of the sums secured by this Deed of Trust, whether or not then due, in the order of application set forth in Section 2.04, with the balance, if any, to Fee Owner.

(c) In the event Lender, as a result of any such judgment, decree, or award, reasonably believes that the payment or performance of any obligation secured by this Deed of Trust is impaired, Lender may, without notice, declare all of the Indebtedness immediately due and payable.

6.08 [intentionally omitted].

6.09 [intentionally omitted].

6.10 [intentionally omitted].

6.11 NO DRILLING OR EXPLORATION. Without the prior written consent of Lender, there shall be no drilling or exploring for or extraction, removal, or production of minerals from the surface or subsurface of the Land. The term "minerals" as used in this Deed of Trust shall include without limitation oil, gas, casinghead gas, coal, lignite, hydrocarbons, methane, carbon dioxide, helium, uranium and all other natural elements, compounds and substances, including sand and gravel.

6.12 [intentionally omitted].

6.13 [intentionally omitted].

6.14 [intentionally omitted].

6.15 FURTHER ASSURANCES. Fee Owner, upon the request of Lender, shall execute, acknowledge, deliver, and record such further instruments and do such further acts as may be necessary, desirable, or proper to carry out the purposes of this Deed of Trust or the other Loan Documents and to subject to the liens and security interests created by this Deed of Trust or the other Loan Documents any Property intended to be covered by this Deed of Trust and the other Loan Documents pursuant to their terms, including without limitation any renewals, additions, substitutions, replacements, improvements, or appurtenances to the Property.

6.16 [intentionally omitted].

6.17 [intentionally omitted].

6.18 INSPECTION. Lender may make or cause to be made reasonable entries upon, and inspections of, the Property.

6.19 PROTECTION OF LENDER'S SECURITY.

(a) If Fee Owner fails to perform the covenants and agreements contained in this Deed of Trust, or any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including without limitation eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, Lender, at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including without limitation, (i) disbursement of attorneys' fees, (ii) entry upon the Property to make repairs, and (iii) procurement of satisfactory insurance as provided herein.

(b) Any amounts disbursed by Lender pursuant to this Section with interest thereon, shall become additional indebtedness of Debtor. Nothing contained in this Section shall require Lender to incur any expense or take any action under this Deed of Trust.

6.20 SUBORDINATE DEED OF TRUST. Fee Owner shall not, without the prior written consent of Lender, grant any lien, security interest, or other encumbrance (a "Subordinate Deed of Trust") covering any of the Property. If Lender consents to a Subordinate Deed of Trust or if the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable, any such Subordinate Deed of Trust shall contain express covenants to the effect that:

(a) The Subordinate Deed of Trust is unconditionally subordinate to this Deed of Trust;

(b) If any action (whether judicial or pursuant to a power of sale) shall be instituted to foreclose or otherwise enforce the Subordinate Deed of Trust, no tenant of any of the Leases shall be named as a party defendant, and no action shall be taken that would terminate any occupancy or tenancy without the prior written consent of Lender;

(c) Rents, if collected by or for the holder of the Subordinate Deed of Trust, shall be applied first to the payment of the Indebtedness then due and expenses incurred in the ownership, operation, and maintenance of the Property in such order as Lender may determine, prior to being applied to any indebtedness secured by the Subordinate Deed of Trust; and

(d) Written notice of default under the Subordinate Deed of Trust and written notice of the commencement of any action (whether judicial or pursuant to a power of sale) to foreclose or otherwise enforce the Subordinate Deed of Trust shall be given to Lender with or immediately after the occurrence of any such default or commencement.

6.21 GROUND LEASE. Fee Owner represents that that certain **AMENDED GROUND LEASE** ("Ground Lease") dated as of **JULY 16, 2015**, between Fee Owner, as "Lessor", **CRAMPTON EBJ, INC.**, a Texas corporation, and **HPS RE INTERESTS I, LP**, a Texas limited partnership (collectively, "Developer Party"), as "Lessee", and is in full force and effect, the Ground Lease has not been modified, amended or assigned (provided, however, the interests of Developer Party have been assigned to Debtor), and there is no existing default on the part of Debtor as the lessee in any of the terms and conditions of the Ground Lease and not event has occurred which, with the passing of time or giving of notice or both, would constitute an event of default by the lessee thereunder.

6.22 ECONOMIC DEVELOPMENT AGREEMENT. Fee Owner represents that the **ECONOMIC DEVELOPMENT AGREEMENT FOR DEVELOPMENT OF KENNEDALE TOWNCENTER** dated **JULY 16, 2015** between Developer Party and Fee Owner covering the Land and certain additional land (the "Economic Development Agreement") is in full force and effect, the Economic Development Agreement has not been modified, amended or assigned (provided, however, the interests of Developer Party have been assigned to Debtor), and there is no existing default on the part of Developer Party or Debtor in any of the terms and conditions of the Economic Development Agreement and no event has occurred which, with the passing of time or giving of notice or both, would constitute an event of default by Developer Party or Debtor thereunder.

ARTICLE VII EVENTS OF DEFAULT; FEE OWNER NOTICE AND OTHER RIGHTS

The occurrence of an Event of Default under the Loan Agreement shall be an Event of Default hereunder. Notwithstanding the foregoing, or anything else contained in this Deed of Trust to the contrary, it is agreed that upon the occurrence or existence of any event defined as constituting an Event of Default in the Loan Agreement, Lender will deliver written notice thereof ("Notice of Default") to Fee Owner, and Fee Owner shall have the option (but shall not be obligated) to cure such default or give notice to Lender of Fee Owner's intent to purchase the Loan within **THIRTY (30)** days following the delivery of the Notice of Default before such event shall constitute an "Event of Default" under this Deed of Trust. If Fee Owner gives Lender timely notice of its intent to purchase the Loan, Fee Owner shall have **SIXTY (60)** days from the date of the Notice of Default within which to purchase the

Loan, without recourse and without warranty, by paying to Lender the full amount outstanding in connection with the Loan in cash.

ARTICLE VIII DEFAULT AND REMEDIES

8.01 ACCELERATION AND WAIVER OF NOTICES. Upon the occurrence of an Event of Default, Lender, at Lender's option, may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law or provided herein. Fee Owner acknowledges that the power of sale granted to Lender may be exercised by Lender without prior judicial hearing. Fee Owner and each Guarantor (by the execution and delivery of Guarantor's guaranty), surety, and endorser of all or any part of the Indebtedness expressly waive all presentations for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, notices of intention to demand payment, demands for payment, protests, and notices of protest.

8.02 NOTICE OF SALE. Notice of sale of all or part of the Property by the Trustee shall be given by posting written notice thereof at the courthouse door (or other area in the courthouse as may be designated for such public notices) of the county in which the sale is to be made, and by filing a copy of the notice in the office of the county clerk of the county in which the sale is to be made, at least **TWENTY-ONE (21)** days preceding the date of the sale, and if the Property to be sold is in more than one county a notice shall be posted at the courthouse door (or other area in the courthouse as may be designated for such public notices) and filed with the county clerk of each county in which the Property to be sold is situated or as otherwise required by the Texas Property Code. If the Property to be sold is in more than one county, the notice shall designate the county in which the Property is to be sold. In addition, Lender shall, at least **TWENTY-ONE (21)** days preceding the date of sale, serve written notice of the proposed sale by certified mail on Fee Owner and each person obligated to pay the Indebtedness secured hereby according to the Lender's records. Service of such notice shall be completed upon deposit of the notice, enclosed in a postpaid wrapper, properly addressed to such person at the most recent address as shown by the records of Lender, in a post office or official depository under the care and custody of the United States postal service. The affidavit of any person having knowledge of the facts to the effect that such service was completed shall be *prima facie* evidence of the fact of service. Any notice that is required or permitted to be given to Fee Owner may be addressed to Fee Owner at Fee Owner's address as stated above. Any notice that is to be given by certified mail to any other person may, if no address for such other person is shown by records of Lender, be addressed to such other person at the address of Fee Owner as is shown by the records of Lender. Notwithstanding the foregoing provisions of this Section notice of such sale given in accordance with the requirements of the applicable laws of the State of Texas in effect at the time of such sale shall constitute sufficient notice of such sale. The Trustee or his successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of Trustee, his successor or substitute Trustee thereafter appointed may complete the sale and the conveyance of the Property pursuant thereto as if such notice had been given by the successor or substitute Trustee conducting the sale.

8.03 TRUSTEE'S SALE. Lender may require the Trustee to sell all or part of the Property, at public auction, to the highest bidder, for cash, at the county courthouse of the county in Texas in which the Property or any part thereof is situated, or if the Property is located in more than one county such sale or sales may be made at the courthouse in any county in which the Property is situated. All sales shall take place at such area of the courthouse as shall be properly designated from time to time by the commissioners court (or, if not so designated by the commissioners court, as such other area in the courthouse as may be provided in the notice of sale hereinafter described) of the specified county, between the hours of 10:00 o'clock a.m. and 4:00 o'clock p.m. (the commencement of such sale to occur within three hours following the time designated in the above described notice of sale as the earliest time at which such sale shall occur, if required by applicable law) on the first Tuesday of any month, after giving notice of the time, place and terms of said sale (including the earliest time at which such sale shall occur) and of the Property to be sold in the manner hereinafter described. To the extent permitted by applicable law, any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. Trustee may sell all or any portion of the Property, together or in lots or parcels. In no event shall Trustee be required to exhibit, present or display at any such sale any of the Personal Property to be sold at such sale, Lender may bid and become the purchaser of all or any part of the Property at any trustee's or foreclosure sale hereunder, and the amount of Lender's successful bid may be credited on the

Indebtedness. In the event any sale hereunder is not completed or is defective in the opinion of Lender, such sale shall not exhaust the power of sale hereunder, and Lender shall have the right to cause a subsequent sale or sales to be made hereunder.

8.04 PARTIAL SALES. The sale by Trustee of less than the whole of the Property shall not exhaust the power of sale herein granted, and Trustee is specifically empowered to make successive sales under such power until the whole of the Property shall be sold; and if the proceeds of such sale of less than the whole of the Property shall be less than the aggregate of the Indebtedness and the expenses thereof, this Deed of Trust and the lien, security interest and assignment hereof shall remain in full force and effect as to the unsold portion of the Property just as though no sale had been made; provided, however, that Fee Owner shall never have any right to require the sale of less than the whole of the Property, but Lender shall have the right, at its sole election, to request Trustee to sell less than the whole of the Property. If there is a default on the payment of any installment on the Note or any portion of the Indebtedness, and Lender elects not to accelerate the unpaid balance of the Note or Indebtedness, Lender shall have the option to proceed with foreclosure in satisfaction of such unpaid installment or other amount either through judicial proceedings or by directing Trustee to proceed as if under a full foreclosure, conducting the sale as herein provided without declaring the entire Indebtedness due. It is agreed that such sale, if so made, shall not in any manner affect the unmatured part of the Indebtedness, but as to such unmatured part this Deed of Trust shall remain in full force and effect as though no sale had been made under the provisions of this Section. Several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Indebtedness.

8.05 FORECLOSURE OF ALL PROPERTY. The Land, Improvements, and Personal Property may be sold in one or more public sales pursuant to the Texas Property Code and the UCC. To the extent Fee Owner is in possession or control of any Personal Property, Fee Owner shall assemble the Personal Property and make it available to Lender upon Lender's written request. Fee Owner and all persons obligated to pay the Indebtedness agree that notice of sale of the Property provided pursuant to Section 8.02 above and pursuant to the Texas Property Code is and shall constitute commercially reasonable notice of the sale of the Property or any part of the Property. Lender shall also be entitled to foreclose its security interests against the Personal Property in accordance with any other rights and remedies Lender may have as a secured party under the UCC.

8.06 TRUSTEE'S DEED. Trustee shall deliver to the purchaser a Trustee's deed and such other assignments and documents of transfer and sale as Trustee may deem necessary conveying the Property so sold in fee simple with covenants of general warranty. At any such sale (a) Fee Owner hereby agrees, in its behalf and in behalf of Fee Owner's heirs, executors, administrators, successors, personal representatives and assigns, that any and all recitals made in any deed of conveyance given by Trustee with respect to the identity of Lender, the occurrence or existence of any default, the acceleration of the maturity of any of the Indebtedness, the request to sell, the notice of sale, the giving of notice to all persons legally entitled thereto, the time, the place, terms and manner of sale, and receipt, distribution and application of the money realized therefrom, or the due and proper appointment of a substitute Trustee, and, without being limited by the foregoing, with respect to any other act or thing having been duly done by Lender or by Trustee hereunder, shall be taken by all courts of law and equity as *prima facie* evidence that the statements or recitals state facts and are without further question to be so accepted, and Fee Owner hereby ratifies and confirms every act that Trustee or any substitute Trustee hereunder may lawfully do in the premises by virtue hereof, and (b) the purchaser may disaffirm any easement granted, subdivision plat filed, or rental, lease or other contract made in violation of any provision of this Deed of Trust, and may take immediate possession of the Property free from, and despite the terms of, such grant of easement, subdivision plat, or rental, lease or other contract.

8.07 PROCEEDS OF SALE. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including but not limited to, reasonable Trustee's fees and attorneys' fees and costs of title evidence; (b) to all sums secured by this Deed of Trust in such order as Lender, in Lender's sole discretion, directs; and (c) the excess, if any, to the person or persons legally entitled thereto.

8.08 POSSESSION AFTER SALE. Fee Owner or any person holding possession of the Property through Fee Owner shall immediately surrender possession of the Property to the purchaser at such sale upon the purchaser's written demand. If possession is not surrendered upon the purchaser's written demand, Fee Owner or such person shall be a tenant at sufferance and may be removed by writ of possession or by an action for forcible entry and detainer.

8.09 [intentionally omitted].

8.10 SUBSTITUTE TRUSTEE. Lender, at Lender's option, with or without cause, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all title, power, and duties conferred upon the Trustee by this Deed of Trust and by applicable law.

8.11 REMEDIES CUMULATIVE. Each remedy provided in this Deed of Trust is distinct and cumulative to all other rights or remedies under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

8.12 FORBEARANCE BY LENDER NOT A WAIVER. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any sum secured by this Deed of Trust after the due date of such payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the Indebtedness, nor shall Lender's receipts of any awards, proceeds or damages under this Deed of Trust operate to cure or waive Fee Owner's default in payment of sums secured by this Deed of Trust.

8.13 [intentionally omitted].

8.14 WAIVER OF MARSHALLING. Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all portions of the Indebtedness are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Fee Owner, any party who consents to this Deed of Trust, and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice of this Deed of Trust and Lender's rights and interests under this Deed of Trust, hereby waive any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided by this Deed of Trust.

ARTICLE IX [INTENTIONALLY OMITTED]

ARTICLE X MISCELLANEOUS PROVISIONS

10.01 RELEASE. In accordance with the terms of Section 2.01(c) of this Deed of Trust, the fact of repayment of all Indebtedness and performance of all other obligations of Fee Owner to Lender shall not terminate the lien arising hereunder unless (i) all of Lender's obligations and commitments under the Loan Documents have terminated, (ii) Fee Owner requests in writing that Lender release such lien, and (iii) Fee Owner pays Lender's reasonable costs incurred in releasing this Deed of Trust. Otherwise, this Deed of Trust shall remain in full force and effect.

10.02 FEE OWNER AND LIEN NOT RELEASED. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Fee Owner, Fee Owner's successors or assigns or any junior lienholder or Guarantor, without liability on Lender's part and notwithstanding the existence of an Event of Default, extend the time for payment of the Indebtedness or any part thereof, reduce the payments thereon, release anyone liable on any of the Indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of the Indebtedness, release from the liens of this Deed of Trust any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Fee Owner to modify the rate of interest or period of amortization of the Note or change the amount of the installments payable thereunder. Any actions taken by Lender pursuant to the terms of this Section shall not affect the obligation of Fee Owner or Fee Owner's successors or assigns to pay the sums secured by this Deed of Trust and to observe the

covenants of Fee Owner contained herein, shall not affect the guaranty of any person, corporation, partnership, or other entity for payment of the Indebtedness or any part thereof, and shall not affect the liens or priority of liens of this Deed of Trust on the Property. Fee Owner shall pay Lender a reasonable charge, together with such title insurance premiums and attorneys' fees as may be incurred at Lender's option, for any such action if taken at Fee Owner's request.

10.03 POWER OF ATTORNEY. Fee Owner hereby irrevocably appoints Lender as Fee Owner's attorney-in-fact, such power of attorney being coupled with an interest, with full authority in the place and stead of Fee Owner and in the name of Fee Owner or otherwise, from time to time following the occurrence and during the continuation of an Event of Default in Lender's reasonable discretion, to take any action and to execute any instrument which Lender may deem necessary or appropriate to enforce the rights of Lender with respect to the Property.

10.04 NOTICE. All notices or other communications required or permitted to be given pursuant to this Deed of Trust shall be in writing and shall be considered as properly given if (i) mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, (ii) by delivering same in person to the intended addressee, or (iii) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the office or designated place or machine of the intended addressee. For purposes of notice, the addresses of the parties shall be as set forth herein; provided, however, that either party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving notice to the other party in the manner set forth herein.

10.05 SUCCESSORS AND ASSIGNS BOUND. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Fee Owner.

10.06 JOINT AND SEVERAL LIABILITY. All covenants and agreements of Fee Owner (if more than one) shall be joint and several.

10.07 AGENTS. In exercising any rights hereunder or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender.

10.08 GOVERNING LAW. THIS DEED OF TRUST SHALL BE GOVERNED BY THE APPLICABLE LAWS OF THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES OF AMERICA APPLICABLE TO TRANSACTIONS IN THE STATE OF TEXAS.

10.09 SEVERABILITY. In the event that any provision of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provisions, and to this end the provisions of this Deed of Trust and the Note are declared to be severable.

10.10 USURY DISCLAIMER. The term "Maximum Lawful Rate" means the maximum rate of interest and the term Maximum Lawful Amount means the maximum amount of interest that is permissible under applicable state or federal law for the type of loan evidenced by the Note and the other Loan Documents. Lender does not intend to contract for, charge or receive more than the Maximum Lawful Rate or Maximum Lawful Amount permitted by applicable state or federal law, and to prevent such an occurrence Lender and Fee Owner agree that all amounts of interest, whenever contracted for, charged or received by Lender, with respect to the loan of money evidenced by the Note or with respect to any other amount payable under this Deed of Trust or any of the other Loan Documents, shall be spread, prorated or allocated over the full period of time the Note is unpaid, including the period of any renewal or extension of the Note. If demand for payment of the Note is made by Lender prior to the full stated term, the total amount of interest contracted for, charged or received to the time of such demand shall be spread, prorated or allocated along with any interest thereafter accruing over the full period of time that the Note thereafter remains unpaid for the purpose of determining if such Interest exceeds the Maximum Lawful Amount. At

maturity (including maturity due to Lender's acceleration of the Note) or on earlier final payment of the Note, Lender shall compute the total amount of interest that has been contracted for, charged or received by Lender or payable by Fee Owner under the Note and compare such amount to the Maximum Lawful Amount that could have been contracted for, charged or received by Lender. If such computation reflects that the total amount of interest that has been contracted for, charged or received by Lender or payable by Fee Owner exceeds the Maximum Lawful Amount, then Lender shall apply such excess to the reduction of the principal balance and not to the payment of interest; or if such excess interest exceeds the unpaid principal balance, such excess shall be refunded to Fee Owner. This provision concerning the crediting or refund or excess Interest shall control and take precedence over other agreements between Fee Owner and Lender so that under no circumstances shall the total interest contracted for, charged or received by Lender exceed the Maximum Lawful Amount.

10.11 PARTIAL INVALIDITY. In the event any portion of the sums intended to be secured by this Deed of Trust cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

10.12 CAPTIONS. The captions and headings of the Articles and Sections of this Deed of Trust are for convenience only and are not to be used to interpret or define the terms and provisions of this Deed of Trust.

10.13 DEFINITIONS. Capitalized terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Loan Agreement.

10.14 WAIVER OF JURY TRIAL. FEE OWNER AND LENDER EACH WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (i) UNDER THIS DEED OF TRUST OR ANY RELATED DOCUMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR ANY RELATED DOCUMENT OR (ii) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION HERewith, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. LENDER AND FEE OWNER AGREE THAT THEY WILL NOT ASSERT ANY CLAIM AGAINST THE OTHER OR ANY OTHER PERSON INDEMNIFIED UNDER THIS DEED OF TRUST ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

10.15 PATRIOT ACT NOTICE. LENDER HEREBY NOTIFIES FEE OWNER AND EACH GUARANTOR THAT PURSUANT TO THE REQUIREMENTS OF THE USA PATRIOT ACT, 31 U.S.C. § 5318 (THE "ACT"), IT IS REQUIRED TO OBTAIN, VERIFY AND RECORD INFORMATION THAT IDENTIFIES FEE OWNER AND EACH GUARANTOR, WHICH INFORMATION INCLUDES THE NAME AND ADDRESS OF FEE OWNER AND EACH GUARANTOR AND OTHER INFORMATION THAT WILL ALLOW SUCH LENDER TO IDENTIFY FEE OWNER AND EACH GUARANTOR IN ACCORDANCE WITH THE ACT.

10.16 SPECIAL PROVISIONS RELATING TO CONSTRUCTION OF THE IMPROVEMENTS.

(a) Fee Owner agrees to comply with the covenants and conditions of this Deed of Trust. All advances made by Lender under the Loan Documents will be Indebtedness of Debtor secured by the liens created by this Deed of Trust, and such advances are conditioned as provided in the Loan Documents.

(b) All amounts disbursed by Lender before completion of the Improvements to protect the security of this Deed of Trust up to the principal amount of the Note will be treated as disbursements under the Loan Documents. All such amounts will bear interest from the date of disbursement at the rate stated in the Note.

(c) From time to time as Lender deems necessary to protect Lender's interests, Fee Owner will, on request of Lender, execute and deliver to Lender, in such form as Lender directs, assignments of any and all rights or claims that relate to the construction of the Improvements on the Land.

(d) In case of breach by Debtor of the covenants and conditions of the Loan Documents, Lender, at its option, with or without entry on the Property, may (i) invoke any of the rights or remedies provided in the Loan Documents, (ii) accelerate the amounts secured by this Deed of Trust and invoke the remedies provided in this Deed of Trust, or (iii) do both.

10.17 [intentionally omitted].

10.18 FACT ACT CERTIFICATION. Fee Owner hereby acknowledges that Lender may report information about the Indebtedness of Fee Owner to credit bureaus. Late payments, missed payments or other defaults on the Indebtedness may be reflected in Fee Owner's credit report.

10.19 ADDITIONAL SPECIAL TERMS.

(a) Property Management Agreement. Fee Owner and Debtor agree that in the event Lender acquires fee title to the Land (whether through foreclosure of this Deed of Trust, deed in lieu of foreclosure or otherwise), (1) the Land will be automatically released from the Ground Lease and the Leasehold Estate created thereby, and Lender and its successors and assigns as owner of the Land will not be subject to any obligations, responsibility or liability under the Ground Lease, (2) the Land will be automatically released from the Economic Development Agreement, and Lender and its successors and assigns as owner of the Land will not be subject to any obligations, responsibility or liability under the Economic Development Agreement, and (3) the Land will be automatically released from that certain **PROPERTY MANAGEMENT AGREEMENT** dated **JULY 16, 2015** between Developer Party and Fee Owner (the "PMA"), and Lender and its successors and assigns as owner of the Land will not be subject to any obligations, responsibility or liability under the PMA.

(b) Non-Recourse as to Fee Owner. Notwithstanding anything to the contrary contained in this Deed of Trust, (a) Fee Owner shall not have any personal liability under this Deed of Trust or the Loan Documents and the liability of Fee Owner under this Deed of Trust shall be limited to, and satisfied only out of, the Property and the proceeds thereof, and (b) Lender agrees not to seek or obtain any personal money judgment against Fee Owner for any default under this Deed of Trust or any other Loan Document. Nothing contained in this Section 10.19(b) shall (i) in any way preclude Lender from foreclosing the lien of this Deed of Trust or from enforcing any of its rights or remedies in law or in equity to realize on the collateral securing the Secured Indebtedness, (ii) constitute a waiver of any obligation of Debtor contained in this Deed of Trust or any of the other Loan Documents, (iii) limit the right of Lender to name Fee Owner as a party defendant in any foreclosure action brought under this Deed of Trust, or (iv) prohibit Lender from pursuing all of its rights and remedies against Debtor or any Guarantors of the Secured Indebtedness.

10.20 INCORPORATION OF NOTICE OF FINAL AGREEMENT. It is the intention of Fee Owner, Guarantor and Lender that the following **NOTICE OF FINAL AGREEMENT** be incorporated by reference into each of the Loan Documents (as the same may be amended, modified or restated from time to time). Fee Owner, Guarantor and Lender warrant and represent that the entire agreement made and existing by or among Fee Owner, Guarantor and Lender with respect to the Indebtedness is and shall be contained within the Loan Documents, and that no agreements or promises exist or shall exist by or among, Fee Owner, Guarantor and Lender that are not reflected in the Loan Documents.

NOTICE OF FINAL AGREEMENT

THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES, AND THE SAME MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

NOTICE OF INDEMNIFICATION

FEE OWNER HEREBY ACKNOWLEDGES AND AGREES THAT THIS DEED OF TRUST CONTAINS CERTAIN INDEMNIFICATION PROVISIONS (INCLUDING, WITHOUT LIMITATION, THOSE CONTAINED IN SECTIONS 4.09 AND 9.05 HEREOF) WHICH, IN CERTAIN CIRCUMSTANCES, COULD INCLUDE AN INDEMNIFICATION BY FEE OWNER OF LENDER FROM CLAIMS OR LOSSES ARISING AS A RESULT OF LENDER'S OWN NEGLIGENCE.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

EXECUTED as of the date of the acknowledgement below, but to be effective as of the Effective Date.

FEE OWNER:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION,
a nonprofit corporation organized as a Type B Corporation under the
Development Corporation Act of 1979

By:

Name: Leslie E. Galloway

Title: KEDC Executive Director

ATTEST:

Rosie Q. Ericson
Secretary Rosie Q. Ericson

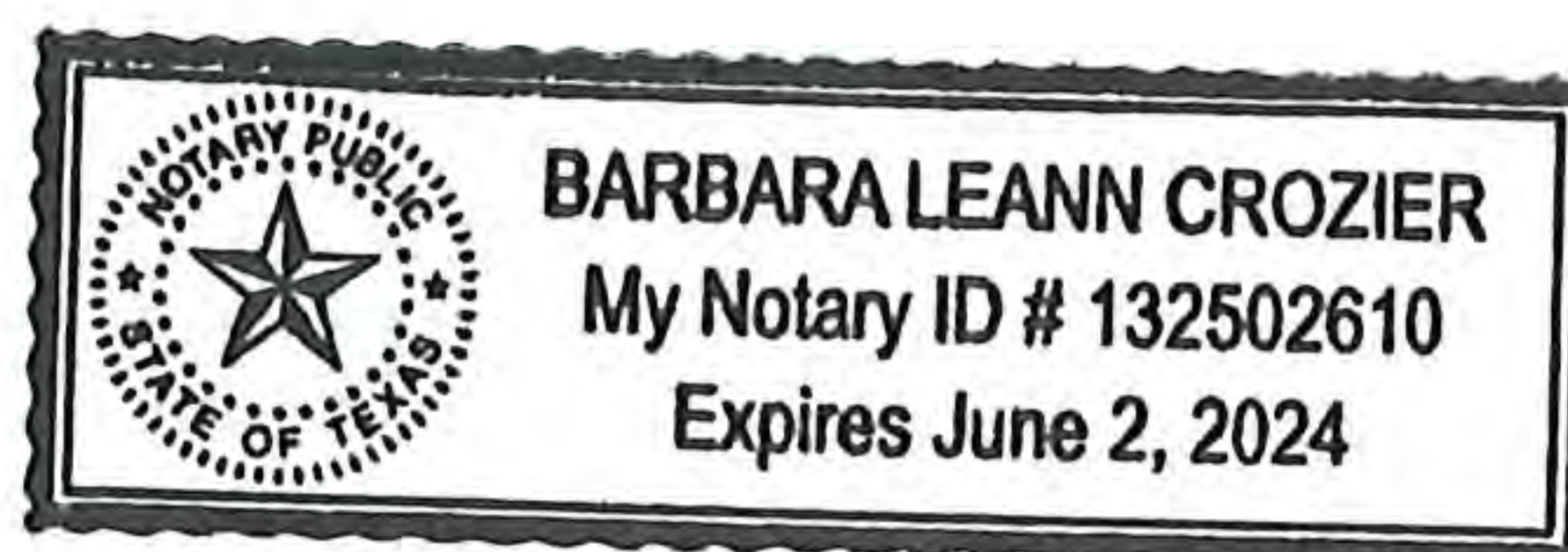
THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 17th day of November, 2021 by Leslie E. Galloway, Executive Director of **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION (KEDC)**, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, on behalf of such corporation.

Barbara Leann Crozier
Notary Public, State of Texas

My Commission Expires:

6-2-2024



DOCUMENT PREPARED BY:

Higier Allen & Lautin, P.C.
The Tower at Cityplace
2711 N. Haskell Ave., Suite 2400
Dallas, TX 75204
Attention: Jeff Livingston

EXHIBIT A
LEGAL DESCRIPTION

Tract 1:

Lot 5R, in Block A, of MINOR REPLAT BLOCK A, LOTS 4R1 AND 5R, KENNEDALE RETAIL CENTER ADDITION, an addition located in Tarrant County, Texas, according to the map or plat thereof recorded under Clerk's File No. D211276716, Plat Records of Tarrant County, Texas.

Tract 2:

Lot(s) 6 and 7, in Block A, of KENNEDALE RETAIL CENTER ADDITION, an addition located in Tarrant County, Texas, according to the map or plat thereof recorded under Clerk's File No. D209321169, Plat Records of Tarrant County, Texas.

ESTOPPEL

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

Regarding that certain real property described on Exhibit A hereto (the "Property"), this Estoppel is made as of the date set forth below by the undersigned **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979 ("KEDC") in favor of **VALLIANCE BANK**, together with any of its affiliates and/or any of its successors and/or assigns ("Lender"), regarding the following (collectively referred to as the "Subject Documents"): (i) that certain **AMENDED GROUND LEASE** ("Ground Lease") dated as of **JULY 16, 2015**, between Fee Owner, as "Lessor", **CRAMPTON EBJ, INC.**, a Texas corporation, and **HPS RE INTERESTS I, LP**, a Texas limited partnership (collectively, "Developer Party"), as "Lessee" (provided, however, the interests of Developer Party have been assigned to **KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC**, a Texas series limited liability company ("Debtor"); and (ii) that certain **ECONOMIC DEVELOPMENT AGREEMENT FOR DEVELOPMENT OF KENNEDALE TOWNCENTER** dated **JULY 16, 2015** between Developer Party and Fee Owner covering the Property and certain additional land (the "Economic Development Agreement") (provided, however, the interests of Developer Party have been assigned to Debtor). KEDC hereby certifies to Lender as follows:

1. The Subject Documents is in full force and effect and has not been amended, supplemented or otherwise modified.
2. To the best knowledge of KEDC, there are no current defaults by Developer Party and/or Debtor of the Property under the Subject Documents.'
3. All rents and other charges now or heretofore due and payable under the Subject Documents to KEDC by Developer Party and/or Debtor have been paid in full through October 31, 2021.
4. To the best knowledge of KEDC, all obligations owed or required to be performed by Developer Party and/or Debtor under the Subject Documents have been performed.
5. KEDC acknowledges that Lender will be relying upon the confirmations contained herein in connection with a loan to be given by Lender to Debtor.

[signature page follows]

Date: November 17, 2021

KEDC:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION,
a nonprofit corporation organized as a Type B Corporation under the
Development Corporation Act of 1979

By: 
Name: Leslie E. Galloway
Title: KEDC Executive Director

ATTEST:


Secretary Rosie Q. Ericson

**ECONOMIC DEVELOPMENT AGREEMENT
FOR DEVELOPMENT OF KENNEDALE TOWNCENTER**

COPY

This Economic Development Agreement ("Agreement") is made and entered into by and between (a) Crampton EBJ, Inc., and HPS RE Interests I, LP ("the Co-Owners" who are tenants in common), acting by and through Craig Hughes of Hughes Commercial Real Estate and Development, LLC, as Agent for the Co-Owners, and (b) the Kennedale Economic Development Corporation ("Corporation"), a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, Tex. Loc. Gov't Code Ann. §§ 505.001 – 505.355 (Vernon Supp. 2008) ("Act"), for the purposes and considerations stated below. For convenience, the Co-Owners and the Corporation may be hereinafter referred to collectively as "parties" and individually as a "party."

RECITALS:

WHEREAS, the Corporation has purchased certain real property located within the corporate limits of the City of Kennedale, Texas ("City") (hereinafter referred to as the "Property");

WHEREAS, the Corporation initially entered into a certain Economic Development Agreement for the development of Kennedale TownCenter with Kennedale Town Center, L. P. acting by and through David Johnson, Manager of KTC GP, L.L.C. ("Former Developer");

WHEREAS, the Corporation desires to terminate said Development Agreement with Former Developer and simultaneously enter into a new Development Agreement for the development of Kennedale Town Center with the Co-Owners;

WHEREAS, the Corporation has determined and found that the Project and Improvements, as hereinafter defined and described, and the expenditures of the Corporation set forth in this Agreement are suitable or required for the development of a new business enterprise and fall within the definition of a "Project" as defined in the Act;

WHEREAS, the Corporation requested the Co-Owners to develop the Property as a multi-use development to be known as *Kennedale TownCenter* that will include office and retail uses, as depicted in the approved plan showing the concept and phasing of the development, attached hereto as Exhibit "A" (the "Concept / Phasing Plan");

WHEREAS, the Corporation, having determined that substantial economic benefit and the creation of new opportunities of employment will accrue to the City as a result of the Co-Owners' development and operation of the Improvements, desires to have the Co-Owners construct the Improvements and operate and/or lease the Property for the operation of the Kennedale TownCenter, a retail shopping center and professional office complex.

WHEREAS, the Corporation has determined that the Co-Owners' development and operation of the Improvements will eventually, after exercise of the option to purchase, increase the taxable value of the Property and will directly and indirectly result in the creation of

additional jobs throughout the City, the value of which will outweigh the amount of expenditures required of the Corporation under this Agreement;

WHEREAS, the Corporation, in order to encourage the development and operation of the Property, desires to lease the Property to the Co-Owners to develop as hereinafter set forth, and to extend an option to the Co-Owners to purchase the Property upon completion of the Project or as phases of the Project are completed, in the discretion of the Corporation;

WHEREAS, the Co-Owners desire to obtain and the Corporation shall provide, through an existing agreement with the Former Developer, up to three hundred fifty (350) parking spaces on the Property and the adjacent Municipal Drive for use by TownCenter visitors and employees, and City of Kennedale municipal complex employees and visitors;

WHEREAS, the Co-Owners desire to obtain and the Corporation agrees to provide certain additional Public Improvements such as landscaping, irrigation, parking lot lighting, street access improvements, and utility extensions as hereinafter described;

WHEREAS, the Corporation, in order to accomplish the purposes of this Agreement, intends to utilize the resources of the Kennedale TownCenter Development District ("District") as necessary or appropriate;

WHEREAS, the Co-Owners acknowledge and accept the benefits to be derived from the construction of Public Improvements and the imposition of taxes, assessments and impact fees by the District;

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Authorization.**

This Agreement is authorized by Tex. Loc. Gov't Code Ann. Chapter 505.

2. **Definitions.**

"Approved Plans" means the plans and specifications for the Co-Owners Improvements prepared by, or on behalf of, the Co-Owners and to be approved by all applicable governmental authorities and the EDC Board. In the event the plans and specifications comply with the applicable Planned Development approved for the Property, then no additional approvals by the EDC Board shall be required.

"City" means the City of Kennedale, Texas.

"Construction Cost" means the costs of all hard construction, construction equipment charges, the costs of construction materials, building systems installation and repairs, contractor fees, architectural and engineering costs, impact fees, and fees attributable to the construction of

the Improvements plus tenant finish-out of the improvements located on the Property. Construction Cost shall also include demolition of any existing improvements. Construction Cost does not include marketing fees.

"Corporation" means the Kennedale Economic Development Corporation.

"Co-Owners Improvements" means the construction of five additional structures labeled on Exhibit "A" as Buildings 2 through 4, 6 and 7. The sizes and phasing of such buildings is set forth in Paragraph 4(b) below.

"Co-Owners" means Crampton EBJ, Inc., a Texas corporation, and HSE RE I, LP, a Domestic Limited Partnership organized under the laws of Texas.

"District" means the Kennedale TownCenter Development District, created as a Municipal Management District by the Texas Legislature.

"EDC Board" means the board of directors of the Corporation.

"Existing Building 1 Improvements" means addition of a façade to the Existing Building 1 shown on Exhibit "A".

"Force Majeure" means an event or circumstance which prevents one party from performing its obligations under this Agreement, which event or circumstance is not within the reasonable control of, or the result of the negligence of, the party claiming Force Majeure, and which, by the exercise of due diligence, the party claiming Force Majeure is unable to overcome or avoid or cause to be avoided. Force Majeure includes, but is not limited to: acts of God, fire, flood, hurricane, tornado, earthquake, war, and terrorism.

"Ground Lease" means that certain 45-year ground lease pursuant to which the Corporation leases portions of the Property to the Co-Owners, the form of which is attached hereto as Exhibit "B" and incorporated herein for all purposes. The Ground Lease will contain a Purchase Option granting the Co-Owners the right to purchase the Property at the completion of the Project, or in the discretion of the Corporation, portions of the Project as they are completed. Any sale of the Property pursuant to the Purchase Option will exclude mineral interests, which will be retained by the Corporation, but will contain a surface waiver preventing the surface of the Property from being used for mineral exploration or production.

"Improvements" means collectively, the Co-Owners Improvements, the Public Improvements, the Existing Building 1 Improvements, the Municipal Drive Improvements and the Lot 8 Improvements.

"Lot 5 Improvements" means the building constructed by the Former Developer on Lot 5, as depicted on Exhibit "A".

"Lot 8 Improvements" means the building already relocated and/or constructed and the Public Improvements and public market area constructed on Lot 8, as depicted on Exhibit "A",

by the Corporation.

"Municipal Drive Improvements" means the parking improvements to Municipal Drive (which is owned by the City) as depicted on Exhibit "A".

"Project" means the long-term lease by the Co-Owners of the Property pursuant to the Ground Lease and the option to purchase the Property by the Co-Owners, in accordance with the terms of the Purchase Option; the development of the Property by the Co-Owners for use as a retail shopping center and professional office complex; and the construction of Improvements to be made by the Co-Owners and Corporation; all as more fully set forth in this Agreement.

"Property" means Lots 1R, 2R, 3R, 4R, 5, 6, 7, and 8, BLOCK A, KENNEDALE RETAIL CENTER ADDITION, an Addition to the City of Kennedale, Tarrant County, Texas, as filed in Doc. #D2093211169, Official Records of Tarrant County, Texas, together with all and singular the rights and appurtenances pertaining to such tract of land, including any right, title and interest of the Corporation in and to adjacent streets, alleys or rights-of-way.

"Property Management Agreement" means the agreement, in the form attached hereto as Exhibit "C", between the Co-Owners and the Corporation, in which the Co-Owners agree to provide management and leasing services to the Corporation for portions of the Property.

"Public Improvements" means the improvements to be constructed by or on behalf of the Corporation incidental to the Improvements to be constructed by the Co-Owners, including but not limited to street access improvements, sidewalks, landscaping, irrigation, parking lot lighting, parking, and utility extensions. This definition does not prohibit the parties from mutually agreeing to allow the Co-Owners to bear the costs of constructing improvements which are defined as Public Improvements, as set forth in this Agreement.

"Purchase Option" means the right of the Co-Owners to purchase the Property pursuant to the terms and conditions contained in the Ground Lease.

"Substantially Complete" means the date the City issues a certificate of occupancy for any Improvements.

3. **Term.**

This Agreement shall be effective as of the date of execution by the parties. This Agreement will terminate on December 31, 2060 or as otherwise provided in this Agreement. Notwithstanding the above, if either party is not in compliance with the covenants described in this Agreement as of the date of termination, then this Agreement shall remain in full force and effect for the purpose of enforcing the terms of this Agreement.

4. **Covenants of the Co-Owners.**

(a) In consideration of the Corporation agreeing to make certain Public Improvements on the Property, to lease portions of the Property to the Co-Owners at a rate

temporarily below fair market value in accordance with the Ground Lease, and to grant the Co-Owners a Purchase Option in accordance with the terms of the Ground Lease, the Co-Owners agree to:

(1) Engage civil engineers and other qualified consultants for platting, zoning, geotechnical, utility, drainage, access, landscape and irrigation, and parking lot design on the Property as necessary and desirable to allow development of the Improvements in accordance with the Approved Plans and the Concept / Phasing Plan. The Co-Owners agree and shall include in any agreement with the engineer that the Corporation shall be entitled to receive all work product of the engineer related to the Project and shall be entitled to use all work product of the engineer for any purpose related to the Project.

(2) Engage an architect to design the Concept/Phasing Plan.

(3) This section is intentionally deleted.

(4) Substantially Complete the construction of each building in accordance with the Approved Plans and the Phasing Chart contained in Par. 4(b) below. Construction shall include demolition of certain structures currently on the Property, but no demolition shall occur until the necessary improvements have been completed and are prepared to allow tenants currently in the existing structures to be relocated to those improvements.

(5) This section is intentionally deleted.

(6) Construct the Improvements in compliance in all material respects with all applicable local ordinances and state and federal law.

(7) Operate the Improvements or lease the Improvements for use as a retail space or office space pursuant to the Property Management Agreement for the entire term of this Agreement.

(8) Enter into and comply with obligations under the Property Management Agreement with the Corporation to manage the existing structures on the Property and the Improvements, once built. The Co-Owners agree to use all commercially reasonable efforts applicable to projects similar in nature, market type, and market share to the Project to keep the lease portions of the Property as fully leased as is commercially reasonable, at all times.

(9) Comply with all obligations imposed under the Ground Lease.

(10) Construct the Co-Owners Improvements at the Co-Owners' sole cost except as provided in Section 7, and title to the Improvements will remain in the name of the Corporation unless transferred to the Co-Owners in accordance with the Ground Lease.

(11) Execute a mutually agreeable reciprocal access easement on the Property so that all phases of the Project will have access to the Public Improvements.

(12) Obtain and maintain insurance in the minimum amounts specified in the Ground Lease, and naming the Corporation as an additional insured, covering damages and liabilities that may arise from the construction, use or occupancy of the Property by the Co-Owners and its contractors.

(b) The construction of the Improvements shall take place pursuant to the following Phasing Chart, and in compliance with the minimum sizes and estimated Construction Costs as shown. The Corporation acknowledges that numerous factors and market conditions make it difficult to predict a construction schedule and completion date for each Improvement. The Co-Owners intend to construct the Co-Owners Improvements as the leasing market dictates, while using commercially reasonable efforts to lease space in the buildings. However, the Corporation requires the Co-Owners exercise due diligence in constructing the Improvements within a reasonable time frame. While the Corporation is not imposing strict timelines for completion dates for the Improvements, the Corporation and the Co-Owners agree to the construction deadlines, as follows and further agree that unless properly extended, failure to comply with the deadlines shall be an event of default. The construction deadline on a building can be extended by the Co-Owners paying "Extension Rent". "Extension Rent" is rent at the fair market value (as determined pursuant to the Ground Lease), on the lot on which construction has not commenced pursuant to the schedule below. Extension Rent shall be due and payable on the first day of each month during the term of the Ground Lease, pursuant to the same terms set forth in the Ground Lease for payment of rent. Extension Rent shall be due until commencement of construction on that lot begins, at which time the Extension Rent requirement shall cease to be due and payable on the lot on which construction has commenced. If Extension Rent is timely paid, the Co-Owners shall not be considered in default. Further, the Co-Owners agree that each building will be Substantially Complete within eighteen (18) months of commencement of construction and available for rent and that failure to finish each building within the specified eighteen months shall be an event of default. The order of buildings to be constructed may be substituted if market conditions dictate.

Improvements Phasing Chart

Phase	Building to be Constructed	Minimum Size (sq ft)	Commencement of Construction	Estimated Construction Costs
1	(Existing Building 1)	N/A	N/A	N/A
2	(Existing Building 5)	N/A	N/A	N/A
3	7	7,620	2016	\$762,000
4	4	4,500	2017	\$450,000
5	3	9,810	2018	\$981,000
6	2	6,960	2019	\$696,000
7	Section House	N/A	N/A	N/A
8	6	6,600	2023	\$660,000

(c) For the consideration recited above in Paragraph 4(a), the Co-Owners may obtain financing from any source to construct the Co-Owners Improvements, and may allow for the creation of a lien on the Co-Owners' leasehold interest and rents due to the Co-Owners pursuant to the Ground Lease. The Co-Owners agree that no lien that attaches to the leasehold estate shall

be obtained in excess of the cost of designing and constructing the Co-Owner Improvements. Additionally, in the event the Co-Owners desire to obtain financing to construct the Co-Owners Improvements, the Corporation agrees in concept to pledge its fee simple interest in the particular lot to be developed by the Co-Owners as security for the loan and other sums due under the terms of a deed of trust. The Co-Owners agree that no lien that attaches to any lot on the Property shall be obtained in excess of the cost of designing and constructing the Co-Owners Improvements. Notwithstanding the foregoing, the Corporation may not pledge any portion of the Property as security, nor may any deed of trust lien or any other lien be attached to any portion of the Property without prior approval of the Corporation's board of directors, such approval to be in the sole discretion of the board.

(d) The Co-Owners additionally covenant and agree that they will be solely responsible and liable for any labor or materials furnished for the construction of the Co-Owners Improvements and that no mechanic's or other lien for any such labor or materials shall attach to or affect the Property or the estate or interest of the Corporation in and to the Property. The Co-Owners shall provide in all agreements executed by any contractor or subcontractor and all others who will furnish plans, labor or materials in connection with work on the Property that any mechanic's or materialmen's lien which may arise from such person furnishing plans, labor, or materials with respect to any such work shall apply only to the Co-Owners' leasehold interest hereunder and shall in no event apply to the Property or the Corporation's interest in this Agreement.

(e) Whenever and as often as any lien shall be filed against the Property based upon any act or interest of the Co-Owners or of anyone claiming through or against the Co-Owners, the Co-Owners shall take such action by bonding, deposit or paying any sum of money required to discharge any such lien. In such event, and provided the lien has not been discharged within thirty (30) days after notice from the Corporation to the Co-Owners, the Corporation may pay the amount of such lien or discharge the same by deposit, and the amount so paid or deposited shall be immediately due and owing by the Co-Owners to the Corporation. If such payment is demanded of the Co-Owners by the Corporation and the payment is not made, the failure to pay shall be an event of default.

5. Covenant Running with the Land.

As long as this Agreement is in effect, all rights, covenants, restrictions, burdens, privileges and charges set forth in this Agreement shall exist. Any person who, within the restrictions of this Agreement, shall assume or become vested of the leasehold estate of the Co-Owners hereunder, shall be bound by and liable upon all such rights, covenants, restrictions, burdens, privileges and charges set forth in this Agreement.

6. Improvements.

The Co-Owners shall be solely responsible for the design and construction of the Co-Owners' Improvements and shall comply with all zoning regulations, subdivision regulations, building codes and other ordinances of the City applicable to the Co-Owners Improvements and the Approved Plans.

7. **Covenants of the Corporation.**

(a) The Corporation agrees to reimburse the Co-Owners or pay directly to the provider, expenses incurred by the Co-Owners to engage civil engineers and other qualified consultants for platting, zoning, geotechnical, utility, drainage, access, landscape and irrigation, and parking lot design on the Property (all as required pursuant to Par. 4(a)(1) above) in an amount not to exceed \$50,000.

(b) Provided the Co-Owners are in compliance with Section 4 of this Agreement, the Corporation agrees to construct certain Public Improvements on the Property. The Corporation may construct Public Improvements related to the construction of the Improvements in phases, within timeframes mutually agreeable to the parties, which shall take in to account the construction schedule to be determined by the Co-Owners and the amount of funds available to the Corporation. Alternatively, the Corporation may construct all Public Improvements at once.

(c) If constructed in phases, the Corporation may contract with the Co-Owners as construction manager to construct the Public Improvements for each phase in order to facilitate construction on the Property. In such event, the Co-Owners will not be entitled to a fee for coordinating the construction of the Public Improvements. If the Co-Owners elect to not contract to construct the Public Improvements, then the Corporation shall contract with another party. If constructed all at once, the Corporation will bid the project pursuant to applicable requirements, and the Co-Owners shall be free to bid on such project. The Co-Owners shall have no preference to be awarded the project, and shall compete for the project on the same terms and conditions as any other bidder. In either event, the Corporation shall pay the cost of the Public Improvements directly to the contractors, and will not allow any liens to be placed on the Property.

(d) The Public Improvements within the Municipal Drive right of way that are designed in direct support of each of Phases 5, 6, & 7 must be constructed prior to or simultaneously with construction of each said phase.

(e) The Corporation agrees to enter into and comply with a Ground Lease (with Purchase Option) with the Co-Owners, in the form attached hereto as Exhibit "B". The Corporation will lease to the Co-Owners the land on which the Lot 5 Improvements are located and the land necessary to construct Buildings 2 through 4, 6 and 7 in the amount of \$1.00 (one dollar) per year for the first 20 years of the term of the Ground Lease. However, the rent will increase to the fair market value at the end of the 20 year period if the Co-Owners do not exercise its option to purchase. During the term of the Ground Lease, all rents on Buildings 2 through 7 will be paid to the Co-Owners. Rents from Existing Building 1 and the Lot 8 Improvements will be retained by the Corporation. Further, rents from all existing tenants will be retained by the Corporation until the tenants are relocated into the Co-Owners Improvements.

(f) The Corporation agrees to continue subsidize the rents of Ace Cash at \$350.00 per month through September 30, 2015 and then \$150.00 per month until September 30, 2017 and Subway at \$466.00 per month until August 28, 2017. The Rent Subsidy shall be paid to the Co-Owners monthly on the 1st day of the month.

(g) The Corporation agrees to execute a Property Management Agreement with the Co-Owners for the management of the existing structures on the Property upon execution of this Agreement. The form of the Property Management Agreement is attached hereto as Exhibit "C".

(h) The Corporation will use its resources and best efforts to help support the Project and the leasing of space.

(i) The Corporation will execute a mutually agreeable reciprocal access easement on the Property so that all phases of the Project will have access to the Public Improvements.

(j) The Corporation will not encumber any portion of the Property for which the Co-Owners have an option to purchase. The Corporation additionally covenants and agrees that on construction it undertakes, that it will be solely responsible and liable for any labor or materials furnished for said construction and that no mechanic's or other lien for any such labor or materials shall attach to or affect the Property for which the Co-Owners have an option to purchase.

(k) If the Corporation does not have adequate funding to construct any portion of the Public Improvements, then (i) the term of this Agreement (and the Co-Owners' option to purchase) shall be extended for that portion of time that funding is not available; (ii) the Co-Owners may pay for such Public Improvements and then get reimbursed through an agreement to be reached between the parties at that time; and (iii) the Corporation may sell one or more of the completed phases of the Project to the Co-Owners (including Existing Building 1 but not including the Lot 8 Improvements or Municipal Drive Improvements) provided that the Corporation must use the funds from such purchase to fund the required Public Improvements. In the event the Co-Owners purchase any portion of the Property abutting Municipal Drive, the Co-Owners shall have no claim of ownership or interest in the land on which Municipal Drive is located when the right-of-way is abandoned by the City of Kennedale.

8. **Sign.**

The Co-Owners agree to permit the Corporation to erect a sign on the Property which may state that the Corporation has provided funding for the Project and to allow the Corporation to use the name "Crampton EBJ, Inc.", "HPS RE Interests I, LP", and/or "Craig Hughes" as agent for the Co-Owners, or his development company, Hughes Commercial Real Estate and Development, LLC, and representations of the Improvements and the Project in promotion of the City, the Corporation, the Co-Owners, and the Project.

9. **Hold Harmless.**

THE CO-OWNERS, IN PERFORMING THEIR OBLIGATIONS UNDER THIS AGREEMENT ARE ACTING INDEPENDENTLY, AND THE CORPORATION ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH THE CO-OWNERS'S USE OR DEVELOPMENT OF THE PROPERTY, PROJECT OR IMPROVEMENTS. THE CO-OWNERS ASSUME RESPONSIBILITY FOR AND AGREE

TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CORPORATION, ITS OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, CLAIMS FOR COPYRIGHT AND PATENT INFRINGEMENT, AND ATTORNEYS' FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF, LOSS OF USE OF, OR DAMAGE TO PROPERTY, ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE ACTS OR OMISSIONS OF THE CO-OWNERS AND THEIR AGENTS AND CONTRACTORS ON THE PROPERTY. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE CORPORATION WILL FIRST LOOK TO INSURANCE COVERAGE PROVIDED BY THE CO-OWNERS OR OTHER RESPONSIBLE THIRD PARTIES IN EXERCISING THEIR RIGHTS PROVIDED HEREIN.

10. **Access to Information.**

The Co-Owners agree to provide the Corporation access (at their sole expense) to information related to the construction of the Improvements during regular business hours upon reasonable notice.

11. **Default.**

(a) In the event of a default by the Co-Owners with respect to any of their obligations hereunder, and the failure, after delivery of written notice of such default from the Corporation, to cure such default, then the Corporation may take the following action(s):

(1) The Corporation may terminate this Agreement and the Ground Lease and pay the Co-Owners the "Termination Purchase Price" for its interest in this Agreement, the Ground Lease, and the Co-Owners Improvements. The "Termination Purchase Price" is the lesser of (i) the Co-Owners' cost of designing and constructing the Co-Owners Improvements actually constructed plus 10%; or (ii) the Fair Market Value of such improvements, as determined by the same method set forth in the Ground Lease for determining fair market value of rent. However, in no event shall the Termination Purchase Price be less than any outstanding loan on the Co-Owners' leasehold estate acquired to design and construct the Co-Owners Improvements. In the event the Co-Owners have an outstanding lien secured by the leasehold estate, or any other outstanding liens on the property, then a portion of the Termination Purchase Price shall be paid to the lender to satisfy such lien.

(2) In the event all buildings are not completed by May 3, 2030, and regardless of whether the Co-Owners have been paying Extension Rent, the Corporation may provide the Co-Owners with a "20 Year Default Notice". In such event, the Co-Owners must purchase from the Corporation (i) all completed phases of the project for \$1.00; plus (ii) Existing Building 1 for its fair market value as determined by the same method set forth in the Ground Lease; plus (iii) all uncompleted phases of the project for its fair market value as determined by the same method set forth in the Ground Lease. However, in no event shall the purchase price be

less than the Corporation's "Outstanding Amortized Debt" as attached to the Ground Lease. The purchase shall be on the same terms and conditions as the Option to Purchase set forth in the Ground Lease, except that the purchase price shall be as set forth herein, and the purchase must be closed within 90 days from the 20 Year Default Notice. If the Co-Owners fail to purchase the property as set forth herein, then the Corporation may exercise the remedies set forth in Par. 11(a) (1) above.

(3) If the Co-Owners are unable to make any payments to the bank on loans for or liens against any completed or partially completed Improvements, upon notice of default from the bank, the Corporation shall have a first right of refusal to purchase any completed or partially completed Improvements and cure defaults on the bank loans, subject to the terms agreed to by the bank. This provision shall be made a condition of any bank lending agreement executed by the Co-Owners for any phase of the Project.

(4) The Corporation may terminate the Property Management Agreement.

(5) The Corporation may bring an action for reimbursement or payment of actual amounts agreed to be paid under this Agreement, but not an action for consequential damages.

(6) The Corporation may extend the time for performance.

(b) In the event of a default by the Corporation with respect to any of its obligations hereunder, and the failure, after delivery of written notice of such default from the Co-Owners to cure such default, then the Co-Owners may take the following action(s):

(1) The Co-Owners may terminate this Agreement as it applies to uncompleted phases of the Project. In such event, the Co-Owners must also terminate the Ground Lease and Property Management Agreement with respect to uncompleted phases of the Project. In the event the Co-Owners terminate the Ground Lease with respect to uncompleted phases, then the Corporation shall pay to the Co-Owners \$50,000 for costs incurred by the Co-Owners under Paragraph 4(a)(2) (but only for the uncompleted portions of the Project, as prorated on an equal basis among all six phases), and (ii) continue to pay the Rent Subsidy as set forth in Paragraph 7(f) above as if this Agreement had not been terminated.

(2) The Co-Owners may bring an action for reimbursement or payment of actual amounts agreed to be paid under this Agreement, but not an action for consequential damages.

(3) The Co-Owners may extend the time for performance.

(4) The Co-Owners may enforce specific performance, including enforcing the Option to Purchase contained in the Ground Lease, and may also exercise all other remedies at law or in equity.

(c) In the event that a notice and opportunity to cure is required by either party following an event of default, then such opportunity to cure shall be not less than 30 days from receipt of notice. Furthermore, no remedy shall be taken following such 30 day period provided the defaulting party is diligently pursuing action to come into compliance.

(d) Prior to either party exercising the remedies hereunder (except for an extension of time for performance or some agreed resolution), the parties agree to participate in a mediation to attempt to reach a satisfactory resolution of the issues. The cost of such mediation shall be borne equally by the parties. The non-defaulting party must send a request for mediation to the defaulting party prior to exercising any remedies. That request may be simultaneous with the notice and opportunity to cure. If the defaulting party refuses to participate in a mediation within 30 days of receipt of a request for mediation by the non-defaulting party, then the non-defaulting party is free to pursue available remedies (assuming the time period for notice and opportunity to cure has passed.)

(e) An event of default hereunder shall mean:

(1) The party fails to comply with any obligation it has under this Agreement or the Ground Lease;

(2) The party fails to comply with any term of this Agreement or the Ground Lease, subject only to delays caused by Force Majeure;

(3) An occurrence of an Event of Bankruptcy or Insolvency. For purposes hereof, an "Event of Bankruptcy or Insolvency" shall mean if the party makes an assignment for the benefit of creditors; or a receiver shall be appointed for any of the assets of the party and such appointment is not terminated within ninety (90) days after such appointment is initially made; or the party is the subject of a bankruptcy or other insolvency proceeding and such proceeding shall not be dismissed within ninety (90) days after the filing thereof.

12. **Mutual Assistance.**

The Co-Owners and the Corporation shall do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying the terms and provisions.

13. **Representations and Warranties.**

The Co-Owners represent and warrant to the Corporation that they will not knowingly or intentionally violate any federal, state or local laws in operating the Project and that all proposed Improvements shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations.

14. **Section or Other Headings.**

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

15. **Attorneys Fees.**

In the event any legal action or process is commenced to enforce or interpret provisions of this Agreement, the prevailing party in any such legal action shall be entitled to recover its reasonable attorneys fees and expenses incurred by reason of such action.

16. **Entire Agreement.**

This Agreement, the Property Management Agreement, and the Ground Lease (with Purchase Option) contain the entire agreement between the parties with respect to the transaction contemplated herein.

17. **Amendment.**

This Agreement may only be amended, altered, or revoked by written instrument signed by the Co-Owners and the Corporation.

18. **Successors and Assigns.**

This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns. The Co-Owners may assign all or part of their rights and obligations hereunder only upon prior written approval of the Corporation, such approval not to be unreasonably withheld.

19. **Notice.**

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

THE CO-OWNERS:

Crampton EBJ, Inc.
Attn: Mark Wong
825 E Sanford Street
Arlington, Texas 76011

And

HPS RE Interests I, LP
c/o HPS GP I, LLC

6208 Blain Drive
Plano, Texas 75024

with a copy to:

Craig Hughes
Hughes Commercial Real Estate and Development,
LLC
6208 Blain Drive
Plano, Texas 75024

CORPORATION:

Kennedale Economic Development Corporation
Attn: Executive Director
405 Municipal Drive
Kennedale, Texas 76060

with a copy to:

City of Kennedale
Attn: City Manager
405 Municipal Drive
Kennedale, Texas 76060

with a copy to:

Wayne K. Olson
Taylor, Olson, Adkins, Sralla & Elam, L.L.P.
6000 Western Place, Suite 200
Fort Worth, Texas 76107

20. **Applicable Law.**

This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas. In any proceeding brought for the enforcement or interpretation of this Agreement, venue shall lie in Tarrant County, Texas.

21. **Severability.**

In the event any provision of this Agreement is illegal, invalid, or unenforceable under 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 that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a 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.

22. **Counterparts.**

This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

23. **No Joint Venture.**

Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.

24. **Compliance with Texas Government Code Chapter 2264.**

In compliance with Texas Government Code Chapter 2264, the Co-Owners certify they do not and will not, and the branches, divisions, or departments of the Co-Owners do not and will not, knowingly employ an undocumented worker as defined in Chapter 2264. If, after receiving a public subsidy, the Co-Owners, or a branch, division, or department of the Co-Owners, areis convicted of a violation under 8 U.S.C. Section 1324a(f), the Co-Owners shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided below, not later than the 120th day after the date the Corporation notifies the Co-Owners of the violation. The rate of interest shall be 6% per annum, and shall be due at the time the repayment of the subsidy is due.

Exhibits Attached to this Agreement:

Exhibit "A" Concept Phasing Plan

Exhibit "B" Form Ground Lease

Exhibit "C" Form Property Management Agreement

**KENNEDALE ECONOMIC
DEVELOPMENT CORPORATION**

By: Bob Hart
Bob Hart, Executive Director

Date: July 16, 2015

ATTEST:

Lislie Salloway
Board Secretary



Crampton EBJ, Inc.

By: Mark Wong
Mark Wong, President

Date: 7/16/15

ATTEST:

Kathy E. Moore
Notary Public



HPS RE Interests I, LP

By: its general partner, HPS GP I, LLC
By: its manager, Craig Hughes

By: Craig Hughes
Craig Hughes, its manager

Date: 07/16/2015

ATTEST:

Kathy E. Moore
Notary Public



Exhibit "A"

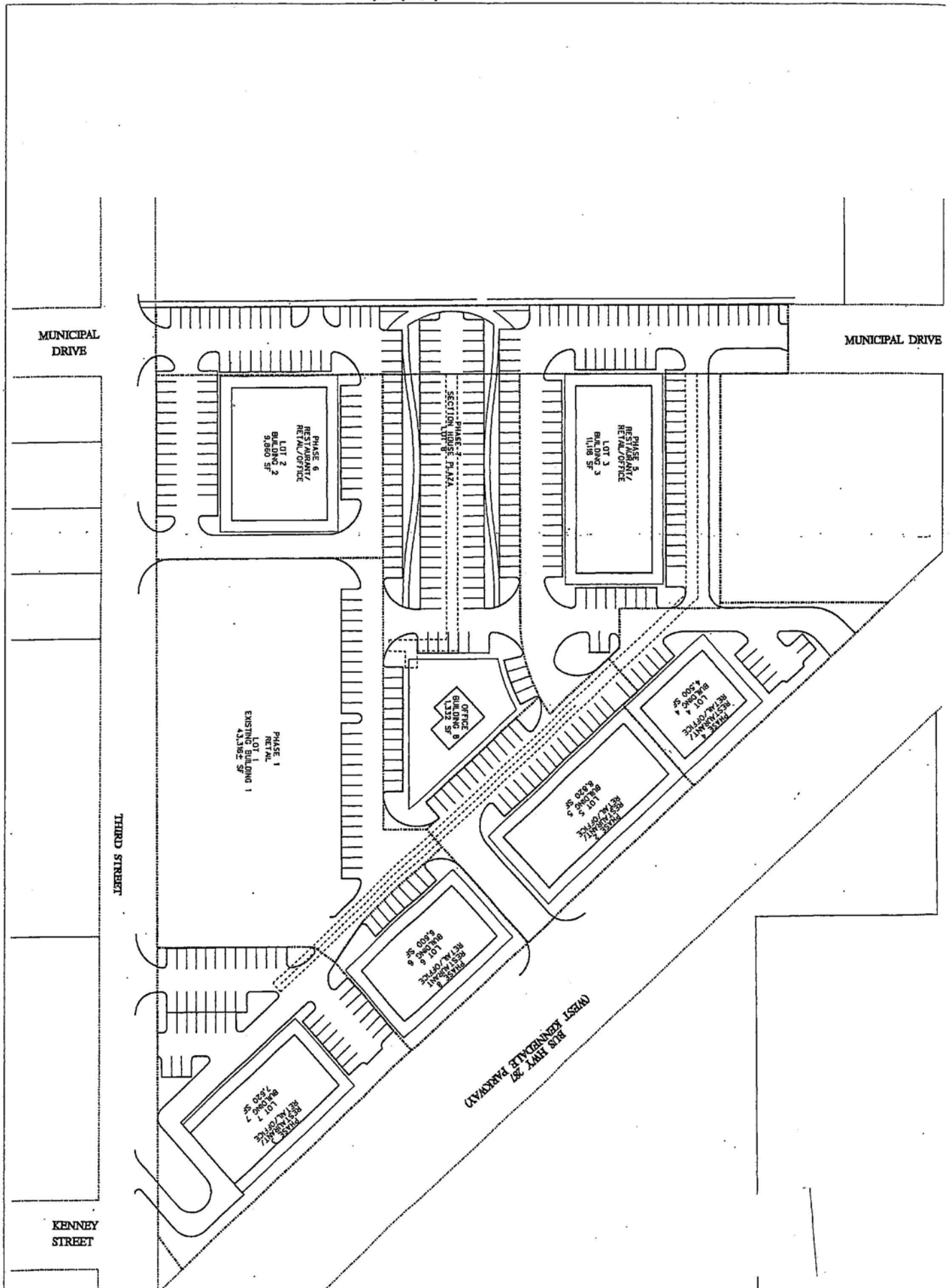


Exhibit "B"

AMENDED GROUND LEASE

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

This lease (the "Lease") is made by and between the Kennedale Economic Development Corporation, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, Tex. Loc. Gov't. Code Ann. §§505.001 – 505.355, acting through its duly authorized president (hereinafter called "Lessor"), and Crampton EBJ, Inc., and HPS RE Interests I, LP, acting by and through their Agent, Craig Hughes of Hughes Commercial Real Estate and Development, LLC, (hereinafter called "Lessee").

WHEREAS, Lessor previously entered into a certain Ground Lease with Kennedale Town Center, L.P. (hereinafter called "Former Lessee") on or about March 30, 2010;

WHEREAS, the Former Lessee's rights and obligations with respect to the original Ground Lease have been transferred or assigned to Lessee by separate documents pursuant to the closing of an Agreement of Sale and Purchase for Leasehold Estate dated May 14, 2015 between Lessee and Former Lessee;

WHEREAS, Lessor and Lessee desire to modify, amend and extend said Ground Lease by entering into this Amended Ground Lease to use a parcel of Lessor's land for economic development purposes;

WHEREAS, pursuant to a separate Economic Development Agreement for the Development of Kennedale TownCenter ("Economic Development Agreement"), the terms of which are incorporated herein by reference, Lessee has agreed with Lessor to construct and operate a retail shopping center and professional office complex to be known as the Kennedale TownCenter on the land;

WHEREAS, Lessor has determined that it will serve a public purpose to lease such land to Lessee initially for less than the fair market value rent because the proposed use of the land will create substantial economic benefit and new employment opportunities for the citizens of the City of Kennedale;

WHEREAS, capitalized terms contained in this Lease shall have the same meaning as defined in this Lease, or where the term is not defined in this Lease, the term shall have the same meaning as set forth in the Economic Development Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

ARTICLE I. DEMISE

1.01 Leased Premises. Lessor hereby leases to Lessee and Lessee hereby rents from Lessor upon the terms and subject to the conditions set forth in this Lease, the following property (hereinafter called "Premises"):

Lots 2R, 3R, 4R, 5, 6, and 7, BLOCK A, KENNEDALE RETAIL CENTER ADDITION, an Addition to the City of Kennedale, Tarrant County, Texas, as filed in Doc. #D2093211169, Official Records of Tarrant County, Texas. The Premises are visually shown in Exhibit "A" which, is attached hereto and made a part hereof by reference.

1.02 Quiet Enjoyment. Lessor warrants that, during the term of this Lease, so long as Lessee is not in default hereunder, Lessee will have the quiet enjoyment of the Premises and the uninterrupted right of use and possession thereof in accordance with the terms of this Lease.

1.03 Mineral Rights Reserved. Lessor reserves all oil, gas, and other mineral interests in, under, and that may be produced from the Property, as defined in the Economic Development Agreement, for Lessor, Lessor's heirs, successors and assigns forever. This reservation includes any existing production or existing lease. However, Lessor hereby waives the right of ingress and egress to and from the surface of the Premises for purposes of exploration or production relating to the mineral estate reserved by Lessor.

ARTICLE II. DEVELOPMENT OF PREMISES

2.01 As consideration for this Lease, Lessee agrees to develop the property in accordance with the terms and conditions of the Economic Development Agreement.

2.02 Upon completion, Lessor and the City of Kennedale, shall have the right to inspect and approve the improvements required to be made to the Premises to determine if they are in compliance with the Economic Development Agreement.

2.03 Lessor shall construct all Public Improvements on the Premises, as well as the Lot 8 Improvements and Municipal Drive Improvements, in accordance with the terms and conditions of the Economic Development Agreement.

ARTICLE III. TERM

3.01 Term. The term of this Lease shall be for a period of approximately forty five (45) years commencing on the date of final execution and terminating on December 31, 2060. The term may be extended based on mutual agreement between the parties.

3.02 Termination. Either party may terminate this Lease only as provided in the default provisions of Paragraph 11 of the Economic Development Agreement.

ARTICLE IV. RENTALS PAYABLE

4.01 Lessee agrees to pay Lessor one dollar (\$1.00) per year until May 31, 2030. Lessor acknowledges that Former Lessee prepaid said rent upon the execution of the original Ground Lease and no further rent shall be due until May 31, 2030. Lessor and Lessee acknowledge that the Premises are being rented to Lessee for less than fair market rent in consideration of the construction of a facility by Lessee in the City of Kennedale that will create substantial economic benefit and will provide new employment opportunities for the citizens of Kennedale.

4.02 Beginning June 1, 2030, and assuming that Lessee has not given notice of its intent to exercise the Option to Purchase, Lessee agrees to pay monthly to Lessor a fair market value rental for the remainder of the term of the Lease. The fair market value shall take into consideration the land and Public Improvements only, and not any Improvements constructed at Lessee's expense. In determining fair market value, the parties shall first try to reach an agreement on a fair and equitable number. If the parties are unable to agree, then each party shall hire a MAI appraiser. Each appraiser shall determine an amount that they believe is the fair market value, and then the two amounts shall be averaged to determine the actual rental to be paid hereunder for the next five years. Every five years thereafter, the rental amount shall be adjusted proportionate to any increase or decrease in rental rates charged by Lessee to its subtenants.

4.03 All payments shall be made by Lessee to Lessor without notice or demand, at Lessor's address set forth above. Monthly rental payments shall be due on the 1st day of each month. If Lessee fails to pay any installment of Rent on or before the 10th day of the month, Lessee must pay to Lessor, in addition to the installment of Rent, an amount equal to 5% of the past due installment as additional Rent.

4.04 In addition to the rental in Sections 4.01 and 4.02, Lessee agrees to reimburse Lessor for all assessments on the Premises levied by the Kennedale TownCenter Development District and paid by Lessor. The assessments shall be paid to Lessor after Lessor sends notice to Lessee, and shall be paid (or reimbursed) by Lessee prior to delinquency in the same timeframe as normal property taxes. The assessment shall become due on a particular lot only after vertical construction on that lot is complete (i.e., a certificate of occupancy issued by the City). The amount of the assessment to be paid by Lessee shall be equal to what would have been paid on that lot for *ad valorem* property taxes, had the Premises been taxable. Once the Premises subject to the assessments are purchased by Lessee or other third party, such that the Premises becomes taxable, the assessment shall no longer be payable. In the event that the Central Appraisal District determines that the property is taxable, then the assessments shall no longer be due.

ARTICLE V.
MAINTENANCE, REPAIRS, AND UTILITIES

5.01 Lessee agrees to maintain all structures to be constructed on the Premises by Lessee, in a reasonable and habitable condition, and in condition marketable for lease. Lessee shall also be responsible for the cost of all routine maintenance and repairs to the Public Improvements on a particular lot on the Premises once vertical construction on that particular lot has been completed. Lessor shall be responsible for the cost of (i) any major structural repairs necessary to the Public Improvements on a particular lot on the Premises; and (ii) for all routine maintenance and repairs of Public Improvements within the Premises prior to vertical construction on the particular lot being completed. Pursuant to the purchase option granted by this Lease, Lessor shall be responsible for any major structural repairs to the Public Improvements on Lot 1 and all routine maintenance and repairs to the Public Improvements contained on Lot 1 until the time Lessee purchases Lot 1 from Lessor. Lessor's obligation for repairs and maintenance as set forth herein shall terminate at the time Lessee purchases the Premises from Lessor. It is understood by the parties that annual assessments will be made upon the Premises by the Kennedale Town Center Development District and such assessments may be recovered by the Lessee (or Lessee's management company) through the tenant leases.

5.02 Lessee shall be responsible for the cost of all utilities serving the Premises.

ARTICLE VI.
NATURE OF RELATIONSHIP

Lessor and Lessee agree that the nature of the relationship between them is one of landlord and tenant, and no other. Nothing contained in this Lease shall be deemed or construed to create the relationship of principal and agent or that of partnership, joint venture or of any association between Lessor and Lessee, and any intention to create a joint venture or partnership relationship between the parties hereto is hereby expressly disclaimed. No provision contained in this Lease, or any acts of the parties hereto shall be deemed to create any relationship between Lessor or Lessee, other than the relationship of landlord and tenant. Lessee and its assignees or subtenants shall maintain exclusive control, direction and management of their employees, and Lessor shall have no rights with respect thereto, except for Lessor's right to enforce covenants of the Lessee as set forth in this Lease.

ARTICLE VII.
ASSIGNMENT AND SUBLEASE

Lessee may not assign this Lease or any portion thereof, except with the written consent of Lessor, which consent will not be unreasonably withheld, nor may Lessee assign, transfer or delegate to any person Lessee's rights or duties with respect to this Lease unless it obtains Lessor's written consent, which consent will not be unreasonably withheld. Lessee may sublease space in the buildings to be constructed on the Premises as provided in the Economic Development Agreement and in accordance with this Lease and Section 1.02, so long as such subtenants operate businesses that would be permitted by the Kennedale TownCenter Planned Development Zoning Ordinance. At no time shall the Premises ever be used by a Sexually

Oriented Business, as defined in Section 11-203 of the City of Kennedale Code of Ordinances or by any other type of business that offers the selling, renting or exhibition of devices or any other items designed or intended to provide sexual stimulation or gratification, including any photographic depiction of nudity, or provision of a service designed or intended to provide sexual stimulation or gratification.

ARTICLE VIII. PARKING SPACES

Lessee agrees that all parking spaces located or to be constructed on the Premises and the Adjoining Property in accordance with the Economic Development Agreement shall be used as common parking and shall remain open to all visitors of the Premises, the Adjoining Property, and the City of Kennedale Municipal Complex. This common parking covenant shall include a right of access through the common parking areas. This Article shall not be construed as to prohibit Lessee from placing reasonable restrictions on the use of parking spaces (such as designating disabled parking permit spaces); however, no restriction may prohibit the use of any parking space on the Premises by visitors to the Adjoining Property or the City of Kennedale Municipal Complex. Notwithstanding anything to the contrary, Lessee may in its discretion designate up to two spaces per building as dedicated spaces during store hours to facilitate tenant special parking needs.

ARTICLE IX. GENERAL PROVISIONS

9.01 Notices. All rent shall be paid or mailed to Lessor at the address set forth below, and all notices required herein shall be sent to the respective parties by certified mail, return receipt requested, at the following addresses:

To Lessor: Kennedale Economic Development Corporation
Attention: Executive Director
405 Municipal Drive
Kennedale, Texas 76060

with a copy to: City of Kennedale
Attn: City Manager
405 Municipal Drive
Kennedale, Texas 76060

with a copy to: Wayne K. Olson
Taylor, Olson, Adkins, Sralla & Elam, L.L.P.
6000 Western Place, Suite 200
Fort Worth, Texas 76107

To Lessee: Crampton EBJ, Inc.
Attention: Mark Wong

825 E Sanford Street
Arlington, Texas 76011

HPS RE Interests I, LP
c/o HPS GP I, LLC
6208 Blain Drive
Plano, Texas 75024

with a copy to: Craig Hughes
Hughes Commercial Real Estate and Development, LLC
6208 Blain Drive
Plano, Texas 75024

9.02 Binding Effect. The provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

9.03 Interpretation and Place of Performance. This Lease shall be construed under the laws of the State of Texas and is deemed by the parties to be performable in Tarrant County, Texas.

9.04 Partial Invalidity. If any one or more of the provisions contained in this Lease shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision herein, and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

9.05 Amendment. This Lease may not be altered, waived, or otherwise modified, except where done in writing, and signed by Lessor and Lessee.

9.06 Attorneys Fees. In the event any legal action or process is commenced to enforce or interpret provisions of this Lease, the prevailing party in any such legal action shall be entitled to recover its reasonable attorneys fees and expenses incurred by reason of such action.

9.07 Casualty/Total or Partial Destruction.

- (a) If the improvements made by Lessee are damaged by casualty and can be restored within ninety days, Lessee will, at its expense, restore them to substantially the same condition that existed before the casualty. If Lessee fails to complete restoration within ninety days from the date of casualty, then Lessee shall be in default.
- (b) If the Premises cannot be restored within ninety days, Lessee has an option to restore the Co-Owner Improvements. Lessee must notify Lessor within 90 days of the casualty whether it intends to restore or not. If Lessee notifies that it is not going to restore, then Lessee shall be in default, unless Lessee begins paying Extension Rent, as defined in the

Economic Development Agreement, on the lot containing the damaged improvements beginning on the 91st day following casualty. If Lessee notifies that it is going to restore, then Lessee shall, at its expense, restore them to substantially the same condition that existed before the casualty. Lessee will diligently pursue construction, including pursuing all insurance proceeds and other requirements to enable construction. If Lessee fails to complete restoration with two years from the date of casualty, then Lessee shall be in default. Notwithstanding, Lessee shall not be in default if Lessee is able to present sufficient evidence of its diligence in attempting to complete construction, but has been hampered by situations beyond its control.

9.08 Condemnation/Substantial or Partial Taking.

- (a) If the Premises cannot be used for the purposes contemplated by this Lease because of condemnation or purchase in lieu of condemnation, this Lease will terminate.
- (b) Lessee and Lessor will each have a claim to the condemnation award or proceeds in lieu of condemnation respective to each party's percentage of interests in the portion of land and improvements that was condemned.

**ARTICLE X
INSURANCE**

Lessee, at its expense, shall maintain public liability insurance, including bodily injury and property damage, for the Premises and the conduct of Lessee's business on the Premises. The insurance must insure against injuries or damages to persons or property sustained on or about the Premises and the appurtenances thereto, including but not limited to the parking lots, sidewalks and alleyways adjacent thereto. Lessor must be named as an additional insured who shall be provided with 30 day notice of cancellation or material change in coverage, with minimum coverage as follows:

- (a) Bodily Injury: \$250,000 per person, or
\$500,000 per occurrence; and
- (b) Combined single limit for bodily injury and property damage: \$1,000,000

Lessee shall deliver certificates of insurance to Lessor before the commencement date of this Lease, and thereafter when requested. All insurance companies and coverage must be authorized by the Texas Department of Insurance to transact business in the State of Texas and must be acceptable to the Lessor

ARTICLE XI. HOLD HARMLESS

THE LESSEE, IN PERFORMING ITS OBLIGATIONS UNDER THIS LEASE IS ACTING INDEPENDENTLY, AND THE LESSOR ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH THE LESSEE'S USE OR DEVELOPMENT OF THE PROPERTY, PROJECT OR IMPROVEMENTS. THE LESSEE ASSUMES RESPONSIBILITY FOR AND AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE LESSOR, ITS OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, CLAIMS FOR COPYRIGHT AND PATENT INFRINGEMENT, AND ATTORNEYS' FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF, LOSS OF USE OF, OR DAMAGE TO PROPERTY, ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE ACTS OR OMISSIONS OF THE LESSEE AND ITS AGENTS AND CONTRACTORS ON THE PROPERTY. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, LESSOR WILL FIRST LOOK TO INSURANCE COVERAGE PROVIDED BY LESSEE OR OTHER RESPONSIBLE THIRD PARTIES IN EXERCISING THEIR RIGHTS PROVIDED HEREIN.

ARTICLE XII. TAXES

The Premises are currently exempt from property taxes because they belong to the City of Kennedale Economic Development Corporation. If the County's Central Appraisal District determines that the property is taxable, Lessee agrees that it shall promptly pay any such taxes but the assessments required in Article 4.04 shall no longer be due. The Corporation represents that it has obtained the consent of the Kennedale TownCenter Development District to this provision and that this consent was on obtained on February 23, 2010.

ARTICLE XIII. OPTION TO PURCHASE

13.01 Grant of Option to Purchase. Lessor, for the consideration expressed in this Lease, grants to Lessee an option to purchase the Premises and Lot 1R including Existing Building 1, at the price and subject to the terms set forth in this Article. In the event Lessee purchases the Premises and Lot 1R including Existing Building 1, Lessee agrees it will not change the name of the Premises from "Kennedale TownCenter" without the written permission of Lessor.

13.02 Conditions Precedent. In order to exercise its option, Lessee must not be in default of this Lease or the Economic Development Agreement.

13.03 Time and Manner of Acceptance. To exercise the purchase option extended in this Article, Lessee must give written notice to Lessor, in the manner required for notices under this Lease, of the Lessee's election to exercise the option. The purchase option must be exercised by May 3, 2030. The written notice to exercise this purchase option shall be accompanied by a

signed and tendered real estate contract setting forth the terms and conditions of the purchase of the Premises by Lessee. The real estate contract shall provide that the cost of the title insurance and all closing costs shall be paid by Lessee. The purchase must close within 60 days of the exercise of the option to purchase.

13.04 Parking. In the event Lessee exercises the purchase option, the provisions of Article VIII ("Parking Spaces") are to remain in effect after the sale of the Premises, and the parties shall be required to enter into a mutually agreeable reciprocal access easement as required in the Economic Development Agreement.

13.05 Consideration. If the purchase closes after May 3, 2030, and all Co-Owner Improvements have been completed, then Lessee shall pay for the purchase of the Premises plus Lot 1R including the Existing Building 1 the amount of \$1.00.

If the purchase closes before May 3, 2030, and all Co-Owner Improvements have been completed, then the purchase price for the Premises and Lot 1R including the Existing Building 1 shall be the "Unamortized Project Cost" as defined below.

If Lessee exercises the option to purchase and closes *prior to or after* May 3, 2030, and all Co-Owner Improvements have *not* been completed, then the purchase price shall be the greater of (a) the "Unamortized Project Cost" or (b) the sum of (i) the fair market value of Lot 1R containing Existing Building 1, plus (ii) the fair market value of lots with uncompleted Co-Owner Improvements, plus (iii) \$1.00 for lots with completed Co-Owner Improvements,. Fair market value shall be determined in the same manner set forth above.

The Unamortized Project Cost is the sum of the four cost categories of Lessor as set forth in **Exhibit "B"** (that is, Land Cost, Debt Issuance #1, Debt Issuance #2, and Cash Injection, totaling \$4,200,000) attached hereto, amortized using the attached schedules up until the date of closing. In no event shall any additional amounts be added to the Unamortized Project Cost, the parties agreeing that \$4,200,000 shall be the maximum amount to be amortized.

Lessee and Lessor shall have the option until May 3, 2030 to make additional Public Improvements to the Premises if mutually agreed to in writing by both parties ("Additional Public Improvements"). If Additional Public Improvements are constructed as mutually agreed, the cost of the Additional Public Improvements shall be amortized and shall be added to the purchase price.

13.06 Expiration. The option to purchase the Premises shall expire on May 3, 2030 unless exercised by Lessee prior to that date. Lessor may, at its sole discretion, give written permission to allow the purchase option to be extended beyond the expiration date. To avoid an inadvertent failure to exercise the option at such a long period into the future, Lessor agrees that prior to fair market value rent becoming due, it shall provide a written notice and request to Lessee to calculate the fair market value of rent, as required by Article 4.02. If such a notice is given after May 3, 2030, then notwithstanding anything to the contrary, Lessee shall have a period of 30 days within which to still exercise the option to purchase.

13.07 Mineral Rights: The real estate contract shall provide that Seller (Lessor) reserves all oil, gas, and other mineral interests in, under, and that may be produced from the Property for Seller, Sellers's heirs, successors and assigns forever, but will contain a surface waiver preventing the surface of the Property from being used for mineral exploration or production. This reservation includes any existing production or existing lease.

13.08 Municipal Drive. In the event Lessee purchases any portion of the Premises abutting Municipal Drive, the Lessee shall have no claim of ownership or interest in the land on which Municipal Drive is located when the right-of-way is abandoned by the City of Kennedale.

13.09 Protection of Existing Building 1. In the event of a casualty to Existing Building 1, Lessor agrees to restore it to substantially the same condition prior to the casualty.

13.10 Protection of Building 5. In the event of a casualty to Building 5, Lessee agrees to restore it to substantially the same condition prior to the casualty.

ARTICLE XIV DEFAULT

14.01 All events of default shall be governed by Paragraph 11 of the Economic Development Agreement.

14.02 An event of default hereunder shall mean:

- (a) The party fails to comply with any obligation it has under this Agreement;
- (b) The party fails to comply with any term of this Agreement, subject only to delays caused by Force Majeure;
- (c) An occurrence of an Event of Bankruptcy or Insolvency. For purposes hereof, an "Event of Bankruptcy or Insolvency" shall mean if the party makes an assignment for the benefit of creditors; or a receiver shall be appointed for any of the assets of the party and such appointment is not terminated within ninety (90) days after such appointment is initially made; or the party is the subject of a bankruptcy or other insolvency proceeding and such proceeding shall not be dismissed within ninety (90) days after the filing thereof.

Exhibits Attached to this Agreement:

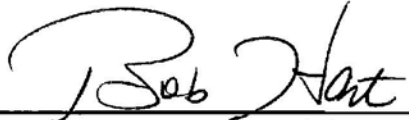
Exhibit "A" Concept Phasing Plan showing the Premises

Exhibit "B" Unamortized Project Cost

EXECUTED this 16th day of July 2015.

LESSOR:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

By: 
Bob Hart, Executive Director

ATTEST:


Secretary



LESSEE:

Crampton EBJ, Inc.,
a Texas Corporation

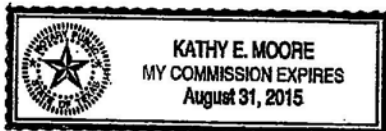
By: Mark Wong
Mark Wong, President

Date: 7/16/15

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority in and for the State of Texas, on this day personally appeared Mark Wong, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he is the president of Crampton EBJ, Inc., and that he is authorized by said limited liability company to execute the foregoing instrument as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16 day of
July, 2015

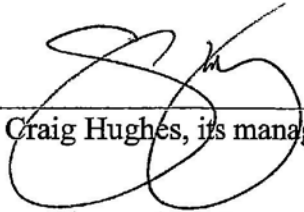


Kathy E. Moore
Notary Public in and for the State of Texas

Kathy E. Moore
Type or Print Notary's Name

My Commission Expires: 8-31-15

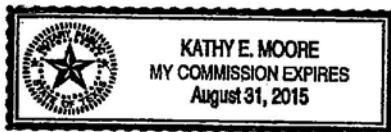
HPS RE Interests I, LP,
a Texas limited partnership
By: its general partner, HPS GP I, LLC
By: its manager, Craig Hughes

By: 
Craig Hughes, its manager
Date: 07/16/2015

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority in and for the State of Texas, on this day personally appeared Craig Hughes, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he is the manager of HPS GP I, LLC, the General Partner of HPS RE Interests I, LP, and that he is authorized by said limited liability company to execute the foregoing instrument as the act of such company for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16 day of July, 2015



Kathy E. Moore
Notary Public in and for the State of Texas

Kathy E. Moore
Type or Print Notary's Name

My Commission Expires: 8-31-15

D209321169

HERBERT S. BEASLEY
 REGISTERED PROFESSIONAL SURVEYORS
 LAND SURVEYORS L.P.
 • LAND • TOPOGRAPHIC
 • CONSTRUCTION SURVEYING
 P.O. BOX 8973
 MURDO 817-432-0134
 FORT WORTH, TEXAS 76114
 FAX 817-441-5468

The City Council of the City of Kennedale, Texas, has adopted the following Ordinance, to be effective on the date of its passage, and to be known as the Ordinance of the City of Kennedale, Texas, relating to the platting of the above described land.

Bryan Lankhorst
 Mayor, City of Kennedale

Kathy Turner
 At-Large City Council

City of Kennedale
 Planning and Zoning Commission

Paul D. Pugh
 Chairman, Planning and Zoning Commission

Paul D. Pugh
 At-Large City Council

Paul D. Pugh
 At-Large City Council

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Paul D. Pugh
 At-Large City Council



Neighborhood Map
 MAPNO 107-G
 SCALE 1"=200'

STATE OF TEXAS

COUNTY OF TARRANT

CITY OF TARRANT

PLAT NO. 107-G

PLAT NO. 107-G

PLAT NO. 107-G

PLAT NO. 107-G

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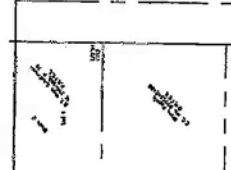
PLAT NO. 107-G

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PLAT NO. 107-G



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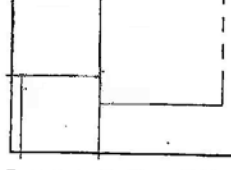
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Seal of the City of Kennedale, Texas

Exhibit "B"

Page 1 of 4

Loan Amortization Schedule

This spreadsheet creates a payment schedule for a fixed-rate loan, with optional extra payments. The payment frequency can be annual, semi-annual, quarterly, bi-monthly, or monthly. Values are rounded to the nearest cent. The last payment is adjusted to bring the balance to zero.

ENTER DATA ONLY IN BLUE SECTION

Inputs

Loan Amount	\$ 352,955
Annual Interest Rate	5.0000%
Term of Loan in Years	20
First Payment Date	5/1/2007
Frequency of Payment	Semi-Annually

Summary

Rate (per period)	2.500%
Payment (per period)	\$14,060.40
Total Payments	\$562,415.92
Total Interest	\$209,460.92

No.	Due Date	Payment Due	Additional Payment	Interest	Principal	Balance
1	5/1/2007	14,060.40	0.00	8,823.88	5,236.52	347,718.48
2	11/1/2007	14,060.40	0.00	8,692.96	5,367.44	342,351.04
3	5/1/2008	14,060.40	0.00	8,558.78	5,501.62	336,849.42
4	11/1/2008	14,060.40	0.00	8,421.24	5,639.16	331,210.26
5	5/1/2009	14,060.40	0.00	8,280.26	5,780.14	325,430.12
6	11/1/2009	14,060.40	0.00	8,135.75	5,924.65	319,505.47
7	5/1/2010	14,060.40	0.00	7,987.64	6,072.76	313,432.71
8	11/1/2010	14,060.40	0.00	7,835.82	6,224.58	307,208.13
9	5/1/2011	14,060.40	0.00	7,680.20	6,380.20	300,827.93
10	11/1/2011	14,060.40	0.00	7,520.70	6,539.70	294,288.23
11	5/1/2012	14,060.40	0.00	7,357.21	6,703.19	287,585.04
12	11/1/2012	14,060.40	0.00	7,189.63	6,870.77	280,714.27
13	5/1/2013	14,060.40	0.00	7,017.86	7,042.54	273,671.73
14	11/1/2013	14,060.40	0.00	6,841.79	7,218.61	266,453.12
15	5/1/2014	14,060.40	0.00	6,661.33	7,399.07	259,054.05
16	11/1/2014	14,060.40	0.00	6,476.35	7,584.05	251,470.00
17	5/1/2015	14,060.40	0.00	6,286.75	7,773.65	243,696.35
18	11/1/2015	14,060.40	0.00	6,092.41	7,967.99	235,728.36
19	5/1/2016	14,060.40	0.00	5,893.21	8,167.19	227,561.17
20	11/1/2016	14,060.40	0.00	5,689.03	8,371.37	219,189.80
21	5/1/2017	14,060.40	0.00	5,479.75	8,580.65	210,609.15
22	11/1/2017	14,060.40	0.00	5,265.23	8,795.17	201,813.98
23	5/1/2018	14,060.40	0.00	5,045.35	9,015.05	192,798.93
24	11/1/2018	14,060.40	0.00	4,819.97	9,240.43	183,558.50
25	5/1/2019	14,060.40	0.00	4,588.96	9,471.44	174,087.06
26	11/1/2019	14,060.40	0.00	4,352.18	9,708.22	164,378.84
27	5/1/2020	14,060.40	0.00	4,109.47	9,950.93	154,427.91
28	11/1/2020	14,060.40	0.00	3,860.70	10,199.70	144,228.21
29	5/1/2021	14,060.40	0.00	3,605.71	10,454.69	133,773.52
30	11/1/2021	14,060.40	0.00	3,344.34	10,716.06	123,057.46
31	5/1/2022	14,060.40	0.00	3,076.44	10,983.96	112,073.50
32	11/1/2022	14,060.40	0.00	2,801.84	11,258.56	100,814.94
33	5/1/2023	14,060.40	0.00	2,520.37	11,540.03	89,274.91
34	11/1/2023	14,060.40	0.00	2,231.87	11,828.53	77,446.38
35	5/1/2024	14,060.40	0.00	1,936.16	12,124.24	65,322.14
36	11/1/2024	14,060.40	0.00	1,633.05	12,427.35	52,894.79
37	5/1/2025	14,060.40	0.00	1,322.37	12,738.03	40,156.76
38	11/1/2025	14,060.40	0.00	1,003.92	13,056.48	27,100.28
39	5/1/2026	14,060.40	0.00	677.51	13,382.89	13,717.39
40	11/1/2026	14,060.32	0.00	342.93	13,717.39	0.00

Exhibit "B"
Page 2 of 4

BOND DEBT SERVICE

City of Kennedale, Texas
Certificates of Obligation, Series 2010
Exhibit 'A'

Dated Date 01/01/2010
Delivery Date 02/10/2010

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2010			26,539.58	26,539.58	
09/30/2010					26,539.58
11/01/2010			39,809.38	39,809.38	
05/01/2011	75,000	2.000%	39,809.38	114,809.38	
09/30/2011					154,618.76
11/01/2011			39,059.38	39,059.38	
05/01/2012	75,000	2.000%	39,059.38	114,059.38	
09/30/2012					153,118.76
11/01/2012			38,309.38	38,309.38	
05/01/2013	75,000	2.000%	38,309.38	113,309.38	
09/30/2013					151,618.76
11/01/2013			37,559.38	37,559.38	
05/01/2014	80,000	2.000%	37,559.38	117,559.38	
09/30/2014					155,118.76
11/01/2014			36,759.38	36,759.38	
05/01/2015	80,000	2.000%	36,759.38	116,759.38	
09/30/2015					153,518.76
11/01/2015			35,959.38	35,959.38	
05/01/2016	80,000	2.625%	35,959.38	115,959.38	
09/30/2016					151,918.76
11/01/2016			34,909.38	34,909.38	
05/01/2017	85,000	2.625%	34,909.38	119,909.38	
09/30/2017					154,818.76
11/01/2017			33,793.75	33,793.75	
05/01/2018	85,000	3.250%	33,793.75	118,793.75	
09/30/2018					152,587.50
11/01/2018			32,412.50	32,412.50	
05/01/2019	90,000	3.250%	32,412.50	122,412.50	
09/30/2019					154,825.00
11/01/2019			30,950.00	30,950.00	
05/01/2020	90,000	4.000%	30,950.00	120,950.00	
09/30/2020					151,900.00
11/01/2020			29,150.00	29,150.00	
05/01/2021	95,000	4.000%	29,150.00	124,150.00	
09/30/2021					153,300.00
11/01/2021			27,250.00	27,250.00	
05/01/2022	100,000	5.000%	27,250.00	127,250.00	
09/30/2022					154,500.00
11/01/2022			24,750.00	24,750.00	
05/01/2023	105,000	5.000%	24,750.00	129,750.00	
09/30/2023					154,500.00
11/01/2023			22,125.00	22,125.00	
05/01/2024	110,000	5.000%	22,125.00	132,125.00	
09/30/2024					154,250.00
11/01/2024			19,375.00	19,375.00	
05/01/2025	115,000	5.000%	19,375.00	134,375.00	
09/30/2025					153,750.00
11/01/2025			16,500.00	16,500.00	
05/01/2026	120,000	5.000%	16,500.00	136,500.00	
09/30/2026					153,000.00
11/01/2026			13,500.00	13,500.00	
05/01/2027	125,000	5.000%	13,500.00	138,500.00	
09/30/2027					152,000.00
11/01/2027			10,375.00	10,375.00	
05/01/2028	130,000	5.000%	10,375.00	140,375.00	
09/30/2028					150,750.00
11/01/2028			7,125.00	7,125.00	
05/01/2029	140,000	5.000%	7,125.00	147,125.00	

Exhibit "B"
Page 3 of 4

BOND DEBT SERVICE

City of Kennedale, Texas
Certificates of Obligation, Series 2010
Exhibit 'A'

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/30/2029					154,250.00
11/01/2029			3,625.00	3,625.00	
05/01/2030	145,000	5.000%	3,625.00	148,625.00	
09/30/2030					152,250.00
	2,000,000		1,093,133.40	3,093,133.40	3,093,133.40

Exhibit "B"

Page 4 of 4

\$1.2 M.

BOND DEBT SERVICE

City of Kennedale, Texas
EDC Sales Tax Revenue Bonds, Series 2007

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2009			39,615.00	39,615.00	
05/01/2010	35,000	6.950%	39,615.00	74,615.00	
09/30/2010					114,230.00
11/01/2010			38,398.75	38,398.75	
05/01/2011	35,000	6.950%	38,398.75	73,398.75	
09/30/2011					111,797.50
11/01/2011			37,182.50	37,182.50	
05/01/2012	40,000	6.950%	37,182.50	77,182.50	
09/30/2012					114,365.00
11/01/2012			35,792.50	35,792.50	
05/01/2013	40,000	6.950%	35,792.50	75,792.50	
09/30/2013					111,585.00
11/01/2013			34,402.50	34,402.50	
05/01/2014	45,000	6.950%	34,402.50	79,402.50	
09/30/2014					113,805.00
11/01/2014			32,838.75	32,838.75	
05/01/2015	50,000	6.950%	32,838.75	82,838.75	
09/30/2015					115,677.50
11/01/2015			31,101.25	31,101.25	
05/01/2016	50,000	6.950%	31,101.25	81,101.25	
09/30/2016					112,202.50
11/01/2016			29,363.75	29,363.75	
05/01/2017	55,000	6.950%	29,363.75	84,363.75	
09/30/2017					113,727.50
11/01/2017			27,452.50	27,452.50	
05/01/2018	60,000	6.950%	27,452.50	87,452.50	
09/30/2018					114,905.00
11/01/2018			25,367.50	25,367.50	
05/01/2019	60,000	6.950%	25,367.50	85,367.50	
09/30/2019					110,735.00
11/01/2019			23,282.50	23,282.50	
05/01/2020	65,000	6.950%	23,282.50	88,282.50	
09/30/2020					111,565.00
11/01/2020			21,023.75	21,023.75	
05/01/2021	70,000	6.950%	21,023.75	91,023.75	
09/30/2021					112,047.50
11/01/2021			18,591.25	18,591.25	
05/01/2022	75,000	6.950%	18,591.25	93,591.25	
09/30/2022					112,182.50
11/01/2022			15,985.00	15,985.00	
05/01/2023	80,000	6.950%	15,985.00	95,985.00	
09/30/2023					111,970.00
11/01/2023			13,205.00	13,205.00	
05/01/2024	85,000	6.950%	13,205.00	98,205.00	
09/30/2024					111,410.00
11/01/2024			10,251.25	10,251.25	
05/01/2025	90,000	6.950%	10,251.25	100,251.25	
09/30/2025					110,502.50
11/01/2025			7,123.75	7,123.75	
05/01/2026	100,000	6.950%	7,123.75	107,123.75	
09/30/2026					114,247.50
11/01/2026			3,648.75	3,648.75	
05/01/2027	105,000	6.950%	3,648.75	108,648.75	
09/30/2027					112,297.50
	1,140,000		889,252.50	2,029,252.50	2,029,252.50

Exhibit "C"

Commercial Property Management Agreement

This Commercial Property Management Agreement is made and entered into by and between (a) Crampton EBJ, Inc., and HPS RE Interests I, LP (jointly the "Agent" who are tenants in common), acting by and through Craig Hughes, as authorized representative for the Agent, with the principal office being 6208 Blain Drive, Plano, Texas 75024, and (b) the Kennedale Economic Development Corporation ("Owner"), a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, Tex. Loc. Gov't Code Ann. §§ 505.001-505.355 (Vernon Supp. 2008) (the "Act"), for the purposes and consideration below. For convenience, the Agent and the Corporation may be hereinafter referred to collectively as "parties" and each a "party."

WHEREAS, pursuant to a separate Economic Development Agreement dated as of July __, 2015 by and between Owner and Agent (the "Economic Development Agreement"), incorporated by reference herein, between Owner and Agent, Agent has agreed with Owner to construct and operate a retail shopping center and professional office complex to be known as the Kennedale TownCenter on certain property owned by Owner;

WHEREAS, pursuant to a separate Amended Ground Lease dated as of July __, 2015 by and between the Owner and Agent (the "Ground Lease"), incorporated by reference herein, Agent will lease land necessary from Owner in order to develop the Property as the Kennedale TownCenter;

WHEREAS, structures currently existing on the Property are occupied by tenants;

WHEREAS, Owner has determined that it will serve a public purpose to engage Agent as the property manager for managing and leasing purposes of certain existing structures on the Property and as the property manager to manage and lease the structures that will be built on the Property;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and Agent agree as follows:

1. DEFINITIONS.

"Property" means: (1) Lots 1R, 2R, 3R, 6, 7, and 8, BLOCK A, KENNEDALE RETAIL CENTER ADDITION, an Addition to the City of Kennedale, Tarrant County, Texas, as filed in Doc. #D2093211169, Official Records of Tarrant County, Texas; and (2) Lots 4R1 and 5R, BLOCK A, KENNEDALE RETAIL CENTER ADDITION, an Addition to the City of Kennedale, Tarrant County, Texas, as filed in Doc. #D211276716, Official Records of Tarrant County, Texas, together with all and singular the rights and appurtenances pertaining to such tract of land, including any right, title and interest of the Corporation in and to adjacent streets, alleys or rights-of-way.

2. TERM OF CONTRACT.

- a. **Primary Term:** The primary term of this Commercial Property Management Agreement (this "Agreement") shall begin on the date of execution and shall end on May 3, 2030 or on the date the purchase option as set out in the Ground Lease is exercised, whichever is sooner (the "Expiration Date").
- b. **Automatic Extension:** Unless the aforesaid purchase option is exercised, this agreement will automatically extend on a monthly basis until either party terminates by providing at least 30 days written notice of termination to the other party.

- c. **Partial Termination.** Pursuant to the Ground Lease, Agent shall assume responsibility for certain lots within the Property as vertical construction is substantially completed. As a result, there will be no need for the Agent to perform duties after Lessee under the Ground Lease takes control of a particular lot. Therefore, once Lessee becomes responsible for maintenance obligations of a particular lot pursuant to Article 5.01 of the Ground Lease, then this Management Agreement shall terminate with respect to that particular lot and the term Property, as herein defined, shall be deemed to be amended accordingly.
- d. **Ownership of Rents.** To avoid doubts and ambiguity, Agent is entrusted with the management of the entire Property pursuant to the terms and conditions hereunder. However, pursuant to Section 7(e) of the Economic Development Agreement, during the term of the Ground Lease, all rents on Buildings 2 through 7 belong to and will be paid to the Agent, and only rents from Existing Building 1 and the Lot 8 Improvements (as defined in the Economic Development Agreement) belong to and will be retained by the Owner.

3. **MANAGEMENT SERVICES TO BE PERFORMED.** Owner hereby authorizes Agent to perform, and Agent does hereby agree to perform, in the name of, for the account of, and at the expense of Owner, the following:

- a. **General Responsibilities.** Agent shall be responsible for overall management and leasing of the Property as a retail shopping center and professional office complex for the benefit of Owner, except for those responsibilities expressly excluded by the terms of this Agreement.
- b. **Lease Execution.** Agent shall negotiate lease agreements in the name of Owner on standard forms approved by Owner with lease provisions as approved by Owner. It is understood that Agent shall execute all leases on behalf of Owner, after prior approval of Owner, which approval shall be deemed granted if Owner has not rejected the lease applicant within 14 days after delivery of applicant information to Owner. Owner shall not unreasonably withhold or delay Owner's approval. Agent shall set written standards for screening and qualifying prospective tenants, and shall screen and qualify all prospective tenants based upon Agent's professional experience.
- c. **Statement and Invoices.** Agent shall determine and prepare invoices and/or statements, as applicable, for tenants of the Property for rent, common area maintenance fees, taxes, insurance, assessments, and other charges as shall be due from tenants in accordance with applicable lease provisions.
- d. **Collections Agent.** Agent shall collect all rents and other monies due, including percentage rents, from tenants of the Property as and when the same shall become due and payable and give receipts therefor, and in the collection of percentage rents: Agent shall keep records of gross sales of tenants and compute percentage rent due, terminate tenancies, and sign and serve in the name of Owner such notices as are deemed appropriate by Agent. Agent shall, with the prior written consent of Owner, institute and prosecute actions, evict tenants and recover possession of premises occupied by them, and sue in the name of Owner to recover rents and other sums due. When expedient, Agent may settle, compromise and release such actions or suits to reinstate such tenancies, when the total amount sought in such actions or suits is less than \$2,000.00.
- e. **Operating Account.** Agent shall deposit all receipts collected for Owner in the course of operating the Property, in an FDIC insured operating account ("Operating Account") for the benefit of Owner. Agent may endorse any and all checks drawn to Owner (with the exception of checks for insurance, condemnation, or lawsuit settlements) as may be required for deposit into the Operating Account. Any funds remaining in the Operating Account at the end of

each month during the term hereof, after the deduction of a \$10,000.00 operating reserve and after the disbursements by the Agent of the expenses and other expenditures authorized hereunder, shall be remitted to Owner. The \$10,000.00 operating reserve may be adjusted from time-to-time as mutually agreed by Owner and Agent. Agent will not be held liable in event of bankruptcy, failure or negligence of the depository.

- f. **Accounts Payable.** Agent shall pay on behalf of Owner from the Operating Account, all obligations and expenses in operating, managing, leasing and maintaining the Property which are lawfully incurred by or on behalf of the Property, including but not limited to management fees (as described in Paragraph 5.b), leasing fees (as described in Paragraph 5.c) and personal property taxes. In the event the funds in the Operating Account are not sufficient to pay such obligations and expenses, Owner shall at the request of Agent cause to be deposited additional funds necessary to pay such obligations and expenses of the Property. Agent shall pay all undisputed invoices in a timely manner that will take full advantage of any discounts offered to the extent that there are monies available in the operating account.
- g. **Records.** Agent shall maintain full and detailed books and records at its principal office in relation to its operation, management, and maintenance of the Property. Such books and records shall be kept on a cash basis, as being maintained by Agent for other commercial properties managed by Agent. Owner shall at all reasonable times have access, electronically and in person, to such records for the purpose of review and/or audit. Owner shall have the right to duplicate such records. Any audit by Owner of the Agent's books covering the Property shall be at the expense of Owner, but if Owner's audit discloses a difference equal to or greater than 5% of the Agent's operating numbers, then the expenses incurred by Owner in connection with said audit shall be paid by Agent.
- h. **Financial Reports.** Agent shall provide to Owner on or before the 30th day of each calendar month, an Operating Report prepared by Agent setting forth all rents and other income collected and disbursements of all funds related to the operation, management, leasing and maintenance of the Property, for the immediately preceding fiscal month of operation. The fiscal year-end Operating Report for the project shall be due within 120 days following the end of the last month of the fiscal year for the Property. The Operating Report shall compare receipts and disbursements for such prior month and for the year-to-date. A written memorandum is to be provided with the Operating Report setting forth explanations for deviations from budgeted amounts. Agent shall also provide with such report a list of all tenants who are delinquent, a cash reconciliation report, and a leasing report.
- i. **Budget.** Agent shall prepare and submit to Owner for approval at least thirty (30) days prior to the start of each year, an annual operating budget (the "Budget") for the Property showing monthly and annual income, operating expense and capital expenditures. The fiscal year for the Property shall end December 31st of each calendar year, unless otherwise agreed in writing by both Agent and Owner. Subject to the terms of this Agreement, approval of the Budget by Owner will constitute Agent's authority to incur the operating expenses and capital expenditures as set forth in the Budget.
- j. **Sales and Use Tax Return.** Agent shall prepare all sales and use tax returns, if any, necessary in the operation of the Property, and make all deposits and payments required with respect to such taxes.
- k. **Audited Statement.** Agent shall, if requested by Owner and at the cost of Owner, provide annual financial statements audited and certified by a certified public accounting firm satisfactory to Owner.

- l. Employees and Independent Contractors.** Agent shall cause to be hired, supervised, discharged and paid, at reasonable wages, all employees and contractors reasonably necessary for the efficient operation, management, leasing and maintenance of the Property. Agent shall use reasonable care in selection and supervision of such employees and contractors. All persons employed shall be employees of Agent and not of Owner. Agent's management employees, such as Property Manager, Assistant Property Manager, accounting personnel, Building Superintendent, Tenant Services Supervisor, secretarial and clerical staff, whether part-time or full-time employees, utilized in the management of the Property are referred to herein as "Building Management" employees.
- m. Discrimination.** Neither Agent nor any party acting by, through or on behalf of Agent shall discriminate upon the basis of race, sex, color, creed, familial status, religion, disability, or national origin in the sale, lease, or rental or in the use or occupancy of the Property of any improvements erected or to be erected thereon, or any part thereof, or in the management of the Property.
- n. Utilities.** Agent shall negotiate and enter into contracts in the name of Owner for electricity, gas, fuel, water, telephone, window cleaning, refuse handling, janitorial service, extermination service and other services required in the operation and maintenance of the Property. All contracts shall be on an "arm's length" market rate basis, and shall not be surcharged by Agent. Owner shall assume the obligation of any contract so entered into and outstanding at the termination of this Agreement. All service and maintenance contracts initiated by Agent shall be negotiated to include thirty (30) days' notice of termination clause without penalty.
- o. Maintenance.** Agent shall maintain or cause to be maintained the Property and common areas thereof, including sidewalks, signs, parking lots and landscaping; to make or cause to be made and supervise minor repairs (under \$ 2,500.00) and minor alterations or renovations (under \$ 2,500.00); to purchase supplies required for the operation and maintenance of the Property, and pay all bills therefor from Owner's funds, and to report to Owner conditions related to the Property requiring the attention of Owner.
- Agent shall purchase all supplies, materials and equipment as Agent may determine advisable. Agent agrees to secure the approval of Owner on all expenditures in excess of \$ 2,500.00 for any one item, unless said expenditure was set forth in the Budget, or for an emergency repair necessary to the tenants per the lease, or for the protection of human life.
- p. Promotion.** Agent may conduct or cause to be conducted a promotional program as may be appropriate and customary for the tenants within the Property with the consultation and prior approval of Owner.
- q. Advertisement.** Agent shall advertise the Property or portions thereof, as available for rent, and prepare other forms of advertising relating to said rental activity.
- r. Insurance.** Agent shall, if requested by Owner, (1) determine all insurance coverage reasonably required or desirable for the Property, and on behalf of Owner negotiate and procure such insurance coverage; (2) upon receiving the prior written consent of Owner, institute and prosecute claims under all such coverage; (3) upon receiving the prior written consent of Owner, settle and compromise such claims; (4) procure periodic insurance appraisals as may be required; and (5) make reports, upon Owner's request, but not less than annually, to Owner of the kinds and amounts of insurance coverage in force, the expiration dates thereof, and the premium costs thereof.

At all times during the term of this Agreement, Owner shall keep in full force and effect one or more policies of commercial general liability and property damage insurance with respect to the Property, and the business conducted by Owner, or Agent on behalf of Owner, upon the Property. The limits of liability coverage shall not be less than \$500,000.00 per person and \$1,000,000.00 per accident and the property damage liability coverage shall not be less than \$1,000,000.00. The commercial general liability policy shall name Owner as insured and Agent as additional insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the Agent at least ten (10) days prior written notice.

At all times during the term of this Agreement, the Agent shall keep in full force and effect one or more policies of commercial general liability insurance covering the business conducted by Agent on behalf of Owner upon the Property. The limits of liability coverage shall not be less than \$500,000.00 per person and \$1,000,000.00 per accident and the property damage liability coverage shall not be less than \$1,000,000.00. The commercial general liability policy shall name Agent as insured and Owner as additional insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving Owner at least ten (10) days prior written notice.

Agent shall cooperate with and provide reasonable access to the Property to agents of any and all insurance companies and/or insurance brokers or agencies who may, from time to time, be involved with the issuance of insurance policies or with inspections of the Property in connection with insurance policies then in force.

Agent shall make, if requested by Owner and in the name of Owner, payments of insurance premiums.

- s. **Agent's Office.** Agent shall maintain a suitable business office with such management, secretarial and bookkeeping personnel as may be required to maintain such office and the books and records to adequately perform the terms of this Agreement and reflect the transactions incidental to the operation and maintenance of the Property.
- t. **Commercially Reasonable Efforts.** Agent shall use commercially reasonable efforts in the exercise of the power and duties conferred and assumed under this Agreement and in the operation, management and maintenance of the Property for the period and upon the terms herein provided.
- u. **Operating Account.** Agent shall operate the Property and make expenditures pursuant to this Agreement in a manner in accordance with the Budget submitted to and approved by Owner. Except for emergency expenditures, any expenditures or commitments, which are not in accordance with the approved Budget must have approval from Owner.
- v. **Taxes and Assessments.** The parties have agreed in the Ground Lease on the respective responsibility for property taxes and assessments. Property taxes or assessments applicable to the Property may be passed along to the tenants of the Property as a "triple-net" expense. Agent shall promptly forward to Owner or the appropriate tax collecting agency any and all Assessments or property taxes related to the Property which it collects on behalf of the Owner or the lessee under the Ground Lease.
- w. **Compliance With Laws.** Agent shall use commercially reasonable efforts to cause to be done in or about the Property all acts and things which are necessary in order to comply with federal, state or municipal order, rules, regulations, ordinances, or statutes affecting the Property and orders of any board of fire

underwriters or other similar body, subject to the limitations contained hereinabove regarding maximum amounts or contracts requiring Owner's prior written approval. Agent shall promptly notify Owner of all notices it receives regarding governmental requirements affecting the Property. Agent shall obtain and maintain current all licenses and/or permits as shall be required in the operation and maintenance of the Property.

- x. **Professional Assistance.** Agent shall with prior consultation and written approval of Owner engage attorneys, accountants, ad valorem tax consultants, data processing personnel, architects, engineers or other persons furnishing services reasonably required in connection with the discharge of Agent's duties hereunder, on behalf of Owner, and pay the reasonable charges for all such services from the Operating Account.

- y. **Service Notice.** Agent shall advise and promptly send copies to Owner of the service upon Agent of any summons, subpoena, or other like legal document, including any notices, letters, or other communications setting out or claiming an actual or alleged potential liability of Owner or Agent in managing or operating the Property. Agent shall advise and send copies to Owner of any letter or notice by the tenant that may lead to cancellation, avoidance or termination of the lease or any part thereof.

Agent shall (1) promptly notify Owner of any notice of violation of any governmental requirement relating to the Property or of any defect in the Property; (2) promptly notify Owner of any fire or other damage to the Property and to complete customary loss reports in connection with such damage to the Property; (3) promptly file such reports with the insurers and Owner; and (4) promptly notify Owner's general liability insurance carrier and Owner of any personal injury or property damage occurring to or claimed by any tenant or third party on or with respect to the Property.

- z. **Agent's Signage.** Agent shall be permitted to install, at its sole cost and expense, sign(s) identifying Agent's management and/or leasing of the Property. The location of said sign(s) shall be at a place mutually acceptable to Owner and Agent.

- aa. **Tenant Improvements.** Agent shall manage and supervise construction of tenant improvements.

- bb. **Security Deposits.** Agent will collect the security deposits, but will transfer such deposits to Owner to maintain. Agent will notify Owner when a security deposit needs to be returned or used for lawful deductions.

4. **EXCLUDED SERVICES.** Agent shall not be required under the terms and provisions of this Agreement to render any of the following services:

- a. The planning, developing, financing or supervision of construction for any additional building or land which may hereafter be added to or become a part of the Property from time to time; however, such service may be performed by Agent subject to written agreement between Owner and Agent for such additional services at the rate of two percent (2 %) of expenditures.
- b. Services requiring time in excess of the stated duties required hereunder, such as in connection with litigation, arbitration or mediation other than suits for the collection of rent or the enforcement of leases, whether such litigation, arbitration or mediation shall be instituted by Owner, by tenant or others.

5. AGENT'S COMPENSATION.

- a. **Expenses and Expenditures.** Agent will be reimbursed by Owner from the Operating Account each month for the following listed expenses and expenditures incurred or accrued by Agent in the operation of the Property:
- i. All direct labor and contract costs, and all materials, supplies, equipment, tools, components, and related systems and parts with respect to the maintenance, repair, improvement and operation of the Property.
 - ii. Operating costs and expenses of supplies, materials, equipment, Property stationery, forms, books and records, all with respect to the Property or other locations approved by Owner, and audited financial statements and certifications thereof as may be required by this Agreement.
 - iii. All necessary equipment, tools and supplies, whether purchased, leased or otherwise acquired for the performance by Agent of the duties required hereunder for the operation of the Property pursuant to this Agreement.
 - iv. All other ordinary and necessary expenses or expenditures paid or accrued in the operation of the Property pursuant to the Budget.
 - v. All monies which Agent may elect to advance for the Owner for expenses which Owner is required to pay under this Agreement; however, Agent will not be obligated to make such advancements.

- b. **Management Fee.** For the services rendered by Agent pursuant to this Agreement, and in addition to other fees and reimbursements to Agent as set forth in this Agreement, Owner shall pay Agent monthly a management fee in an amount of \$500.00 per month. All such fees are due and payable by the last day of each month.

Agent shall have the authority to make such payments on Owner's behalf from the Operating Account, so long as such payments are made in accordance with the terms and conditions of this Agreement.

- c. **Leasing Commissions.** This Paragraph shall apply exclusively to the existing Buildings, which are currently on the Property as of the date this contract is signed and shall not apply to any newly constructed Building to be built by Agent pursuant to the Economic Development Agreement. Owner grants to Agent the exclusive right to lease the Property described by this Paragraph and Owner shall compensate Agent for its services as Leasing Agent in accordance with the following:

- i. **Commissions on Initial Leases** - Commission equal to Four percent (4%) of the Aggregate Total Base Rental provided in the Lease Agreement for the initial term shall be paid to Agent where Agent was the "procuring cause" of the initial lease for Buildings.
- ii. **Commissions on Lease Renewals** - Commission equal to Two percent (2%) of the Aggregate Total Base Rental provided in the Agreement for the renewal term shall be paid to Agent where an existing tenant renews a lease for its existing premises, including the exercise of an option to renew.
- iii. **Commissions on Tenant Expansion** - For the purpose of determining compensation under this Agreement, tenant expansions shall be considered as an initial lease hereunder; however, such commission shall only be applicable for the net increase in tenant's square footage.

Furthermore, the same method of determining Agent's commission shall be used if an existing tenant relocates within the Property for the purpose of expanding.

- iv. Commissions on Month-To-Month Lease - A commission equal to one-half ($\frac{1}{2}$) of the first month's rental, when a tenant initially occupies the premises on a "month-to-month" basis; however, such commission shall not be less than \$250.00.
- v. Commission When Other Brokers Are Procuring Cause - A commission equal to Six percent (6%) of the Aggregate Total Base Rental provided in the Lease Agreement for the initial lease term shall be paid to Agent when an outsider broker (i.e. not an employee of Agent) is the "procuring cause" of the lease as defined by the laws within the state the Property is located. Agent shall indemnify Owner against any commission liability to such outside broker. A commission equal to Four percent (4%) of the Aggregate Total Base Rental provided in the Lease Agreement for the renewal term shall be paid to Agent when an outside broker has been appointed as the tenant's exclusive agent for the renewal and Agent shall indemnify Owner from any commission claims from such outside broker with respect to the renewal.
- vi. Definition of Aggregate Total Base Rental - Aggregate Total Base Rental shall mean all guaranteed minimum rent provided for in the primary term of the lease. Percentage rental and additional rent is excluded from this definition.
- vii. Leasing Commissions - Leasing commissions due Agent will be earned and paid one-half upon signing of the lease and one-half upon tenant's opening for business.
- viii. Leasing Expenses - In addition to the commissions provided herein, Owner shall pay to or reimburse Agent for the following expenses:
 - 1. Advertising and promotion expenses paid by Agent as set forth in the approved Budget, or as otherwise approved by Owner.
 - 2. Space planning expenses paid by Agent as set forth in the approved Budget, or as otherwise approved by Owner.
 - 3. Special events and promotions, subject to prior approval by Owner.
 - 4. Any other special marketing projects which, are approved by Owner.
 - 5. Any legal expenses incurred in connection with lease preparation and negotiations, which are pre-approved by Owner.
 - 6. Travel expenses (excluding entertainment expenses) which, are pre-approved by Owner.

6. **AUTHORITY.** Agent is vested with such general authority and powers as may be necessary or advisable to carry out the intent of this Agreement.

7. **INDEMNIFICATION.** Agent agrees to protect, defend, indemnify and hold Owner and the Property harmless from and against any and all loss, cost, damage, liability and expense (including court costs and reasonable attorneys' fees) arising out of (i) obligations or liabilities of

Owner incurred by Agent or any of its officers, employees or agents, other than those expressly permitted hereby to be so incurred by Agent, or (ii) any negligence, willful misconduct or fraud of Agent or any of its officers, employees, or agents.

8. **REIMBURSEMENT FOR CLAIMS.** Owner agrees to reimburse Agent for Agent's reasonable legal expenses incurred defending legal claims from third parties that may arise as a result of Owner's performance of this Agreement, provided that such claims are not covered by Owner's insurance policies or by the City's insurance policies. If such claims are covered by Owner's insurance policies or by the City's insurance policies, Owner shall first use the proceeds from such policies to make such reimbursements to Agent. In the event that such legal expenses exceed or are anticipated to exceed \$10,000, then Agent will notify Owner, and the parties will reasonably cooperate in determining a legal strategy with respect to such claim.

9. **TERMINATION OF AGENT.**

a. **Termination By Either Party.**

- i. Either party shall have the right to terminate this Agreement upon thirty (30) days prior written notice.
- ii. Either party shall have the right to terminate this Agreement upon ten (10) days prior written notice in the event of a sale or exchange of all or any portion of the Property, or substantial destruction of the Property.
- iii. If either party shall file a petition in bankruptcy, or be granted relief under the Bankruptcy Code of the United States of America, or make an assignment for the benefit of creditors or like arrangement or composition or file a petition in the federal court for reorganization or otherwise seek relief under any bankruptcy or insolvency law, federal or state, or be placed in the hands of a receiver or trustee, then this Agreement is terminated.
- iv. If either party fails to comply with any rule, order, determination, ordinance, or law of any federal, state, or municipal authority, the other party may terminate this Agreement upon ten (10) days prior written notice.

b. **Termination by Owner.** Owner shall have the right to terminate this Agreement in the event of Agent's breach of its obligations under this Agreement, which shall not have been cured within 7 days after Agent's receipt of Owner's written notice thereof. Owner shall have the right to terminate this Agreement immediately upon giving written notice to Agent in the event of gross negligence, willful misconduct or fraud (each a "Material Breach") by Agent in the performance of any provision of this Agreement. In the event of a Material Breach, all obligations of Owner to Agent shall immediately terminate, and Agent shall be deemed to have forfeited any outstanding fees and commissions earned by Agent, including reimbursements of all amounts provided herein, prior to and including the effective date of termination, provided that nothing herein shall eliminate Owner's obligation to reimburse Agent for any costs and expenses payable or paid by Agent to third party professionals retained upon Owner's approval under Section 3(x) above. The forfeiture of Agent's earned but unpaid fees and commissions plus incurred but unreimbursed expenses shall be the sole and exclusive remedy of the Owner with regard to a Material Breach of Agent hereunder. Owner shall have the right to terminate this Agreement immediately in the event of an uncured Event of Default by Agent pursuant to the Economic Development Agreement or the Ground Lease.

c. **Termination By Agent.** Agent shall have the right to terminate this Agreement in the event of Owner's breach of its obligations under this Agreement, which

shall not have been cured within 7 days after Owner's receipt of Agent's written notice thereof.

- d. **Agent's Cooperation Upon Termination.** Agent shall cooperate with Owner in notifying all tenants of the Property of the expiration and termination of this Agreement by written notice sent by certified mail, return receipt requested, and Agent shall cooperate with Owner to accomplish an orderly transfer of the operation and management of the Property to a party designated by Owner. Agent shall, at its sole cost and expense, promptly remove from the Property all signs indicating that Agent is the managing agent. Agent shall provide a final accounting and shall transfer all books, records, leases, keys and other materials belonging to Owner, and shall, within thirty (30) days after termination, deliver a list of prospective tenants whom Agent (or others working by or through Agent) has introduced to the Property (the "Qualified Prospects"). If the Qualified Prospects have demonstrated an interest to lease any portion of the Property, then Agent shall be entitled to the scheduled commission for any lease executed by Owner and any Qualified Prospect within one hundred eighty (180) days after termination of this Agreement, payable as provided above, unless this Agreement is terminated by Owner in the event of a Material Breach in accordance with Paragraph 9.b above, in which case no commission shall be due to Agent.

10. **CONFIDENTIALITY.** Agent shall hold in strict confidence all information related to Owner's business concerning the Property furnished to or obtained by Agent in the form of information gathered from Owner's books or records. In no event shall Agent issue or make any statement on behalf of Owner, to the press or other media, without Owner's prior approval in each and every instance. Nothing herein shall prevent Agent from disclosing information that is subject to disclosure through open records or open meetings laws of the state of Texas.

11. **ASSIGNMENT.** Agent may not assign its interest in this Agreement without the prior written consent of the Owner, except as may be otherwise specifically provided herein.

12. **OWNER'S CREDITORS.** Agent is not and never shall be liable to any creditor of Owner.

13. **NO JOINT VENTURE OR PARTNERSHIP.** Nothing contained in this Agreement or in the relationship of Owner and Agent shall be deemed to constitute or be construed to be or create a partnership or joint venture between Owner and Agent.

14. **NO WAIVER OF RIGHTS.** Failure by Owner or Agent at any time to exercise any right or remedy herein granted or established by law shall not be deemed to operate as a waiver of its right to exercise such right or remedy at any other future time.

15. **COMPLIANCE WITH LAW.** Owner and Agent shall comply with all statutes, ordinances, laws, rules and orders of any federal, state, or local government or department or office thereof having jurisdiction over the Property respecting the use, operation, maintenance and construction thereof.

16. **GOVERNING LAW.** If any one or more of the covenants, agreements or provisions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, the invalidity of such covenants, agreements and provisions shall in no way affect the validity or effectiveness of the remainder of this Agreement and this Agreement shall continue in force to the fullest extent permitted by law. This Agreement shall be governed by the laws of Texas; and all parties hereto submit to mandatory jurisdiction in Tarrant County, Texas.

17. **NOTICES.** Any notice which Agent may desire or be required to give to Owner shall be deemed sufficiently given or rendered if in writing, delivered to Owner by courier, electronic mail or facsimile, with evidence of delivery, or by certified or registered mail, return receipt requested and addressed to Owner as follows:

If to OWNER:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
Attn: President
Executive Director
405 Municipal Drive
Kennedale, Texas 76060
FAX: 817-478-7169 Tel: 817-985-2102
E-Mail: bhart@cityofkennedale.com
Tel: 817-985-2102

Any notice which Owner may desire or be required to give to Agent shall be deemed sufficiently given or rendered if, in writing, delivered to Agent by courier, electronic mail or facsimile, with evidence of delivery, or by certified or registered mail, return receipt requested and addressed to Agent as follows:

If to AGENT:

Crampton EBJ, Inc.
Attn: Mark Wong
825 E Sanford Street
Arlington, Texas 76011

And

HPS RE Interests I, LP
c/o HPS GP I, LLC
6208 Blain Drive
Plano, Texas 75024

With a copy to:

Craig Hughes
Hughes Commercial Real Estate and Development, LLC
6208 Blain Drive
Plano, Texas 76060
Tel: 214-543-3821
E-Mail: Craig.Hughes@HughesCommercialTexas.com

18. **ATTORNEYS FEES.** In the event of any dispute between the parties hereto arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover from the other its reasonable attorneys fees and costs incurred in connection therewith.

19. **MULTIPLE COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original constituting one and the same instrument.

20. **ENTIRE AGREEMENT.** This Agreement and the exhibits attached hereto constitute the entire agreement of the parties hereto regarding the subject matter hereof, and may not be amended or modified except by written instrument signed by the parties hereto.

21. **BINDING EFFECT.** This Agreement shall be binding upon the parties hereto, their legal representatives, successors and assigns, and may not be changed except by agreement in writing.

22. **INTERMEDIARY DISCLOSURE.** An Intermediary Disclosure Addendum is attached hereto and incorporated herein and Owner authorizes Agent to act as an intermediary.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year written below by their officers thereunto duly authorized.

EXECUTED this 16 day of July, 2015.

OWNER: KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

By: Bob Hart
Bob Hart, Executive Director

ATTEST:

By: Leslie Salloway
Board Secretary



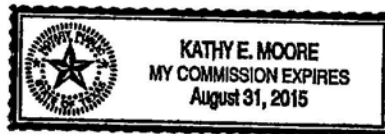
AGENT:

Crampton EBJ, Inc.

By: Mark Wong
Mark Wong, President
Date: 7/16/2015

ATTEST:

Kathy E. Moore
Notary Public



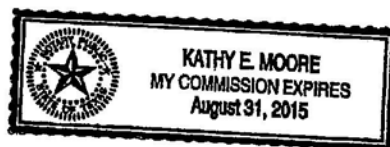
HPS RE Interests I, LP

By its general partner, HPS GP I, LLC
By its manager, Craig Hughes

By: Craig Hughes
Craig Hughes, its manager
Date: 07/16/2015

ATTEST:

Kathy E. Moore
Notary Public



INTERMEDIARY DISCLOSURE ADDENDUM

A broker who acts as an intermediary between parties in a transaction:

1. may not disclose to the buyer or tenant that the seller or landlord will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller or landlord;
2. may not disclose to the seller or landlord that the buyer or tenant will pay a price greater than the price submitted in a written offer to the seller or landlord unless otherwise instructed in a separate writing by the buyer or tenant;
3. may not disclose any confidential information or any information a party specifically instructs the real estate broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose such information by the Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property;
4. shall treat all parties to the transaction honestly; and
5. shall comply with the Texas Real Estate License Act.

LOAN ASSUMPTION AND MODIFICATION AGREEMENT

15/11/15 12:38L -COMPTON

THIS LOAN ASSUMPTION AND MODIFICATION AGREEMENT (this "Agreement") is made and entered into effective as of September 27, 2016, by and between CRAMPTON EBJ, INC., a Texas corporation ("Crampton"), HPS RE INTERESTS I, LP, a Texas limited partnership ("HPS") (with Crampton and HPS being referred to herein collectively as "Original Borrower"), KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC, a Texas limited liability company ("Borrower"), KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979 ("Fee Owner"), EUGENE LAM ("Lam"), FRAUSTINA SAM ("Sam"), PHILLIP C. HUGHES ("Hughes"), LANA WONG ("Wong") (with Lam, Sam, Hughes and Wong being referred to herein individually as a "Guarantor" and collectively as "Guarantors"), and LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas ("Bank").

RECITALS:

A. On or about July 17, 2015 Original Borrower and Bank executed a Loan Agreement (herein so called) pursuant to which Bank agreed to make a \$1,100,000.00 loan to Original Borrower (the "Loan").

B. On about July 17, 2015 Original Borrower executed and delivered or caused to be executed and delivered to Bank the following documents evidencing or securing payment of the Loan:

(1) Promissory Note (the "Note") executed by Original Borrower and payable to the order of Bank in the original principal amount of \$1,100,000.00;

(2) Deed of Trust and Security Agreement (With Assignment of Leases) (the "Deed of Trust") securing payment of the Note, executed by Original Borrower and Fee Owner to Ben Cunningham, Trustee, covering the leasehold interest of Original Borrower and the fee interest of Fee Owner in certain real property in the City of Kennedale, Tarrant County, Texas more particularly described therein (the "Property"), which Deed of Trust was recorded in the Real Property Records of Tarrant County, Texas on July 23, 2015 as Document No. D215162057; and

(3) Guaranties, securing payment of the Note, one executed by each Guarantor for the benefit of Bank (individually, a "Guaranty" and collectively, the "Guaranties").

C. The Loan Agreement, the Note, the Deed of Trust, the Guaranties and all other documents evidencing, securing or executed in connection with the Loan are herein referred to as the "Loan Documents".

LOAN ASSUMPTION AND MODIFICATION AGREEMENT

15/11C/15122382 -COM/725m

THIS LOAN ASSUMPTION AND MODIFICATION AGREEMENT (this "Agreement") is made and entered into effective as of September 27, 2016, by and between CRAMPTON EBJ, INC., a Texas corporation ("Crampton"), HPS RE INTERESTS I, LP, a Texas limited partnership ("HPS") (with Crampton and HPS being referred to herein collectively as "Original Borrower"), KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC, a Texas limited liability company ("Borrower"), KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979 ("Fee Owner"), EUGENE LAM ("Lam"), FRAUSTINA SAM ("Sam"), PHILLIP C. HUGHES ("Hughes"), LANA WONG ("Wong") (with Lam, Sam, Hughes and Wong being referred to herein individually as a "Guarantor" and collectively as "Guarantors"), and LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas ("Bank").

R E C I T A L S:

A. On or about July 17, 2015 Original Borrower and Bank executed a Loan Agreement (herein so called) pursuant to which Bank agreed to make a \$1,100,000.00 loan to Original Borrower (the "Loan").

B. On about July 17, 2015 Original Borrower executed and delivered or caused to be executed and delivered to Bank the following documents evidencing or securing payment of the Loan:

(1) Promissory Note (the "Note") executed by Original Borrower and payable to the order of Bank in the original principal amount of \$1,100,000.00;

(2) Deed of Trust and Security Agreement (With Assignment of Leases) (the "Deed of Trust") securing payment of the Note, executed by Original Borrower and Fee Owner to Ben Cunningham, Trustee, covering the leasehold interest of Original Borrower and the fee interest of Fee Owner in certain real property in the City of Kennedale, Tarrant County, Texas more particularly described therein (the "Property"), which Deed of Trust was recorded in the Real Property Records of Tarrant County, Texas on July 23, 2015 as Document No. D215162057; and

(3) Guaranties, securing payment of the Note, one executed by each Guarantor for the benefit of Bank (individually, a "Guaranty" and collectively, the "Guaranties").

C. The Loan Agreement, the Note, the Deed of Trust, the Guaranties and all other documents evidencing, securing or executed in connection with the Loan are herein referred to as the "Loan Documents".

D. Original Borrower has assigned and conveyed its leasehold interest in the Property to Borrower, and in connection therewith, Borrower desires to assume the obligations of Original Borrower under the Loan.

E. Of even date herewith, Bank is making the following additional loans to Borrower or affiliates of Borrower:

(1) Loan to Borrower, doing business as KDP, Series LLC – Building 6 – Series II, in the amount of \$1,117,750.00 (the “Building 6 Loan”), evidenced by a Promissory Note of even date herewith payable to the order of Bank in such amount, and secured by a Deed of Trust and Security Agreement (With Assignment of Leases), executed by Borrower and Fee Owner to Ben Cunningham, Trustee, for the benefit of Bank, covering the leasehold interest of Borrower and the fee interest of Fee Owner in Lot 6, Block A, Re-Plat Block A, Kennedale Retail Center Addition, according to the map or plat thereof recorded in Clerk’s File No D209321169, Plat Records, Tarrant County, Texas;

(2) Loan to Borrower, doing business as KDP, Series LLC – Building 7 – Series III, in the amount of \$1,575,000.00 (the “Building 7 Loan”), evidenced by a Promissory Note of even date herewith payable to the order of Bank in such amount, and secured by a Deed of Trust and Security Agreement (With Assignment of Leases), executed by Borrower and Fee Owner to Ben Cunningham, Trustee, for the benefit of Bank, covering the leasehold interest of Borrower and the fee interest of Fee Owner in Lot 7, Block A, Re-Plat Block A, Kennedale Retail Center Addition, according to the map or plat thereof recorded in Clerk’s File No D209321169, Plat Records, Tarrant County, Texas; and

(3) Loan to EBJ, LP, a Texas limited partnership and an affiliate of Borrower in the amount of \$1,000,000.00 (the “Carrier Parkway Loan”), as evidenced by a Promissory Note of even date herewith payable to the order of Bank in such amount, and secured by a Deed of Trust and Security Agreement (With Assignment of Leases), executed by Borrower and Fee Owner to Ben Cunningham, Trustee for the benefit of Bank, covering the property located at 3710 Carrier Parkway in the City of Arlington, Tarrant County, Texas.

F. Bank, Borrower and Fee Owner desire to amend the Deed of Trust to provide that the Deed of Trust secures the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan, in addition to the Loan.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Bank hereby agree as follows:

1. Defined Terms. All terms used herein with their initial letters capitalized and not otherwise defined herein shall have the meanings set forth in the Loan Agreement.

2. Consent to Transfer. Bank hereby consents to the assignment and conveyance by Original Borrower of its leasehold interest in the Property to Borrower. Such consent shall not be construed as a waiver of Bank's rights under the Deed of Trust and the other Loan Documents to approve any subsequent transfer of the Property.

3. Assignment and Assumption of Loan. Original Borrower hereby assigns to Borrower all of Original Borrower's obligations, rights, powers, equities, remedies and interests in, to and arising out of the Loan and the Loan Documents, subject to the covenants, conditions and provisions of the Loan as provided in the Note and the other Loan Documents. Borrower hereby expressly assumes and promises to pay to the order of Lender the unpaid principal balance of the Note and all accrued and unpaid interest and all other sums now or hereafter to become due and payable under the Note or the Deed of Trust and the other Loan Documents and to perform all of the obligations of Original Borrower under the Deed of Trust and all other Loan Documents.

4. Modifications of Loan Documents.

(a) Section 7.1 of the Loan Agreement is amended by adding the following as an additional Event of Default:

"(j) The occurrence of any default under the Building 6 Loan, the Building 7 Loan, or the Carrier Parkway Loan."

(b) The description of Other Indebtedness in Section 1.4 of the Deed of Trust is modified to include payment of (i) the Building 6 Loan, (ii) the Building 7 Loan, (iii) the Carrier Parkway Loan, and (iv) all other indebtedness, of whatever kind or character, now owing or that may hereafter become owing by Borrower to Beneficiary, whether such indebtedness is evidenced by note, open account, overdraft, endorsement, surety agreement, guaranty, or otherwise.

5. Representations, Warranties, and Agreements. As a material inducement to Bank to consent to the assignment and conveyance of the leasehold interest in the Property to Borrower, Borrower and Guarantors represent and warrant to Bank that (i) all representations and warranties made by Borrower and Guarantors in the Loan Documents are true and correct as of the date hereof, (ii) there are no defenses, claims, counterclaims or offsets to the Note or the other Loan Documents, and (iii) the Note and the other Loan Documents, as amended by this Agreement, are the valid and binding obligations of Borrower and Guarantors, and the Loan Documents are in full force and effect, enforceable in accordance with their respective terms.

6. Confirmation, Renewal and Extension of Rights and Liens. Borrower and Fee Owner hereby ratify and confirm the debts, duties, obligations, liabilities, rights, titles, security interests, liens, powers and privileges existing by virtue of the Loan, the Note, the Deed of Trust and the other Loan Documents and hereby agree that neither this Agreement, nor any modification of the Loan Documents in connection herewith, shall in any way or manner release, discharge, or impair the rights and benefits conferred upon Bank by the Loan Documents. Borrower and Fee Owner acknowledge and confirm that the liens created pursuant to the Deed of

Trust continue to secure the Note and remain valid and subsisting liens against the Property as security for repayment of the Note.

7. Costs and Expenses. Borrower shall pay to Bank all costs and expenses incurred by Bank in connection with the review, preparation, negotiation, execution and consummation of this Agreement and the information furnished pursuant hereto including, without limitation, all recording costs and reasonable fees and expenses of counsel to Bank.

8. Affirmation of Guarantors. Guarantors hereby consent and agree to all of the terms and provisions of this Agreement, and further agree and represent that the Guaranty executed by each Guarantor is in all respects ratified and confirmed, and is and shall continue in full force and effect, and acknowledge that there are no claims, and that Guarantors have no defenses or counterclaims, to the terms and provisions of and the obligations created and evidenced by the Guaranties.

9. Release by Original Borrower, Borrower and Guarantors. Original Borrower, Borrower and Guarantors, for themselves and for their respective heirs, successors and assigns, do hereby release and discharge Bank and its agents, employees, officers, directors, and attorneys (collectively "Released Parties"), from any and all of Bank's duties, obligations and liabilities existing as of the date hereof and arising under, based upon or associated with, directly or indirectly, the Loan, and further do hereby waive any and all claims and causes of action of any kind or character, arising under, based upon or associated with, directly or indirectly, the Loan or the acts, actions or omissions of the Released Parties in connection therewith, existing as of the date of this Agreement, whether known or unknown, asserted or unasserted, equitable or at law, arising under or pursuant to common or statutory law, rules or regulations.

10. Waiver. No failure to exercise, and no delay in exercising, on the part of Bank, any right hereunder or under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Bank hereunder and thereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision thereof, nor consent to departure therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

11. Certain Fees. Borrower acknowledges that it has been advised by Bank in the event that subsequent to the date hereof Borrower makes any request of Bank for (a) any extension, renewal, modification or amendment of the Note or any of the Loan Documents, (b) the release or substitution of any collateral securing repayment of the Loan, (c) any consent, waiver or approval pertaining to the Property, (d) review of any lease, easement or other document, (e) a determination as to whether Borrower has satisfied any condition under the Loan Documents or (f) any agreement on the part of Bank not expressly contemplated by the Loan Documents (as, for example, a request for waiver of an Event of Default under any of the Loan Documents), Borrower shall be obligated (x) to reimburse Bank for any out of pocket expenses incurred by Bank in connection therewith (y) to pay Bank a reasonable fee for processing and

reviewing such request and (z) if such request is granted, to pay Bank a reasonable fee for granting such request.

12. Governing Law. This Agreement has been prepared, and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, construction, enforcement and interpretation of this Agreement.

13. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

14. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

15. Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but when taken together shall constitute but one agreement, with the same effect as if all parties hereto had signed the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement and attached to another counterpart identical in form thereto but having attached to it one or more additional signature pages. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile or electronic transmission will also deliver a manually executed counterpart of this Agreement, but failure to deliver a manually executed counterpart will not affect the validity, enforceability or binding effect of this Agreement.

16. STATUTORY NOTICE OF FINAL AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

This Notice is given with respect to the loan evidenced by the Note pursuant to Section 26.02 of the Texas Business and Commerce Code.

17. Continued Effect. Except as modified hereby the Note and the other Loan Documents remain in full force and effect according to the terms and provisions contained therein.

(Signature pages follow)

EXECUTED as of the day and year first above written.

ORIGINAL BORROWER:

CRAMPTON EBJ, INC.,
a Texas corporation

By: _____

Lana Wong, President

HPS RE INTERESTS I, LP,
a Texas limited partnership

By: HPS GP I, LLC, a Texas limited liability company, its
General Partner

By: _____

Phillip C. Hughes, its Manager

THE STATE OF TEXAS)
COUNTY OF Tarrant)

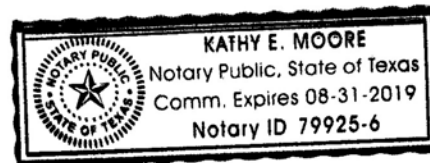
The foregoing instrument was acknowledged before me this 27 day of September, 2016 by Lana Wong, President of **CRAMPTON EBJ, INC.**, a Texas corporation, on behalf of such corporation.

Kathy E. Moore
Notary Public, State of Texas

My Commission Expires:

8-31-19

THE STATE OF TEXAS)
COUNTY OF Tarrant)

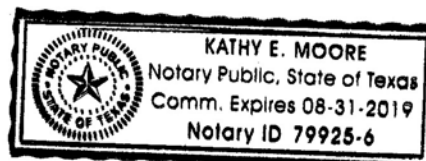


The foregoing instrument was acknowledged before me this 27 day of September, 2016 by Phillip C. Hughes, the Manager of **HPS GP I, LLC**, a Texas limited liability company, on behalf of such limited liability company in its capacity as the General Partner of **HPS RE INTERESTS I, LP**, a Texas limited partnership, and on behalf of such limited partnership.

Kathy E. Moore
Notary Public, State of Texas

My Commission Expires:

8-31-19



EXECUTED as of the day and year first above written.

BORROWER:

**KENNEDALE DEVELOPMENT PARTNERS,
SERIES LLC**, a Texas limited liability company

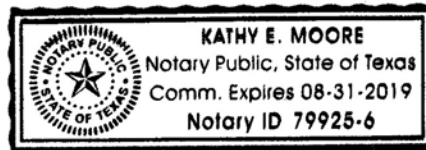
By: Mark Wong
Mark Wong, its Manager

THE STATE OF TEXAS)
COUNTY OF Tarrant)

The foregoing instrument was acknowledged before me this 27 day of September, 2016 by Mark Wong, the Manager of **KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC**, a Texas limited liability company, on behalf of such limited liability company.

Kathy E. Moore
Notary Public, State of Texas

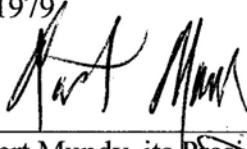
My Commission Expires:
8-31-19



EXECUTED as of the day and year first above written.

FEE OWNER:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979

By: 
Robert Mundy, its President, Board of Directors

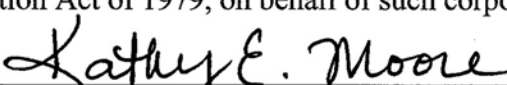
ATTEST:


Secretary



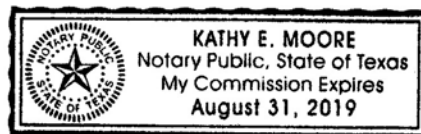
THE STATE OF TEXAS)
COUNTY OF Tarrant)

The foregoing instrument was acknowledged before me this 27 day of September, 2016 by Robert Mundy, President, Board of Directors of **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, on behalf of such corporation.


Notary Public, State of Texas

My Commission Expires:

8-31-19



EXECUTED as of the day and year first written above.

GUARANTORS:



Eugene Lam

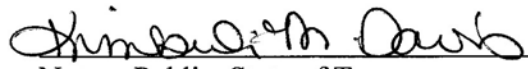
Fraustina Sam

Phillip C. Hughes

Lana Wong

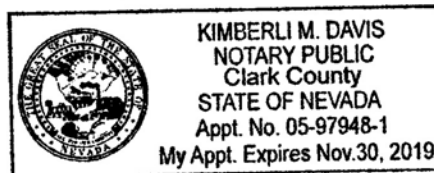
THE STATE OF ~~TEXAS~~ ^{Nevada})
)
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 3 day of ~~September~~ ^{October}, 2016 by Eugene Lam.



Notary Public, State of Texas

My Commission Expires:
Nov. 30, 2019



THE STATE OF TEXAS)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of September, 2016 by Fraustina Sam.

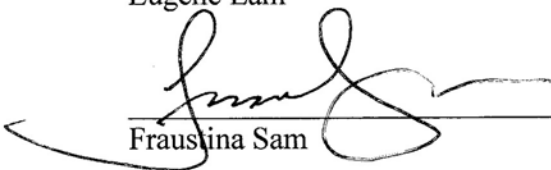
Notary Public, State of Texas

My Commission Expires:

EXECUTED as of the day and year first written above.

GUARANTORS:

Eugene Lam



Fraustina Sam

Phillip C. Hughes

Lana Wong

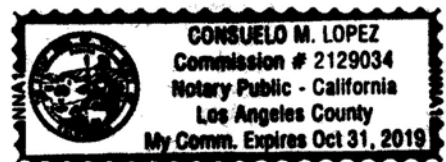
THE STATE OF TEXAS)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of September, 2016 by Eugene Lam.

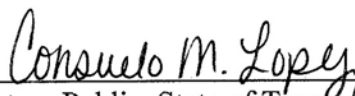
Notary Public, State of Texas

My Commission Expires:

THE STATE OF ~~TEXAS~~ ^{CALIFORNIA})
)
COUNTY OF Los Angeles)

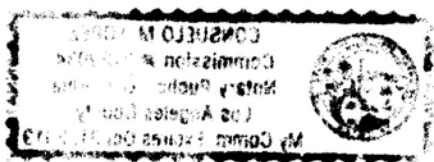


The foregoing instrument was acknowledged before me this 30th day of September, 2016 by Fraustina Sam.



Notary Public, State of Texas California

My Commission Expires:
October 31, 2019



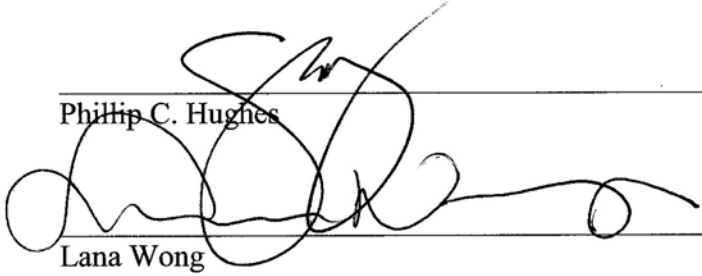
EXECUTED as of the day and year first written above.

GUARANTORS:

Eugene Lam

Fraustina Sam

Phillip C. Hughes



Lana Wong

THE STATE OF TEXAS)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of September, 2016 by Eugene Lam.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF TEXAS)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of September, 2016 by Fraustina Sam.

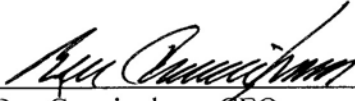
Notary Public, State of Texas

My Commission Expires:

EXECUTED as of the day and year first written above.

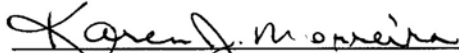
BANK:

LIBERTY CAPITAL BANK

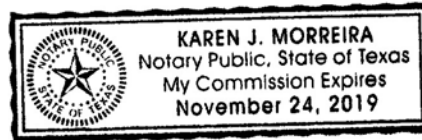
By: 
Ben Cunningham, CEO

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 30th day of September, 2016 by Ben Cunningham, CEO of LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas, on behalf of said bank.


Notary Public, State of Texas

My Commission Expires:
11-24-2019



MAD\10777\095\Loan Assumption and Modification Agreement v2.doc

EXECUTED as of the day and year first written above.

BANK:

LIBERTY CAPITAL BANK

By: *Ben Cunningham*
Ben Cunningham, CEO

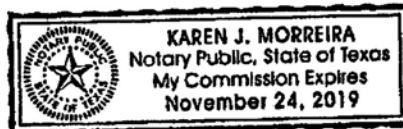
THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 30th day of September, 2016 by Ben Cunningham, CEO of LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas, on behalf of said bank.

Karen J. Morreira
Notary Public, State of Texas

My Commission Expires:

11-24-2019



MAD\10777\095\Loan Assumption and Modification Agreement v2.doc

D. Borrower and Bank have agreed to modify the Note as hereinafter set forth.

the "Loan Documents,"

documents evidencing, securing or executed in connection with the Loan are herein referred to as

C. The Loan Agreement, the Note, the Deed of Trust, the Guaranties and all other

"Guaranties,"

Guarantor for the benefit of Bank (individually, a "Guaranty," and collectively, the

(3) Guaranties, securing payment of the Note, one executed by each

Document No. D510538318, and

recorded in the Real Property Records of Tarrant County, Texas on October 11, 2010 as

Texas more particularly described therein (the "Property," which Deed of Trust was

interest of Fee Owner in certain real property in the City of Kennedale, Tarrant County,

Ben Cunningham, Trustee, covering the leasehold interest of Borrower and the Fee

"Deed of Trust,") securing payment of the Note, executed by Borrower and Fee Owner to

(5) Deed of Trust and Security Agreement (With Assignment of Leases) (the

order of Bank in the original principal amount of \$1,112,220.00;

(1) Promissory Note (the "Note,") executed by Borrower and payable to the

Loan:

executed and delivered to Bank the following documents evidencing or securing payment of the

B. On about September 30, 2010 Borrower executed and delivered or caused to be

"Loan,"

(herein so called) pursuant to which Bank agreed to make a \$1,112,220.00 loan to Borrower (the

A. On or about September 30, 2010 Borrower and Bank executed a Loan Agreement

RECITALS:

organized under the laws of the State of Texas ("Bank,"

"Guarantor," and collectively as "Guarantors," and FIBERTL CAPITAL BANK, a bank

("Wong," (with Lam, Sam, Hughes and Wong being referred to herein individually as a

("Lam," EVANGELINA SAM ("Sam," PHILIP C. HUGHES ("Hughes," LAMIA WONG

B Corporation under the Development Corporation Act of 1979 ("Fee Owner," EUSENIE LAM

ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type

business as KDB, Series LLC - Building 6 - Series II ("Borrower," KENNEDATE

DEVELOPMENT PARTNERS, SERIES LLC, a Texas limited liability company, doing

into the 31st day of ~~August~~ 2020 (the "Effective Date," by and among KENNEDATE

THIS LOAN MODIFICATION AGREEMENT (this "Agreement," is made and entered

LOAN MODIFICATION AGREEMENT

full force and effect, and acknowledge that there are no claims, and that Guarantors have no executed by each Guarantor is in all respects ratified and confirmed, and is and shall continue in terms and provisions of this Agreement, and further agree and represent that the Guaranty

1. Affirmation of Guarantors. Guarantors hereby consent and agree to all of the recording costs and reasonable fees and expenses of counsel to Bank.

this Agreement and the information furnished pursuant hereto including, without limitation, all by Bank in connection with the review, preparation, negotiation, execution and consummation of

2. Costs and Expenses. Borrower shall pay to Bank all costs and expenses incurred repayment of the Note, the Building 2 Loan, the Building 3 Loan and the Carrier Parkway Loan. Parkway Loan and remain valid and subsisting liens against the Property as security for Trust continue to secure the Note, the Building 2 Loan, the Building 3 Loan and the Carrier Borrower and Fee Owner acknowledge and confirm that the liens created pursuant to the Deed of discharge, or impair the rights and benefits conferred upon Bank by the Loan Documents, modification of the Loan Documents in connection herewith, shall in any way or manner release, and the other Loan Documents and hereby agree that neither this Agreement, nor any interests, liens, powers and privileges existing by virtue of the Loan, the Note, the Deed of Trust Owner hereby ratify and confirm the debts, duties, obligations, liabilities, rights, titles, security

3. Confirmation, Renewal and Extension of Rights and Liens. Borrower and Fee respective terms.

and the Loan Documents are in full force and effect, enforceable in accordance with their amended by this Agreement, are the valid and binding obligations of Borrower and Guarantors, to the Note or the other Loan Documents, and (iii) the Note and the other Loan Documents, as true and correct as of the date hereof, (ii) there are no defenses, claims, counterclaims or offsets representations and warranties made by Borrower and Guarantors in the Loan Documents are to enter into this Agreement, Borrower and Guarantors represent and warrant to Bank that (i) all

4. Representations, Warranties, and Agreements. As a material inducement to Bank Bank to the outstanding principal balance of the Note.

which is ninety (90) days after the Effective Date. Such additional payments shall be applied by the Effective Date and (ii) another payment in the amount of \$100,000.00 on or before the date make the following payments to Bank: (i) a payment in the amount of \$100,000.00 on or before in addition to the monthly payments of principal and interest specified therein, Borrower shall

3. Modification of Note. Paragraph 1.b of the Note is supplemented to provide that principal owing on the Note as of the Effective Date is \$234,242.50.

5. Unpaid Balance. The parties hereby acknowledge that the outstanding balance of otherwise defined herein shall have the meanings set forth in the Loan Agreement.

1. Defined Terms. All terms used herein with their initial letters capitalized and not hereby acknowledged, Borrower and Bank hereby agree as follows:

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are

may affect the interpretation of this Agreement.

13. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

15. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

11. Governing Law. This Agreement has been prepared and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity,

11. Governing Law. This Agreement has been prepared and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, granting such request.

reviewing such request and (z) if such request is granted, to pay Bank a reasonable fee for incurred by Bank in connection therewith (y) to pay Bank a reasonable fee for processing and Documents), Borrower shall be obligated (x) to reimburse Bank for any out of pocket expenses Documents (as, for example, a request for waiver of an Event of Default under any of the Loan Documents or (t) any agreement on the part of Bank not expressly contemplated by the Loan document, (e) a determination as to whether Borrower has satisfied any condition under the Loan waiver or approval pertaining to the property, (q) review of any lease, easement or other the release or substitution of any collateral securing repayment of the Loan, (c) any consent, extension, renewal, modification or amendment of the Note or any of the Loan Documents, (p) event that subsequent to the date hereof Borrower makes any request of Bank for (a) any

10. Certain Fees. Borrower acknowledges that it has been advised by Bank in the without such notice or demand.

shall constitute a waiver of the right to take other action in the same, similar or other instances extend beyond the particular case and purpose involved. No notice or demand given in any case to depart therefrom, shall be effective unless in writing and no such consent or waiver shall all other rights provided by law. No modification or waiver of any provision thereof, nor consent exercise of any other right. The rights of Bank hereunder and thereunder shall be in addition to shall any single or partial exercise thereof preclude any other or further exercise thereof or the any right hereunder or under any of the Loan Documents shall operate as a waiver thereof, nor

9. Waiver. No failure to exercise, and no delay in exercising, on the part of Bank, common or statutory law, rules or regulations.

known or unknown, asserted or unasserted, equitable or at law, arising under or pursuant to Released Parties in connection therewith, existing as of the date of this Agreement, whether or associated with, directly or indirectly, the Loan or the acts, actions or omissions of the waive any and all claims and causes of action of any kind or character, arising under, based upon under, based upon or associated with, directly or indirectly, the Loan, and further do hereby any and all of Bank's duties, obligations and liabilities existing as of the date hereof and arising its agents, employees, officers, directors, and attorneys (collectively "Released Parties"), from and for their respective heirs, successors and assigns, do hereby release and discharge Bank and

8. Release by Borrower and Guarantors. Borrower and Guarantors, for themselves evidenced by the Guaranties.

defenses or counterclaims, to the terms and provisions of and the obligations created and

(Signature pages follow)

therein.

Documents remain in full force and effect according to the terms and provisions contained

10. Continued Effect. Except as modified hereby the Note and the other Loan

50.05 of the Texas Business and Commerce Code.

This Notice is given with respect to the loan evidenced by the Note pursuant to Section

THESE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN

12. STATUTORY NOTICE OF FINAL AGREEMENT. THIS AGREEMENT AND

affect the validity, enforceability or binding effect of this Agreement.

counterpart of this Agreement, but failure to deliver a manually executed counterpart will not Agreement by facsimile or electronic transmission will also deliver a manually executed executed counterpart of this Agreement. Any party delivering an executed counterpart of this by facsimile or electronic transmission shall be equally as effective as delivery of a manually one or more additional signature pages. Delivery of an executed counterpart of this Agreement Agreement and attached to another counterpart identical in form thereto but having attached to it page. Any signature page of this Agreement may be detached from any counterpart of this but one agreement, with the same effect as if all parties hereto had signed the same signature counterparts, each of which shall constitute an original but when taken together shall constitute

14. Multiple Counterparts. This Agreement may be executed in two or more

01/05/2020
My Commission Expires:

Notary Public, State of Texas

GTC - Building e - Series II, on behalf of such limited liability company.

PARTNERS, SERIES GTC, a Texas limited liability company, doing business as KDB, Series

Handwritten 5050 by Mark Wong, the Manager of KENNEDY DEVELOPMENT

The foregoing instrument was acknowledged before me this 21 day of

COUNTY OF Tarrant)

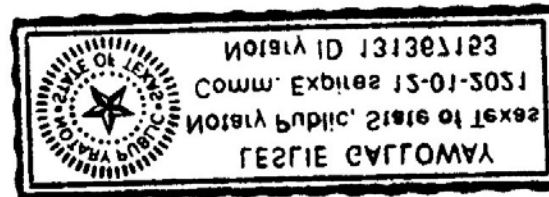
THE STATE OF TEXAS)

By: Mark Wong, its Manager
[Signature]

business as KDB, Series GTC - Building e - Series II
SERIES GTC, a Texas limited liability company, doing
KENNEDY DEVELOPMENT PARTNERS,

BOBBOWEN

EXECUTED as of the day and year first above written.



12-01-2021
My Commission Expires:

Notary Public, State of Texas

[Signature]

Development Corporation Act of 1939, on behalf of such corporation.

CORPORATION, a nonprofit corporation organized as a Type B Corporation under the
2020 by Robert Mundy, President of **KENNEDY ECONOMIC DEVELOPMENT**.

The foregoing instrument was acknowledged before me this 31st day of March,

COUNTY OF DAVALL)

THE STATE OF TEXAS)

Secretary

[Signature]

ATTEST:

George Campbell, its President

By: *[Signature]*

Act of 1939

Type B Corporation under the Development Corporation
CORPORATION, a nonprofit corporation organized as a
KENNEDY ECONOMIC DEVELOPMENT

SEE OWNER:

EXECUTED as of the day and year first above written.

My Commission Expires:

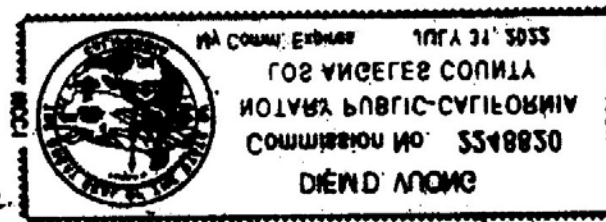
Notary Public, State of Texas

2020 by Faustina Zam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____

THE STATE OF TEXAS



My Commission Expires:

Notary Public, State of Texas

2020 by Eugene Lam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF LOS ANGELES

THE STATE OF TEXAS

Lana Wong

Philip C. Hughes

Faustina Zam

Eugene Lam

GUARANTORS:

EXECUTED as of the day and year first written above.

My Commission Expires:

Notary Public, State of Texas

2020 by Francisco Zam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)

THE STATE OF TEXAS)

My Commission Expires:

Notary Public, State of Texas

2020 by Eugene Lam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)

THE STATE OF TEXAS)

Lana Wong

Philip C. Hughes

Handwritten:
2020
Francisco Zam
Eugene Lam

Francisco Zam

Eugene Lam

GUARANTORS:

EXECUTED as of the day and year first written above.

Signer(s) Other Than Named Above: _____

Document Date: Aug 15, 2017 Number of Pages: 2 pages

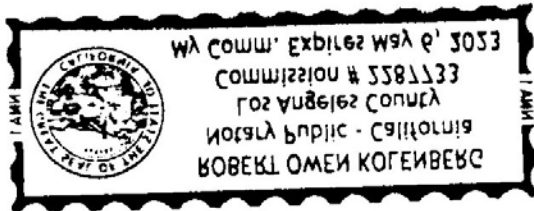
Title or Type of Document: Loan Modification Agreement

Description of Attached Document

fraudulent reattachment of this form to an unintended document.
Completing this information can deter alteration of the document or

OPTIONAL

Place Notary Seal and/or Stamp Above



County of Los Angeles
State of California

Signature of Notary Public
[Signature]

I, the person(s) who appeared before me,
proved to me on the basis of satisfactory evidence to

Name(s) of Signer(s)

(and (s) _____)

(I) 10/12/2017
Date Month Day Year
on this 15 day of August, 2017

Subscribed and sworn to (or affirmed) before me

to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document

Signature of Document Signer No. 1 _____

Signature of Document Signer No. 2 (if any) _____

☐ See Statement Below (lines 1-e to be completed only by document signer[s], not Notary)
☒ See Attached Document (Notary to cross out lines 1-e below)

My Commission Expires:

Notary Public, State of Texas

WITNESSED by Faustina Zam.

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)

THE STATE OF TEXAS)

My Commission Expires:

Notary Public, State of Texas

WITNESSED by Eugene Lam.

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)

THE STATE OF TEXAS)

Lana Wong

Philip C. Hughes

Faustina Zam

Eugene Lam

GUARANTORS:

EXECUTED as of the day and year first written above.

My Commission Expires:

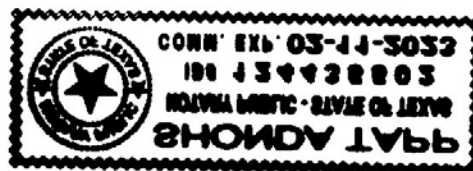
Notary Public, State of Texas

2020 by Lana Wong.

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)
THE STATE OF TEXAS)

My Commission Expires:



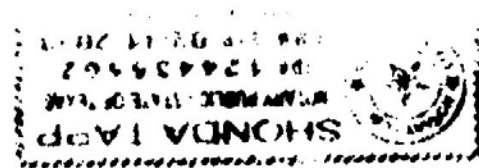
Notary Public, State of Texas

Shonda Tapp

2020 by Phillip C. Hughes.

The foregoing instrument was acknowledged before me this 28th day of August.

COUNTY OF Dallas)
THE STATE OF TEXAS)



My Commission Expires:

Notary Public, State of Texas

WITNESSED by Frustina Zam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)
THE STATE OF TEXAS)

My Commission Expires:

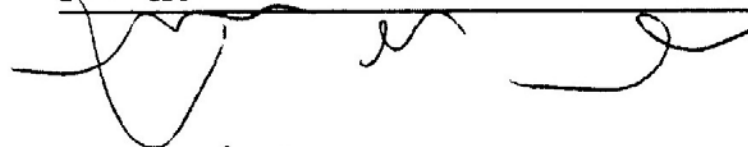
Notary Public, State of Texas

WITNESSED by Eugene Lam

The foregoing instrument was acknowledged before me this _____ day of _____,

COUNTY OF _____)
THE STATE OF TEXAS)

Lana Wong



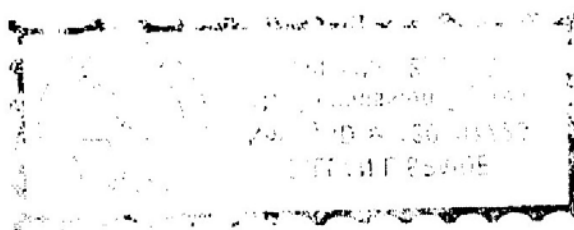
Philip C. Hughes

Frustina Zam

Eugene Lam

CLERKS:

EXECUTED as of the day and year first written above.



06/30/2015
My Commission Expires:

Notary Public, State of Texas

[Signature]

WITNESSED BY Lana Wong.

The foregoing instrument was acknowledged before me this 22 day of February

COUNTY OF Tarrant)
THE STATE OF TEXAS)

My Commission Expires:

Notary Public, State of Texas

WITNESSED BY Phillip C. Hughes.

The foregoing instrument was acknowledged before me this _____ day of _____

COUNTY OF _____)
THE STATE OF TEXAS)

MAD/10777/082/Second Loan Modification Agreement.doc



8-11-2013
My Commission Expires:

Notary Public, State of Texas
[Signature]

the laws of the State of Texas, on behalf of said bank.

by David Cagle, Senior Vice President of FIBERTY CAPITAL BANK, a bank organized under

This instrument was acknowledged before me on the 31st day of August, 2010

COUNTY OF DALLAS)

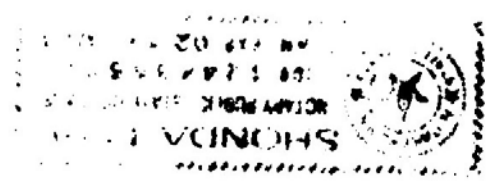
THE STATE OF TEXAS)

By: David Cagle, Senior Vice President
[Signature]

FIBERTY CAPITAL BANK

BANK:

EXECUTED as of the day and year first written above.



THIRD LOAN MODIFICATION AGREEMENT

THIS THIRD LOAN MODIFICATION AGREEMENT (this "Agreement") is made and entered into as of January 17, 2021 (the "Effective Date"), by and among KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC, a Texas limited liability company ("Borrower"), KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979 ("Fee Owner"), EUGENE LAM ("Lam"), FRAUSTINA SAM ("Sam"), PHILLIP C. HUGHES ("Hughes"), LANA WONG ("Wong") (with Lam, Sam, Hughes and Wong being referred to herein individually as a "Guarantor" and collectively as "Guarantors"), and LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas ("Bank").

RECITALS:

A. On or about July 17, 2015 Crampton EBJ, Inc., a Texas corporation, and HPS RE Interests I, LP, a Texas limited partnership (collectively, "Original Borrower") and Bank executed a Loan Agreement (herein so called) pursuant to which Bank agreed to make a \$1,100,000.00 loan to Original Borrower (the "Loan").

B. On about July 17, 2015 Original Borrower executed and delivered or caused to be executed and delivered to Bank the following documents evidencing or securing payment of the Loan:

(1) Promissory Note (the "Note") executed by Original Borrower and payable to the order of Bank in the original principal amount of \$1,100,000.00;

(2) Deed of Trust and Security Agreement (With Assignment of Leases) (the "Deed of Trust") securing payment of the Note, executed by Original Borrower and Fee Owner to Ben Cunningham, Trustee, covering the leasehold interest of Original Borrower and the fee interest of Fee Owner in certain real property in the City of Kennedale, Tarrant County, Texas more particularly described therein (the "Property"), which Deed of Trust was recorded in the Real Property Records of Tarrant County, Texas on July 23, 2015 as Document No. D215162057; and

(3) Guaranties, securing payment of the Note, one executed by each Guarantor for the benefit of Bank (individually, a "Guaranty" and collectively, the "Guaranties").

C. On or about September 30, 2016 Original Borrower, Fee Owner, Borrower, Guarantors and Bank executed a Loan Assumption and Modification Agreement (the "First Modification Agreement") pursuant to which, among other things, Borrower assumed the Loan and the Deed of Trust and other Loan Documents (as hereinafter defined) were amended to provide that the Loan is cross-defaulted and cross-collateralized with the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan (all as defined in the First Modification Agreement).

D. On or about August 31, 2020 Borrower, Fee Owner, Guarantors and Bank executed a Second Loan Modification Agreement (the "Second Modification Agreement").

E. The Loan Agreement, the Note, the Deed of Trust, the Guaranties, the First Modification Agreement, the Second Modification Agreement and all other documents evidencing, securing or executed in connection with the Loan are herein referred to as the "Loan Documents".

F. Borrower and Bank have agreed to extend the maturity date of the Note, subject to the conditions set forth herein, and Fee Owner has also agreed to the foregoing.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Bank hereby agree as follows:

1. Defined Terms. All terms used herein with their initial letters capitalized and not otherwise defined herein shall have the meanings set forth in the Loan Agreement.

2. Unpaid Balance. The parties hereby acknowledge that the outstanding balance of principal owing on the Note as of the Effective Date is \$914,352.34.

3. Modifications of Note.

(a) Paragraph 1.a of the Note is modified by adding the following sentence at the end thereof:

"Commencing January 17, 2021 and continuing on each Payment Date thereafter, through and including March 17, 2021, consecutive monthly installments of principal and interest in the amount of \$7,108.00 each shall be due and payable."

(b) Paragraph 1.b of the Note is amended to change the Maturity Date to April 17, 2021.

4. Condition Precedent. This Agreement, and the extension of the maturity date of the Note as set forth herein, is subject to the payment by Borrower to Bank of all accrued and unpaid interest outstanding on the Note as of the Effective Date. If such condition is not satisfied by February 26, 2021, then, at Bank's option, to be exercised by the delivery of written notice thereof to Borrower, this Agreement and the extension of the Maturity Date of the Note as set forth herein will be null and void and of no further force or effect.

5. Representations, Warranties, and Agreements. As a material inducement to Bank to enter into this Agreement, Borrower and Guarantors represent and warrant to Bank that (i) all representations and warranties made by Borrower and Guarantors in the Loan Documents are true and correct as of the date hereof, (ii) there are no defenses, claims, counterclaims or offsets to the Note or the other Loan Documents, and (iii) the Note and the other Loan Documents, as amended by this Agreement, are the valid and binding obligations of Borrower and Guarantors,

and the Loan Documents are in full force and effect, enforceable in accordance with their respective terms.

6. Confirmation, Renewal and Extension of Rights and Liens. Borrower and Fee Owner hereby ratify and confirm the debts, duties, obligations, liabilities, rights, titles, security interests, liens, powers and privileges existing by virtue of the Loan, the Note, the Deed of Trust and the other Loan Documents and hereby agree that neither this Agreement, nor any modification of the Loan Documents in connection herewith, shall in any way or manner release, discharge, or impair the rights and benefits conferred upon Bank by the Loan Documents. Borrower and Fee Owner acknowledge and confirm that the liens created pursuant to the Deed of Trust continue to secure the Note, the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan and remain valid and subsisting liens against the Property as security for repayment of the Note, the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan.

7. Costs and Expenses. Borrower shall pay to Bank all costs and expenses incurred by Bank in connection with the review, preparation, negotiation, execution and consummation of this Agreement and the information furnished pursuant hereto including, without limitation, all recording costs and reasonable fees and expenses of counsel to Bank.

8. Affirmation of Guarantors. Guarantors hereby consent and agree to all of the terms and provisions of this Agreement, and further agree and represent that the Guaranty executed by each Guarantor is in all respects ratified and confirmed, and is and shall continue in full force and effect, and acknowledge that there are no claims, and that Guarantors have no defenses or counterclaims, to the terms and provisions of and the obligations created and evidenced by the Guaranties.

9. Release by Borrower and Guarantors. Borrower and Guarantors, for themselves and for their respective heirs, successors and assigns, do hereby release and discharge Bank and its agents, employees, officers, directors, and attorneys (collectively "Released Parties"), from any and all of Bank's duties, obligations and liabilities existing as of the date hereof and arising under, based upon or associated with, directly or indirectly, the Loan, and further do hereby waive any and all claims and causes of action of any kind or character, arising under, based upon or associated with, directly or indirectly, the Loan or the acts, actions or omissions of the Released Parties in connection therewith, existing as of the date of this Agreement, whether known or unknown, asserted or unasserted, equitable or at law, arising under or pursuant to common or statutory law, rules or regulations.

10. Waiver. No failure to exercise, and no delay in exercising, on the part of Bank, any right hereunder or under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Bank hereunder and thereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision thereof, nor consent to departure therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

11. Certain Fees. Borrower acknowledges that it has been advised by Bank in the event that subsequent to the date hereof Borrower makes any request of Bank for (a) any extension, renewal, modification or amendment of the Note or any of the Loan Documents, (b) the release or substitution of any collateral securing repayment of the Loan, (c) any consent, waiver or approval pertaining to the Property, (d) review of any lease, easement or other document, (e) a determination as to whether Borrower has satisfied any condition under the Loan Documents or (f) any agreement on the part of Bank not expressly contemplated by the Loan Documents (as, for example, a request for waiver of an Event of Default under any of the Loan Documents), Borrower shall be obligated (x) to reimburse Bank for any out of pocket expenses incurred by Bank in connection therewith (y) to pay Bank a reasonable fee for processing and reviewing such request and (z) if such request is granted, to pay Bank a reasonable fee for granting such request.

12. Governing Law. This Agreement has been prepared and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, construction, enforcement and interpretation of this Agreement.

13. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

14. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

15. Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but when taken together shall constitute but one agreement, with the same effect as if all parties hereto had signed the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement and attached to another counterpart identical in form thereto but having attached to it one or more additional signature pages. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile or electronic transmission will also deliver a manually executed counterpart of this Agreement, but failure to deliver a manually executed counterpart will not affect the validity, enforceability or binding effect of this Agreement.

16. STATUTORY NOTICE OF FINAL AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

This Notice is given with respect to the loan evidenced by the Note pursuant to Section 26.02 of the Texas Business and Commerce Code.

17. Continued Effect. Except as modified hereby the Note and the other Loan Documents remain in full force and effect according to the terms and provisions contained therein.

(Signature pages follow)

EXECUTED as of the day and year first above written.

BORROWER:

**KENNEDALE DEVELOPMENT PARTNERS,
SERIES LLC**, a Texas limited liability company

By: _____
Mark Wong, its Manager

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by Mark Wong, the Manager of **KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC**, a Texas limited liability company, on behalf of such limited liability company.

Notary Public, State of Texas

My Commission Expires:

EXECUTED as of the day and year first above written.

FEE OWNER:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979

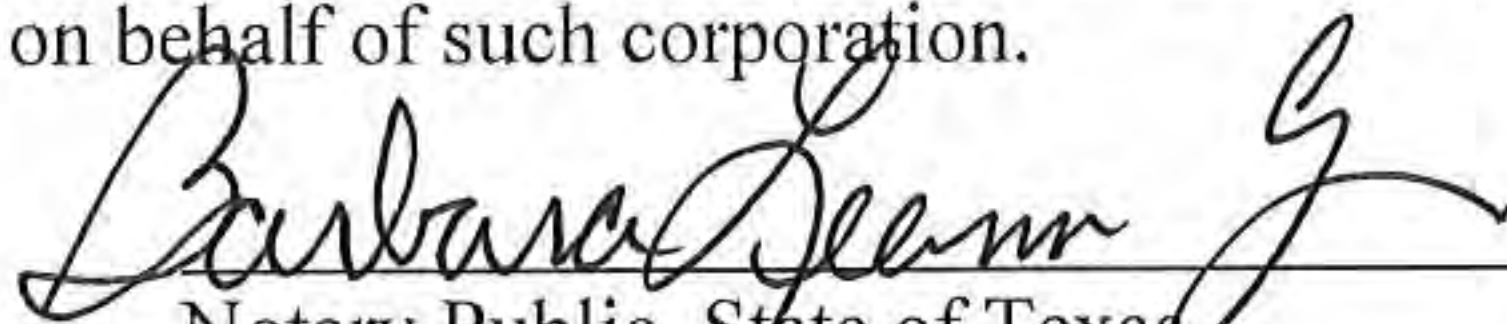
By: 
George Campbell, its President *Executive Director*

ATTEST:

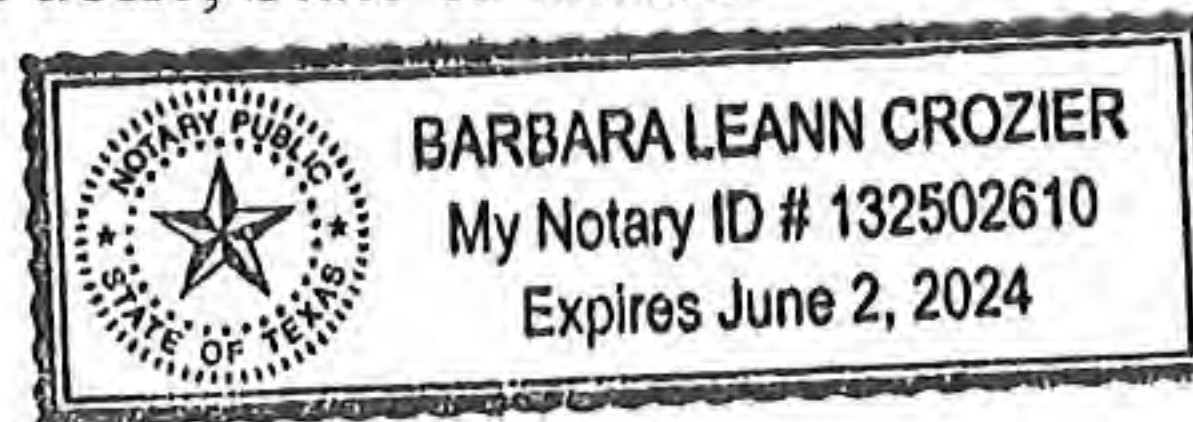
Secretary

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 10 day of March, 2021 by George Campbell, President of **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, on behalf of such corporation.


Notary Public, State of Texas

My Commission Expires:
June 2, 2024



EXECUTED as of the day and year first written above.

GUARANTORS:

Eugene Lam

Fraustina Sam

Phillip C. Hughes

Lana Wong

THE STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Eugene Lam.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Fraustina Sam.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Phillip C. Hughes.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Lana Wong.

Notary Public, State of Texas

My Commission Expires:

EXECUTED as of the day and year first written above.

BANK:

LIBERTY CAPITAL BANK

By: _____
David Cagle, Senior Vice President

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the ____ day of _____, 2021
by David Cagle, Senior Vice President of LIBERTY CAPITAL BANK, a bank organized under
the laws of the State of Texas, on behalf of said bank.

Notary Public, State of Texas

My Commission Expires:

MAD\10777\095\Second Loan Modification Agreement.doc

FOURTH LOAN MODIFICATION AGREEMENT

^{Fourth}
THIS ~~THIRD~~ LOAN MODIFICATION AGREEMENT (this "Agreement") is made and entered into as of April 17, 2021 (the "Effective Date"), by and among KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC, a Texas limited liability company ("Borrower"), KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979 ("Fee Owner"), EUGENE LAM ("Lam"), FRAUSTINA SAM ("Sam"), PHILLIP C. HUGHES ("Hughes"), LANA WONG ("Wong") (with Lam, Sam, Hughes and Wong being referred to herein individually as a "Guarantor" and collectively as "Guarantors"), and LIBERTY CAPITAL BANK, a bank organized under the laws of the State of Texas ("Bank").

RECITALS:

A. On or about July 17, 2015 Crampton EBJ, Inc., a Texas corporation, and HPS RE Interests I, LP, a Texas limited partnership (collectively, "Original Borrower") and Bank executed a Loan Agreement (herein so called) pursuant to which Bank agreed to make a \$1,100,000.00 loan to Original Borrower (the "Loan").

B. On about July 17, 2015 Original Borrower executed and delivered or caused to be executed and delivered to Bank the following documents evidencing or securing payment of the Loan:

(1) Promissory Note (the "Note") executed by Original Borrower and payable to the order of Bank in the original principal amount of \$1,100,000.00;

(2) Deed of Trust and Security Agreement (With Assignment of Leases) (the "Deed of Trust") securing payment of the Note, executed by Original Borrower and Fee Owner to Ben Cunningham, Trustee, covering the leasehold interest of Original Borrower and the fee interest of Fee Owner in certain real property in the City of Kennedale, Tarrant County, Texas more particularly described therein (the "Property"), which Deed of Trust was recorded in the Real Property Records of Tarrant County, Texas on July 23, 2015 as Document No. D215162057; and

(3) Guaranties, securing payment of the Note, one executed by each Guarantor for the benefit of Bank (individually, a "Guaranty" and collectively, the "Guaranties").

C. On or about September 30, 2016 Original Borrower, Fee Owner, Borrower, Guarantors and Bank executed a Loan Assumption and Modification Agreement (the "First Modification Agreement") pursuant to which, among other things, Borrower assumed the Loan and the Deed of Trust and other Loan Documents (as hereinafter defined) were amended to provide that the Loan is cross-defaulted and cross-collateralized with the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan (all as defined in the First Modification Agreement).

D. On or about August 31, 2020 Borrower, Fee Owner, Guarantors and Bank executed a Second Loan Modification Agreement (the "Second Modification Agreement").

E. On or about January 17, 2021 Borrower, Fee Owner, Guarantors and Bank executed a Third Loan Modification Agreement extending the maturity date of the Note to April 17, 2021 (the "Third Modification Agreement")

F. The Loan Agreement, the Note, the Deed of Trust, the Guaranties, the First Modification Agreement, the Second Modification Agreement, the Third Modification Agreement and all other documents evidencing, securing or executed in connection with the Loan are herein referred to as the "Loan Documents".

G. Borrower and Bank have agreed to extend the maturity date of the Note, subject to the conditions set forth herein, and Fee Owner has also agreed to the foregoing.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Bank hereby agree as follows:

1. Defined Terms. All terms used herein with their initial letters capitalized and not otherwise defined herein shall have the meanings set forth in the Loan Agreement.

2. Unpaid Balance. The parties hereby acknowledge that the outstanding balance of principal owing on the Note as of the Effective Date is \$904,061.92.

3. Modifications of Note.

(a) Paragraph 1.a of the Note is modified by adding the following sentence at the end thereof:

"Commencing May 17, 2021 and continuing on June 17, 2021, consecutive monthly installments of principal and interest in the amount of \$7,603.00 each shall be due and payable."

(b) Paragraph 1.b of the Note is amended to change the Maturity Date to July 6, 2021.

4. Intentionally Deleted.

5. Representations, Warranties, and Agreements. As a material inducement to Bank to enter into this Agreement, Borrower and Guarantors represent and warrant to Bank that (i) all representations and warranties made by Borrower and Guarantors in the Loan Documents are true and correct as of the date hereof, (ii) there are no defenses, claims, counterclaims or offsets to the Note or the other Loan Documents, and (iii) the Note and the other Loan Documents, as amended by this Agreement, are the valid and binding obligations of Borrower and Guarantors, and the Loan Documents are in full force and effect, enforceable in accordance with their respective terms.

6. Confirmation, Renewal and Extension of Rights and Liens. Borrower and Fee Owner hereby ratify and confirm the debts, duties, obligations, liabilities, rights, titles, security interests, liens, powers and privileges existing by virtue of the Loan, the Note, the Deed of Trust and the other Loan Documents and hereby agree that neither this Agreement, nor any modification of the Loan Documents in connection herewith, shall in any way or manner release, discharge, or impair the rights and benefits conferred upon Bank by the Loan Documents. Borrower and Fee Owner acknowledge and confirm that the liens created pursuant to the Deed of Trust continue to secure the Note, the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan and remain valid and subsisting liens against the Property as security for repayment of the Note, the Building 6 Loan, the Building 7 Loan and the Carrier Parkway Loan.

7. Costs and Expenses. Borrower shall pay to Bank all costs and expenses incurred by Bank in connection with the review, preparation, negotiation, execution and consummation of this Agreement and the information furnished pursuant hereto including, without limitation, all recording costs and reasonable fees and expenses of counsel to Bank.

8. Affirmation of Guarantors. Guarantors hereby consent and agree to all of the terms and provisions of this Agreement, and further agree and represent that the Guaranty executed by each Guarantor is in all respects ratified and confirmed, and is and shall continue in full force and effect, and acknowledge that there are no claims, and that Guarantors have no defenses or counterclaims, to the terms and provisions of and the obligations created and evidenced by the Guaranties.

9. Release by Borrower and Guarantors. Borrower and Guarantors, for themselves and for their respective heirs, successors and assigns, do hereby release and discharge Bank and its agents, employees, officers, directors, and attorneys (collectively "Released Parties"), from any and all of Bank's duties, obligations and liabilities existing as of the date hereof and arising under, based upon or associated with, directly or indirectly, the Loan, and further do hereby waive any and all claims and causes of action of any kind or character, arising under, based upon or associated with, directly or indirectly, the Loan or the acts, actions or omissions of the Released Parties in connection therewith, existing as of the date of this Agreement, whether known or unknown, asserted or unasserted, equitable or at law, arising under or pursuant to common or statutory law, rules or regulations.

10. Waiver. No failure to exercise, and no delay in exercising, on the part of Bank, any right hereunder or under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Bank hereunder and thereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision thereof, nor consent to departure therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

11. Certain Fees. Borrower acknowledges that it has been advised by Bank in the event that subsequent to the date hereof Borrower makes any request of Bank for (a) any

extension, renewal, modification or amendment of the Note or any of the Loan Documents, (b) the release or substitution of any collateral securing repayment of the Loan, (c) any consent, waiver or approval pertaining to the Property, (d) review of any lease, easement or other document, (e) a determination as to whether Borrower has satisfied any condition under the Loan Documents or (f) any agreement on the part of Bank not expressly contemplated by the Loan Documents (as, for example, a request for waiver of an Event of Default under any of the Loan Documents), Borrower shall be obligated (x) to reimburse Bank for any out of pocket expenses incurred by Bank in connection therewith (y) to pay Bank a reasonable fee for processing and reviewing such request and (z) if such request is granted, to pay Bank a reasonable fee for granting such request.

12. Governing Law. This Agreement has been prepared and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, construction, enforcement and interpretation of this Agreement.

13. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

14. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

15. Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but when taken together shall constitute but one agreement, with the same effect as if all parties hereto had signed the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement and attached to another counterpart identical in form thereto but having attached to it one or more additional signature pages. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile or electronic transmission will also deliver a manually executed counterpart of this Agreement, but failure to deliver a manually executed counterpart will not affect the validity, enforceability or binding effect of this Agreement.

16. STATUTORY NOTICE OF FINAL AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

This Notice is given with respect to the loan evidenced by the Note pursuant to Section 26.02 of the Texas Business and Commerce Code.

17. Continued Effect. Except as modified hereby the Note and the other Loan Documents remain in full force and effect according to the terms and provisions contained therein.

(Signature pages follow)

EXECUTED as of the day and year first above written.

BORROWER:

**KENNEDALE DEVELOPMENT PARTNERS,
SERIES LLC**, a Texas limited liability company

By: _____
Mark Wong, its Manager

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by Mark Wong, the Manager of **KENNEDALE DEVELOPMENT PARTNERS, SERIES LLC**, a Texas limited liability company, on behalf of such limited liability company.

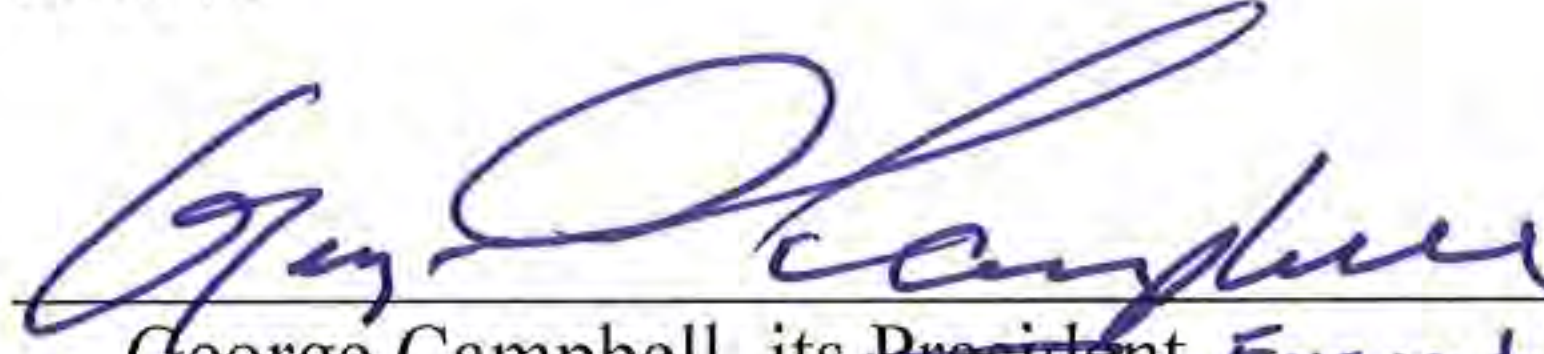
Notary Public, State of Texas

My Commission Expires:

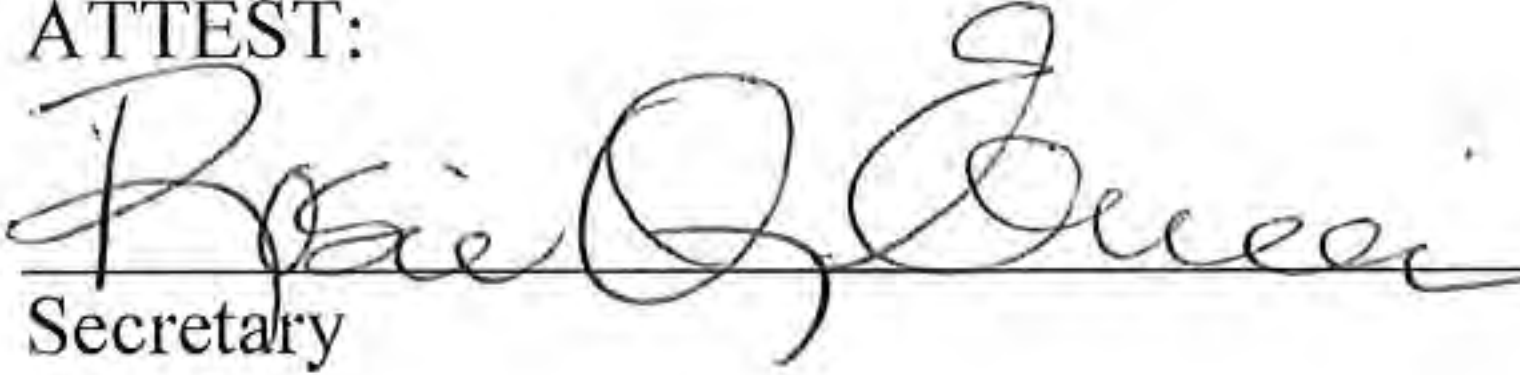
EXECUTED as of the day and year first above written.

FEE OWNER:

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979

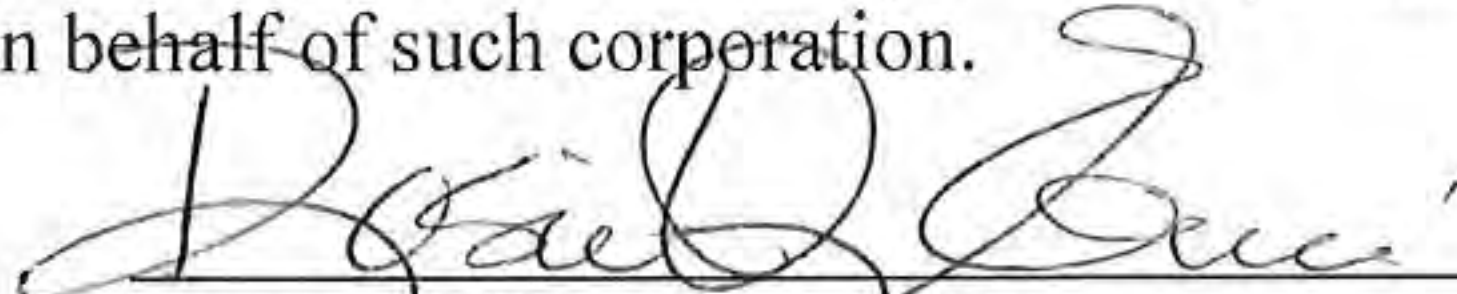
By: 
George Campbell, its ~~President~~ *Executive Director Sec*

ATTEST:

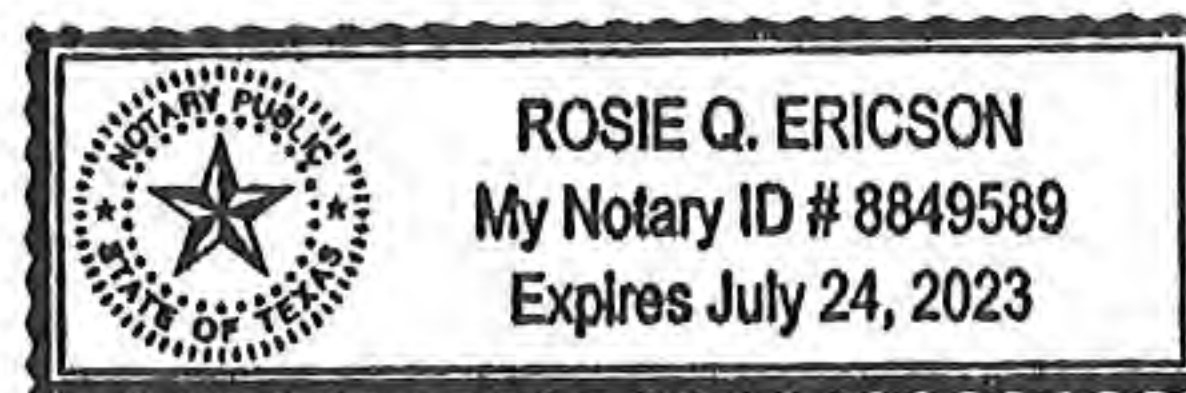

Secretary

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 10 day of May, 2021 by George Campbell, President of **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit corporation organized as a Type B Corporation under the Development Corporation Act of 1979, on behalf of such corporation.


Notary Public, State of Texas

My Commission Expires:
7.24.2023



EXECUTED as of the day and year first written above.

GUARANTORS:

Eugene Lam

Fraustina Sam

Phillip C. Hughes

Lana Wong

THE STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021 by Eugene Lam.

Notary Public, State of Texas

My Commission Expires:

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by Fraustina Sam.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Phillip C. Hughes.

Notary Public, State of Texas

My Commission Expires:

THE STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this ____ day of _____,
2021 by Lana Wong.

Notary Public, State of Texas

My Commission Expires:

EXECUTED as of the day and year first written above.

BANK:

LIBERTY CAPITAL BANK

By: _____
David Cagle, Senior Vice President

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the ____ day of _____, 2021
by David Cagle, Senior Vice President of LIBERTY CAPITAL BANK, a bank organized under
the laws of the State of Texas, on behalf of said bank.

Notary Public, State of Texas

My Commission Expires:

MAD\10777\095\Third Loan Modification Agreement.doc



KENNEDALE
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STAFF REPORT **to the Kennedale Economic Development Corporation Board of Directors**

MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM II.A.7.

SUBJECT

Veterans Memorial Update.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.A.

SUBJECT

PURSUANT TO §551.071 — Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.B.

SUBJECT

PURSUANT TO §551.072 — *Deliberation regarding the purchase, exchange, lease, or value of real property.*

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



MEETING DATE: JANUARY 23, 2024

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.C.

SUBJECT

PURSUANT TO §551.087 — (1) *Deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision.*

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS