

**FIRST AMENDMENT TO AMENDED CREATION AND OPERATION AGREEMENT
FOR TRADITION MUNICIPAL UTILITY DISTRICT NO. 1 OF DENTON COUNTY**

This First Amendment to Amended Creation and Operation Agreement for Tradition Municipal Utility District No. 1 of Denton County (this “First Amendment”) is entered into by the City of Fort Worth, Texas, a home-rule municipal corporation situated in Tarrant, Denton, Johnson, Parker, and Wise Counties, Texas (the “City”), acting by and through its duly authorized Assistant City Manager, and Tradition Municipal Utility District No. 1 of Denton County, a municipal utility district created pursuant to Article XVI, Section 59, of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, and Chapter 8129, Special District Local Laws Code (the “District”) (collectively, the “Parties”), effective upon execution of this First Amendment by all Parties (the “Effective Date”).

RECITALS

WHEREAS, the City and the District entered into the Amended Creation and Operation Agreement for Tradition Municipal Utility District No. 1 of Denton County effective January 12, 2016 (CSC 47479) (the “Agreement”); and

WHEREAS, the Parties wish to amend the Agreement to update certain information, to amend the deadline for issuance of Bonds, and to require the District to levy a specified ad valorem tax rate and establish a fund to assist the City in absorbing the costs of the District upon annexation of all land within the District and dissolution of the District;

NOW, THEREFORE, in consideration of the premises, mutual promises, covenants, obligations, and benefits herein contained, the Parties agree as follows:

1. The definition of “Development Agreement” is hereby amended to read as follows:

“Development Agreement” means the Development Agreement between the City and SLF IV – 114 Assemblage, L.P. dated January 12, 2016 (CSC No. 47477), as amended by that certain First Amendment to Development Agreement effective _____, 2019 (CSC No. 47477-A1).

2. Section 4.05(e) is amended to read as follows:

Unless the City consents in writing, no Bonds shall be issued having an issuance date more than fifteen (15) years after recording in the Denton County plat records of the first final plat for the Property that contains single-family residential lots.

3. A new section 4.12, “District Tax Rate; Establishment of Fund” is added, to read as follows:

Commencing with the first levy of ad valorem taxes by the District, the date of which shall be determined by the District in its sole discretion, and each year thereafter, the District

shall levy a total ad valorem tax rate (including its debt service tax rate and maintenance and operation tax rate) of no less than \$1.00 per \$100 valuation. Monies collected through such tax shall be used to pay the debt service on the District's outstanding bonds, operating costs of the District, and any other legally allowable costs of the District, and to establish a fund to assist the City in absorbing the costs of the District when it annexes all the land in the District and dissolves the District.

4. Section 8.05, "Full Purpose Annexation," is amended to read as follows:

The City will not annex the Property for full purposes any earlier than the first to occur of (a) the date that construction of water, sanitary sewer, drainage and road facilities to serve 90% of the Property is complete; (b) dissolution of the District (other than as the result of annexation by the City); or (c) the date twenty (20) years after recording in the Denton County plat records of the first final plat for the Property that contains single-family residential lots. If the City elects to annex the Property, the City must annex all of the Property simultaneously. The City may not annex the Property in phases.

5. The Notice addresses in Section 11.01 are updated to change the City's address to 200 Texas Street, Fort Worth, Texas 76102 and to change the District's address as follows:

To the District:

Tradition Municipal Utility District No. 1 of Denton County
c/o: Coats Rose
14755 Preston Road, Suite 600
Dallas, Texas 75254
Attn: Tim Green
FAX: 982-982-8451

6. **Exhibit C** attached hereto, "Notice Concerning Annexation and Services" supersedes and replaces Exhibit C to the Agreement.
7. All capitalized terms shall have the same meaning as set forth in the Agreement.
8. Except as specifically amended in this First Amendment, the Agreement shall remain in full force and effect in accordance with its original terms and conditions.

IN WITNESS WHEREOF, each Party has caused this First Amendment to be executed by its undersigned duly authorized representative in multiple copies on the date or dates indicated below.

ATTEST:

CITY OF FORT WORTH

Mary Kayser, City Secretary

By: _____
Jay Chapa, Assistant City Manager

Date: _____

**APPROVED AS TO FORM AND
LEGALITY:**

Assistant City Attorney

**TRADITION MUNICIPAL UTILITY
DISTRICT NO. 1 OF DENTON COUNTY**

By: _____
President, Board of Directors

Date: _____

Exhibit C

STATE OF TEXAS

COUNTY OF DENTON

NOTICE CONCERNING ANNEXATION AND SERVICES

**THIS NOTICES SUPERSEDES NOTICE RECORDED IN THE DENTON
COUNTY PROPERTY RECORDS ON FEBRUARY 4, 2016,
AS DOCUMENT NO. 2016-12419**

The real property described in Exhibit A attached hereto and incorporated herein (the "Property") is located in Tradition Municipal Utility District No. 1 of Denton County (the "District"). The District is located wholly within the extraterritorial jurisdiction of the City of Fort Worth. When a district is annexed, the district is dissolved. Until such time of annexation, the City of Fort Worth does not impose property taxes within the District and is not required by state law to provide police protection, fire protection, road maintenance or any other municipal services to the District.

The City of Fort Worth may annex the Property for full purposes at any time after the earliest to occur of the following, at such time as the City finds such annexation to be feasible:

- (1) The date construction of water, sanitary sewer, drainage and road facilities to serve 90% of the Property is complete;
- (2) Dissolution of the District; or
- (3) The date twenty (20) years after recording in the Denton County plat records of the first final plat for the Property that contains single-family residential lots.

If the City elects to annex the Property, the City must annex all of the Property simultaneously. The City may not annex the Property in phases.

To obtain a copy of the Development Agreement between, SLF IV-114 Assemblage, L.P. and the City of Fort Worth governing the Property (City Secretary Contract No. 47477, as amended by Contract No. 47477-A1) (the "Development Agreement"), contact the City Secretary of the City of Fort Worth. For additional information concerning potential annexation of property within the District, contact the Director of the City of Fort Worth's Planning and Development Department.

**TRADITION MUNICIPAL UTILITY
DISTRICT NO. 1 OF DENTON COUNTY**

By: _____

Name printed: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me, on the ___ day of _____, 2019, by _____, President of the Board of Directors of Tradition Municipal Utility District No. 1 of Denton County, on behalf of said district.

Notary Public, State of Texas

Printed Name: _____

My Commission Expires: _____

After recording, return to:

Planning and Development Director
City of Fort Worth
200 Throckmorton
Fort Worth, Tx. 76102

City Attorney
City of Fort Worth
200 Throckmorton
Fort Worth, Tx. 76102

Exhibit A

BEING a 431.303 acre tract of land comprised of two separate tracts of land in the G. Cardinas Survey, Abstract No. 214, situated in Denton County, Texas and being a combination of that tract conveyed to Alliance 161 Investments by deed recorded in Volume 2778, Page 958 of the Real Property Records of Denton County, Texas (RPRDCT), a portion of those tracts conveyed to Aperion Communities, L.L.L.P. by deed recorded under County Clerk's File No. 2004-11913 RPRDCT (Aperion Tract One-A and Aperion Tract One-B) and a portion of that tract conveyed to Nancy Talley Reynolds, et al, by deed recorded in Volume 2301, Page 223 RPRDCT and being more particularly described as follows:

TRACT ONE

BEGINNING at a capped 5/8" iron pin found, said iron pin also being on the north right-of-way line of State Highway No. 114, said iron pin also being on the west line of said Alliance 161 Investments tract, said iron pin also being on the east line of a tract conveyed to Betty Marie McIntyre, et al, by deed recorded in Volume 2906, Page 363 RPRDCT;

THENCE N 00°32'36" W along the west line of said Alliance 161 Investments tract and the east line of said McIntyre, et al, tract recorded in Volume 2906, Page 363 RPRDCT, a distance of 3701.24 feet to a 3/8" iron pin found;

THENCE N 89°39'59" E along the north line of said Alliance 161 Investments tract and the east line of said McIntyre, et al, tract recorded in Volume 2906, Page 363 RPRDCT, a distance of 1826.89 feet to a 1/2" iron pin found, said iron pin also being on the west line of said Aperion Tract One-A;

THENCE N 00°22'44" W along the east line of said McIntyre, et al, tract recorded in Volume 2906, Page 363 RPRDCT, and the west line of said Aperion Tract One-A, a distance of 1294.80 feet to a capped 1/2" iron pin set;

THENCE S 86°14'27" E, a distance of 222.13 feet to a capped 1/2" iron pin set;

THENCE S 52°34'22" E, a distance of 867.86 feet to a capped 1/2" iron pin set;

THENCE S 44°08'03" E, a distance of 999.82 feet to a capped 1/2" iron pin set;

THENCE S 65°58'36" E, a distance of 1029.92 feet to a capped 1/2" iron pin set;

THENCE N 90°00'00" E, a distance of 773.31 feet to a capped 1/2" iron pin set; said capped 1/2" iron pin set also being on the east line of said Aperion Tract One-A and the west line of that tract conveyed to Ferbro Investments, LLC by deed recorded under County Clerk's File No. 97-0003605 RPRDCT;

THENCE S 00°07'20" E along the east line of said Aperion Tract One-A and the west line of said Ferbro Investments tract, a distance of 857.55 feet to a 1/2" iron pin found, said iron pin being on the northwesterly line of a tract conveyed to The Atchison, Topeka and Santa Fe Railway Company by deed recorded under County Clerk's File No. 93-R0020408 RPRDCT;

THENCE S 44°23'02" W along the east line of said Aperion Tract One-A and the northwesterly line of said Atchison, Topeka and Santa Fe Railway Company tract a distance of 2256.14 feet to a 5/8" iron pin found;

THENCE N 47°15'51" W along the east line of said Aperion Tract One-A and the northwesterly line of said Atchison, Topeka and Santa Fe Railway Company tract, a distance of 24.73 feet to a 5/8" iron pin found;

THENCE S 44°27'42" W along the east line of said Aperion Tract One-A and the northwesterly line of said Atchison, Topeka and Santa Fe Railway Company tract, a distance of 1121.43 feet to a brass monument in concrete found, said brass monument also being on the said north right-of-way line of State Highway No. 114;

THENCE S 89°47'36" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 286.33 feet to a brass monument in concrete found;

THENCE S 84°30'09" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 703.04 feet to a brass monument in concrete found;

THENCE S 89°48'48" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 1249.97 feet to a capped 1/2" iron pin set;

THENCE N 00°11'12" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 15.00 feet to a capped 1/2" iron pin set;

THENCE S 89°48'48" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 250.00 feet to a capped 1/2" iron pin set;

THENCE S 00°11'12" E along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 15.00 feet to a capped 1/2" iron pin set;

THENCE S 89°48'48" W along the south line of said Aperion Tract One-A and the north right-of-way line of State Highway No. 114, a distance of 238.28 feet to the Point of

Beginning and containing 16,728,840 square feet or 384.041 acres of land, more or less.

TRACT 2

BEGINNING at a brass monument in concrete found, said brass monument also being on the south line of said Aperion Tract One-B, said brass monument also being on the north right-of-way line of State Highway No. 114, said brass monument also being on the west line of a tract conveyed to Ferbro Investments by deed recorded under County Clerk's File No. 97-0003605 RPRDCT

THENCE S 89°46'48" W along the south line of said Aperion Tract One-B and the north right-of-way line of State Highway No. 114, a distance of 1072.97 feet to a brass monument in concrete found;

THENCE N 86°29'44" W along the south line of said Aperion Tract One-B and the north right-of-way line of State Highway No. 114, a distance of 900.20 feet to a brass monument in concrete found, said brass monument also being on the southeasterly line of a tract conveyed to The Atchison, Topeka and Santa Fe Railway Company by deed recorded under County Clerk's File No. 93-R0020408 RPRDCT;

THENCE N 44°26'31" E along the west line of said Aperion Tract One-B and the southeasterly line of said Atchison, Topeka and Santa Fe Railway Company tract, a distance of 2809.53 feet to a 5/8" iron pin found, said iron pin also being on the west line of said Ferbro Investments tract;

THENCE S 00°07'09" E along the east line of said Aperion Tract One-B and the west line of said Ferbro Investments tract, a distance of 2056.80 feet to the Point of Beginning and containing 2,058,725 square feet or 47.262 acres of land, more or less.