

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.

THE STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF TRAVIS §

POND AGREEMENT

This Pond Agreement (this "Agreement") is made and entered into to be effective the day and year hereinafter set forth (the "Effective Date") by and between LAKEWAY MUNICIPAL UTILITY DISTRICT ("Seller") and HSD-LAKEWAY HOLDINGS, LTD. ("Buyer").

RECITALS:

A. Buyer and Seller are parties to a Commercial Contract-Unimproved Property dated effective March 31, 2016, as amended by First Amendment dated September 27, 2016 (the "First Amendment"), as further amended by Second Amendment dated June, 2017 (the "Second Amendment"), as further amended by Third Amendment dated October 11, 2017 (the "Original Third Amendment"); as further amended by Amended & Restated Third Amendment also dated October 11, 2017 which superseded the Original Third Amendment, as further amended by Fourth Amendment dated May 14, 2018, and as further amended by Fifth Amendment dated August 16, 2019 (collectively, the "Contract") concerning certain real property situated at 1931 Lohmans Crossing, Lakeway, Texas, and being more particularly defined in the Contract (the "Property").

B. Seller is the fee simple holder of that certain real property described as Lot 1, RESUBDIVISION OF THE FINAL PLAT OF LAKEWAY M.U.D. E5 TANK, a subdivision of record in Document No. 201700243 of the Official Public Records of Travis County, Texas (the "Seller Property").

C. Prior to the Effective Date of this Agreement, and pursuant to the Contract, Seller has conveyed to Buyer by special warranty deed recorded in Document No. 2017188614 of the Official Public Records of Travis County, Texas (the "1B Closing Deed"), all of that certain 10.324 acre tract or parcel of land situated in the T.C. R.R. Co. SURVEY NO. 196, ABSTRACT NUMBER 2526, Travis County, Texas; said tract of land being more particularly described as being a portion of Lot 1, LAKEWAY M.U.D. E5 TANK SUBDIVISION, a subdivision recorded in Document No. 200800329 of the Official Public Records of Travis County, Texas, which tract of land is more particularly described in the 1B Closing Deed (the "1B Property").

D. As part of the consideration for the sale and purchase agreed to under the Contract, Buyer agreed to construct, or cause to be constructed, at Buyer's cost, a detention and water quality pond and related appurtenances (the "Pond"), upon a portion of the 1B Property, being more

particularly described as proposed Lot 6, RESUBDIVISION OF THE FINAL PLAT OF LAKEWAY M.U.D. E5 TANK- PHASE 2, pursuant to the to-be recorded plat titled RESUBDIVISION OF THE FINAL PLAT OF LAKEWAY M.U.D. E5 TANK- PHASE 2 attached hereto as Exhibit A (the "Pond Lot"), which Pond shall be sized to accommodate storm water runoff from the Seller Property, as well as other portions of the Property acquired by Buyer under the Contract; all on and subject to the terms and conditions as hereinafter set forth.

E. Buyer and Seller desire to confirm such agreements and understandings as set forth below.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements of the parties as set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Buyer shall, at its cost and expense, be responsible for the design and construction of the Pond, which shall be sized to accommodate storm water runoff from the Seller Property, as well as portions of the 1B Property as determined by Buyer, and Buyer, or its designee, shall provide ongoing maintenance of the Pond at no cost to Seller.

2. Buyer shall diligently and continuously cause the Pond to be completed in conjunction with the development of the 1B Property by Buyer, but in any event on or before *January 31, 2022*. The Pond shall be "completed" for purposes of this Agreement on that date that Buyer's engineer certifies to Seller that the Pond has been substantially completed and is available for use by Seller, and that all facilities necessary for the drainage and conveyance of storm water runoff from Seller's Property to the Pond have been constructed, installed and completed in accordance with all applicable legal requirements necessary for the use of the Seller Property by Seller. Concurrently with the completion of the Pond, Buyer shall prepare, execute, and deliver to Seller, at no cost to Seller, a Tank Site Storm Water Easement granting Seller, as owner of the Seller Property, the right to a non-exclusive, perpetual easement for the purpose of placing, constructing, operating, repairing, maintaining, rebuilding, replacing, relocating and removing or causing to be placed, constructed, operated, repaired, maintained, rebuilt, replaced, relocated and removed structures, facilities, or improvements reasonably necessary and useful for the drainage and conveyance of storm water runoff on, over and across the 1B Property to the Pond, and to permit Seller access to the Pond for inspection purposes. The Tank Site Storm Water Easement shall be in form and with content reasonably acceptable to Seller.

3. In the event Buyer fails to complete the construction of the Pond within the period provided above, or in the event that the City of Lakeway requires completion of the Pond as a condition to Seller's continued operations on the Seller's Property, Seller may, at Seller's option, and on written notice to Buyer, elect to assume the responsibility for the completion of the Pond (or such portion of the Pond required for Seller's continued operations on the Seller's Property) and shall use diligent and continuous efforts to cause the same to be completed. If Seller elects to assume the responsibility for completing the Pond, Buyer shall have no further obligation with respect to the construction of the Pond other than the reimbursement of the Costs as hereinafter provided. Notwithstanding the foregoing, Buyer shall (i) not interfere with Seller's efforts to construct the Pond, (ii) reasonably cooperate (at no cost to Buyer) with Seller's efforts to construct the Pond, (iii) provide

copies (or originals where possible) of the Plans and all surveys, applications, and other documents that might assist in Seller's efforts to construct the Pond, and (iv) provide Seller with contact information for all parties that have prepared documents related to the Pond or that are otherwise involved in the process of constructing the Pond. Buyer shall further reimburse Seller for the Costs (as defined below) incurred by Seller in completing the Pond. Such reimbursement shall be made within thirty (30) days after receipt of the written notice of Seller, which notice shall include (a) a certificate of Seller's engineer that the Improvements are substantially completed and available for use, and (b) copies of invoices, paid receipts, disbursement schedules, or other documentation reasonably necessary to evidence the Costs.

4. For purposes of this Agreement, the "Costs" to construct the Pond, as applicable, shall include the actual out-of-pocket costs, without interest, incurred in completing such improvements, including (i) the hard construction costs (i.e., the amount actually paid to a third party contractor for the actual cost of labor and materials, and reasonable overhead and profit of such contractor) for the construction of the applicable improvements; (ii) the engineering costs (i.e., the amount actually paid to a third party engineer) for the design and supervision of the construction of the applicable improvements; (iii) all application, permit or review fees required for the construction of the applicable improvements; (iv) the premiums for Builder's Risk Insurance in the amount of the cost to construct the applicable improvements; and (v) all fees and expenses of surveyors, attorneys and other professionals and consultants incurred in connection with the preparation and processing of permits and approvals required for the construction of the applicable improvements and in completing the construction of such improvements; and (vi) a management fee of ten percent (10%) of the total Costs payable to Seller; provided, the term Costs shall not include (i) any costs incurred with respect to any financing of the applicable improvements; or (ii) except for the management fee payable to Seller, any administrative costs, general comprehensive liability or other insurance (except Builder's Risk Insurance as provided above), overhead or office expenses, or the salaries or benefits of the employees of the party constructing the applicable improvements.

5. Whatever period of time is herein provided for Buyer to do or perform any act or thing, Buyer shall not be liable or responsible for, and there shall be excluded from the computation of such periods of time, any delays due to fire, flood, storm, other acts of God, strikes, riots, shortages of labor or materials, war, military engagement, national emergencies, acts or the public enemy, governmental procurement, preemption or similar action, governmental restrictions, laws or regulations, delays in inspections or approvals by governmental agencies or other third parties, or any other materially significant cause or causes, whether similar or dissimilar to those enumerated above, beyond Buyer's reasonable control.

6. All of the foregoing provisions of this Agreement shall be binding upon and inure to the benefit of the parties, their respective successors and assigns.

7. Any and all notices, requests, approvals, payments, reimbursements, deliveries or other communications required hereunder shall be in writing and shall be deemed to have been properly given, delivered and received (a) as of the date of delivery if personally delivered, or (b) as of the second (2nd) business day after the date of deposit in the mail system if sent by United States certified mail, return receipt requested, postage prepaid, or (c) as of the date of receipt of transmission if sent by telecopy or facsimile, or (d) as of the first (1st) business day after the date of deposit with a

nationally recognized overnight courier if sent by overnight delivery. For purposes of notices, the addresses of the parties are as follows:

Seller: Lakeway Municipal Utility District
1097 Lohmans Crossing Road
Lakeway, Texas 78734-4459
Attn: Earl Foster, General Manager
Telephone: (512) 281-8222 x 140
Email: efoster@lakewaymud.org

With required copy to: Sue Savage
Hurst Savage & Vanderburg, L.L.P.
814 W. 10th Street
Austin, Texas 78701-2005
Telephone: (512) 474-8400; (512) 474-8414 (direct)
Fax: (512) 435-0117
Email: ssavage@hsvllp.com

Buyer : HSD-Lakeway Holdings, Ltd.
2101 Lakeway Blvd., Ste. 100
Lakeway, Texas 78734
Telephone: (512) 306-1620
Email: jlanglois@legendcommunitiesinc.com

With required copy to: Tom Davies
Stahl, Davies, Sewell, Chavarria & Friend, L.L.P.
7320 N. MoPac, Suite 211
Austin, Texas 78731
Telephone: (512)652-2950
Email: tdavies@sbaustin.law

or to such other addressee or address which either party may designate by giving the other party at least ten (10) days prior notice as aforesaid.

8. Time is of the essence in this Agreement. If the expiration of any time period set forth herein falls on a Saturday, Sunday or legal holiday, such time period shall be deemed to expire on the next day which is not a Saturday, Sunday or legal holiday.

9. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations hereunder are performable in Travis County, Texas. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality or unenforceability shall not affect the remainder of this Agreement, which shall continue in full force and effect.

10. In addition to any other remedies provided herein or otherwise available at law or in equity, the provisions of this Agreement shall be enforceable by action for specific performance. In

the event that either party brings suit for the breach of any covenant, condition or agreement contained herein, in addition to any remedies provided for herein or to which the parties may otherwise be entitled, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses in connection therewith.

11. This Agreement contains the entire agreement between Seller and Purchaser with respect to the matters covered hereby, and no oral statements or prior written matter not specifically incorporated herein shall be of any force and effect. No variation, modification, or changes hereof shall be binding on either party hereto unless set forth in a document executed by such parties or a duly authorized agent, officer or representative thereof.

12. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[signature pages follow]

EXECUTED by the parties on the dates set forth below to be effective the 11th day of MARCH, 2020.

SELLER:

LAKEWAY MUNICIPAL UTILITY DISTRICT

By: [Signature]

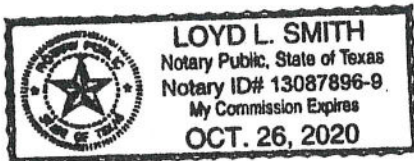
Name: JERRY HIETPAS

Title: VICE PRESIDENT

Dated: MARCH 11, 2020

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on MARCH 11, 2020, by JERRY HIETPAS, the VICE PRESIDENT of the Lakeway Municipal Utility District, a special-purpose district and political subdivision of the State of Texas, on its behalf.

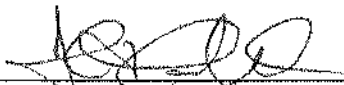


[Signature]
Notary Public, State of Texas
Printed Name: LOYD L. SMITH
My Commission expires: 10-26-2020

BUYER:

HSD-Lakeway Holdings, Ltd.,
a Texas limited partnership

By: HSD-Lakeway GP, Inc.,
a Texas corporation
its General Partner

By: 

Name: Haythem S. Dawlett

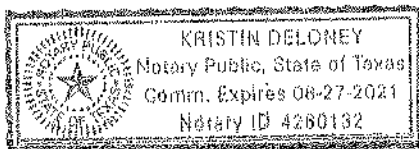
Title: President

Dated: 12-19, 2019

THE STATE OF TEXAS §

COUNTY OF Tarrant §

This instrument was acknowledged before me on December 19, 2019, by Haythem S. Dawlett, President of HSD-Lakeway GP., a Texas corporation, General Partner of **HSD-LAKEWAY HOLDINGS, LTD.**, a Texas limited partnership, on behalf of said corporation and partnership.



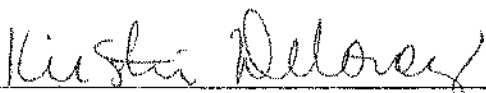
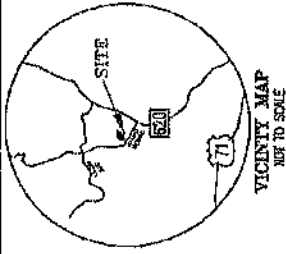

Notary Public, State of Texas
Printed Name: Kristin Deloney
My Commission expires: 8-27-21

EXHIBIT A
To Pond Agreement

Draft RESUBDIVISION OF THE FINAL PLAT OF LAKEWAY M.U.D. E5
TANK- PHASE 2

[see attached]

RESUBDIVISION OF THE FINAL PLAT OF LAKEWAY M.U.D. E5 TANK - PHASE 2



- LEGEND**
- 1/2" MIN. AND THICK BLACK LINE (INDICATE ADJACENT)
 - 1/2" THICK LINE FOR LOT OR (INDICATE ADJACENT)
 - ◆ CENTER POINTS (INDICATE)
 - PROPERTY TO BE SURVEYED
 - PROPERTY SURVEYED
 - 1" MIN. LINE
 - PROPERTY SURVEYED



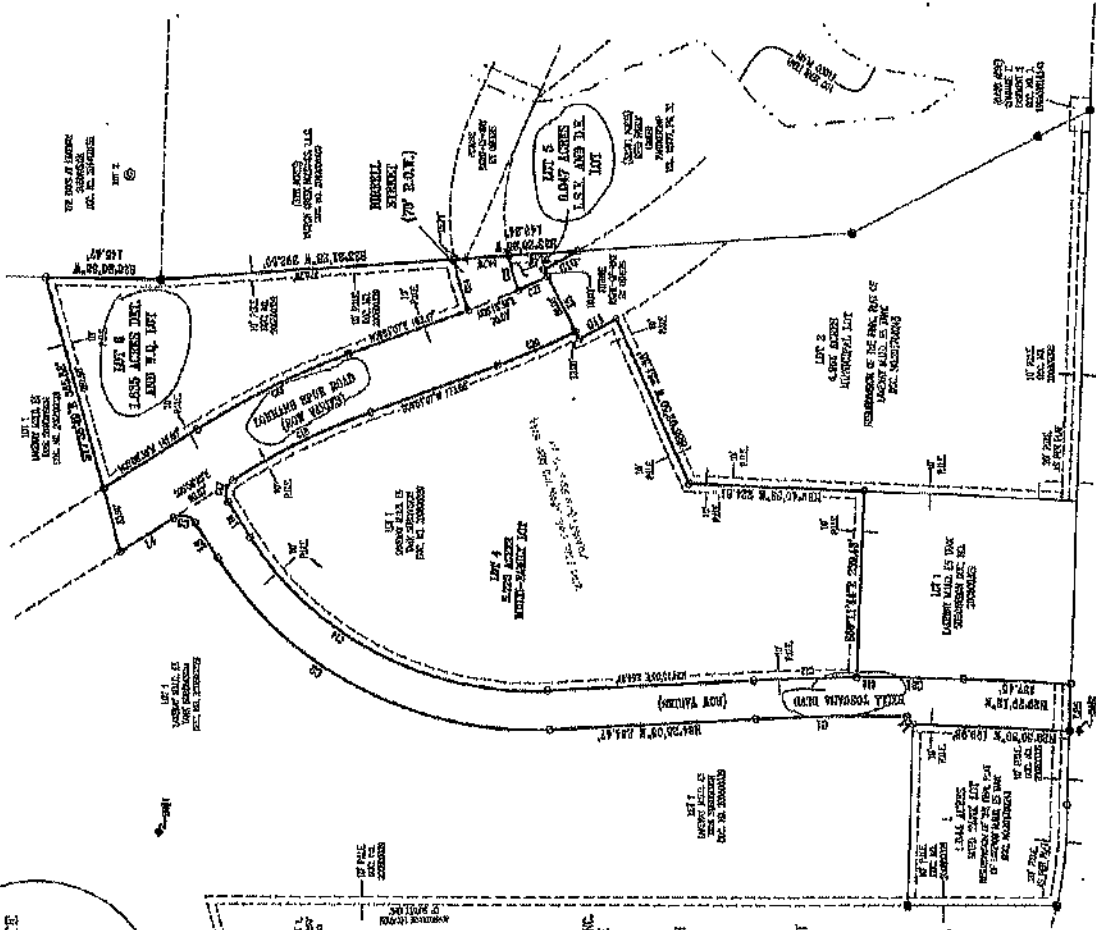
Area Table

Lot No.	Area (Acres)	Area (Sq. Ft.)	Permit No.
1	0.00	0.00	00000
2	0.00	0.00	00000
3	0.00	0.00	00000
4	0.00	0.00	00000
5	0.00	0.00	00000
6	0.00	0.00	00000
7	0.00	0.00	00000
8	0.00	0.00	00000
9	0.00	0.00	00000
10	0.00	0.00	00000
11	0.00	0.00	00000
12	0.00	0.00	00000
13	0.00	0.00	00000
14	0.00	0.00	00000
15	0.00	0.00	00000
16	0.00	0.00	00000
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95	0.00	0.00	00000
96	0.00	0.00	00000
97	0.00	0.00	00000
98	0.00	0.00	00000
99	0.00	0.00	00000
100	0.00	0.00	00000

AREA TABLE

Area	Acres	Sq. Ft.
AREA WITHIN SUBDIVISION	10.234	443,722 sq. ft.
AREA OF LOTS	7.626	331,288 sq. ft.
AREA WITHIN PUBLIC	2.778	120,433 sq. ft.
LOT NO.	ACRES	SQ. FT.
1	5.278	230,519 SQ. FT.
2	0.077	3,325 SQ. FT.
3	1.553	67,178 SQ. FT.

Total acres acquired 10.234
 Total acres retained 7.626
 2.778 = 10.234 - 7.456 = 2.778 ac



SHEET NO. 1 OF 4

Carlson, Bragman & Doering, Inc.
 Surveyors
 11111 West Loop West, Suite 200
 Houston, Texas 77040
 Phone: 713-261-1111
 Fax: 713-261-1111

PATH - E 14552 SURVEY PLAT - LAKEWAY CITY CENTER PHASE 2 - PLAT 689

ENGINEER & SURVEYOR:
 CARLSON BRAGMAN & DOERING, INC.
 11111 WEST LOOP WEST, SUITE 200
 HOUSTON, TEXAS 77040
 (512) 261-1111
 (512) 261-1111 fax

FEED MAP NUMBER: 484330-0483
 DATE: SEPTEMBER 25, 2018
 TRAVIS COUNTY, TEXAS
 DATE: OCTOBER 12, 2017

ENGINEER:
 GENERAL MANAGER
 LAKEWAY METROPOLITAN UTILITY DISTRICT
 676 EARL L. FISHER
 1057 JOHNS CROSSING ROAD
 LAKEWAY, TEXAS 78024
 (512) 261-6222
 (512) 261-6881 fax

ACRES: 10.234 ACRES

T.L. R.E. O.D. SURVEY NUMBER 784,
 ABSTRACT NUMBER 2585
 BEECHCREEK BLOCK
 200' = 1/2" OFFSET FROM BDD
 SHARPER "C" DEDUCTION
 N. 10° 00' 00" E
 E. 200' 00" 00" 00"
 B.M. = 57421

BM 12 = 145 N.H. IN CURB MIT
 N. 10° 00' 00" E
 E. 200' 00" 00" 00"
 B.M. = 57427