

ACCEPTANCE AND ASSUMPTION AGREEMENT

This Acceptance and Assumption Agreement (the "Agreement") is entered into effective as of the 28th day of September, 2021 (the "Effective Date"), by and between the CITY OF LEAGUE CITY, TEXAS, a municipal corporation and home rule city (the "City"), GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 80, a body politic and corporate and governmental agency created and operating under the provisions of Chapters 49 and 54, Texas Water Code, and pursuant to Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution (the "District"), and CND-WESTLEIGH, LLC, a Texas limited liability company ("CND"). The City, the District, and CND may be collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Wilbow-Westleigh LLC, a Texas limited liability company ("Wilbow"), on behalf of the District, and the City previously entered into that certain Utility Agreement dated April 28, 2020 (attached hereto as **Exhibit A**, the "Utility Agreement") and that certain Transportation Development Agreement dated April 27, 2021 (attached hereto as **Exhibit B**, the "Transportation Development Agreement"); and

WHEREAS, by Order dated July 30, 2021, the Texas Commission on Environmental Quality has approved the creation of the District; and

WHEREAS, Wilbow no longer intends to act as a developer of the property located within the District and CND now intends to pursue development of the property located within the District; and

WHEREAS, CND represents that the development will be a single family residential homes community that will offer homes for sale to the general public by among others, David Weekley Homes, that will build and market homes for sale under its "David Weekley Homes" brand and/or its "Imagination by David Weekley Homes" brand; and

WHEREAS, the Parties still desire to confirm the effectiveness and application of the Utility Agreement and Transportation Development Agreement to the property located within the District.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the Parties agree as follows:

AGREEMENT

1. **Acceptance Generally.** The District hereby confirms that the District has been validly created and activated. Therefore, the City and the District confirm the current binding obligation that, as of the Effective Date of this Agreement, the parties to the Utility Agreement and the Transportation Development Agreement shall be the District, the City, and for limited purposes as set forth in this Agreement, CND. CND hereby assumes and accepts all of Wilbow's rights, duties, and obligations not otherwise intended to be fulfilled by the District under both the Utility Agreement and the Transportation Development Agreement. For sake of clarity, as of the Effective Date of this Agreement, Wilbow shall no longer be considered a party to either the Utility Agreement or the Transportation Development Agreement.
2. **Agreement Effective Dates.** To be consistent with the Effective Date of this Agreement, the effective date of both the Utility Agreement and the Transportation Development Agreement are both hereby amended to September 28, 2021.
3. **Transportation Development Agreement Project Timing.** In order to facilitate more timely construction of the Additional Extension Project (as defined in the Transportation Development Agreement), the Parties hereby agree that notwithstanding anything in the Transportation Development Agreement to the contrary, the City will allow building permits for Section 1 of the development to be issued so long as the construction contract for the Additional Expansion Project has been awarded and all other City requirements for permit issuance are met.
4. **Impact on Underlying Agreements.** Except as specifically modified in this Agreement, the Utility Agreement and Transportation Development Agreement shall remain in full force and effect between the City and the District in accordance with their original terms and conditions.
5. **Assignability.** This Agreement shall not be assignable by CND without the prior written consent of the City Manager or his designee, which consent shall not be unreasonably withheld, conditioned, or delayed.
6. **Term.** This Agreement shall remain in full force and effect for the duration of the Utility Agreement and Transportation Agreement; provided, however, that in the event that CND does not obtain fee title to the majority of the property located within the District by March 1, 2022, this Agreement shall expire according to its terms without any further action by the Parties hereto.

7. **Authority for Execution.** The City hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with City ordinances. The District hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the legal requirements applicable to the District.

[The remainder of the page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, this the ____ day of _____ 2021.

THE CITY OF LEAGUE CITY, TEXAS

By: _____
John Baumgartner, City Manager

ATTEST:

By: _____
Diana Stapp, City Secretary

APPROVED AS TO FORM:

By: _____
Nghiem V. Doan, City Attorney

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, this the ____ day of _____ 2021.

GALVESTON COUNTY
MUNICIPAL UTILITY DISTRICT
NO. 80

By: _____

(SEAL)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, this the ____ day of _____ 2021.

CND-WESTLEIGH LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT A
UTILITY AGREEMENT

EXHIBIT B
TRANSPORTATION DEVELOPMENT AGREEMENT