

**COST PARTICIPATION AGREEMENT REGARDING THE CONSTRUCTION OF
COUNTY LINE ROAD**

THE STATE OF TEXAS §
 § **KNOW ALL BY THESE PRESENTS:**
COUNTY OF BASTROP §

THIS COST PARTICIPATION AGREEMENT (“Agreement”) is entered into between the **CITY OF ELGIN, TEXAS**, a Texas home-rule city (“**City**”) and **LGI HOMES-TEXAS, L.L.C.**, its successors and assigns, (“**Developer**”). In this Agreement, City and Developer are sometimes individually referred to as “**Party**” and collectively referred to as “**Parties**”.

RECITALS

WHEREAS, the City and Developer desire to co-operate in the construction of County Line Road within the City’s territorial limits which will be mutually beneficial to the Parties; and

WHEREAS, the City desires to fund and later construct County Line Road from FM 1100 to Carlson Lane (the “Project” and “Project Fund”); and

WHEREAS, the Developer is in the process of developing a 120.601 acre tract of land that abuts approximately 1,343.73 linear feet of County Line Road, said property being shown on Exhibit “A”, attached hereto (the “Property”), and;

WHEREAS, as consideration for the City funding and constructing the Project, the Developer agrees to contribute the sum of money described herein as its pro-rata share of Project costs, and

WHEREAS, the Parties wish to memorialize their respective duties and obligations with respect to the Project;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and agreements of the Parties contained in this Agreement, the Parties agree as follows:

I.

TERMS

A. Recitals. The Recitals above are incorporated herein.

B. City Participation. City agrees to pay for all costs related to the design and construction of the Project (“Project Costs”) in accordance with the design plans as approved by the City, which shall include the design for a left turn lane into Open Sky Trail, curbed and guttered roadway, and associated storm sewer. City shall award a contract fully complying with the Texas

Competitive Bidding Act as soon as funding is available, but in any event no later than December 31, 2024.

C. Developer Participation. Developer agrees to contribute to the Project Fund an amount not to exceed \$1,209,357.00 (the “Participation Amount”), conditioned upon City commencing construction of the Project by December 31, 2024.

D. Developer Participation Schedule. The Developer Participation Amount shall be contributed as follows: \$483,742.00 shall be deposited into an Escrow Account by Developer on or before the recordation of the first plat, which is estimated to contain 243 lots, and \$725,615.00 shall be deposited by Developer into the Escrow Account upon the recordation of the second plat, which is estimated to contain 220 lots, or by December 31, 2024, whichever occurs earliest. Developer, his successors and assigns agree that no plat recordation of any portion of the Property will occur without compliance with this Agreement.

E. Escrow Account. On or before recordation of the first plat and Developer making the initial deposit into the Escrow Account, Developer and City shall execute an Escrow Agreement outlining the terms and conditions of the release of the escrow funds to be used for the construction of County Line Road.

II.

GENERAL PROVISIONS

A. Severability. The provisions of this Agreement are severable and, if any provision of this Agreement is held to be invalid for any reason by a court or agency of competent jurisdiction, the remainder of this Agreement shall not be affected and this Agreement shall be construed as if the invalid portion had never been contained herein.

B. Cooperation. The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.

C. Entire Agreement. Except as otherwise expressly provided herein, this Agreement contains the entire agreement of the Parties regarding the sharing of costs for the County Line Road project and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter.

D. Amendments. Any amendment of this Agreement must be in writing and shall be effective if signed by the authorized representatives of the Parties.

E. Applicable Law; Venue. This Agreement shall be construed in accordance with Texas law. Venue for any action arising hereunder shall be in Bastrop County, Texas.

F. Force Majeure. Parties shall not be deemed in violation of this Agreement if prevented from performing any of their obligations hereunder by reasons for which they are not responsible or circumstances beyond their control. However, notice of such impediment or delay in performance must be timely given, and all reasonable efforts undertaken to mitigate its effects.

G. Exhibits. The following exhibit is attached to this Agreement and incorporated herein by reference:

Exhibit "A" – The Property

H. Counterparts. Effect of Partial Execution. This Agreement may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute the same instrument.

I. Authority. Each Party represents and warrants that it has the full right, power and authority to execute this Agreement.

J. Notices. Notices provided hereunder shall be sufficient if forwarded to the other party by hand-delivery or via U.S. Postal Service, postage prepaid, to the address of the other party shown below:

CITY: City of Elgin
Attn: City Manager
310 N. Main St.
Elgin, Texas 78621

DEVELOPER: LGI Homes – Texas, LLC
Attention: Shannon Birt
1450 Lake Robbins Drive, Suite 430
The Woodlands, Texas 77380

K. No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture between the parties.

L. Recordation. This Agreement will be filed in the Official Records of Bastrop County, Texas.

M. Binding Agreement. This Agreement shall run with the land, and the terms and provisions as stated herein shall be binding on City and Developer and their respective heirs, administrators and executors or successors and assigns, as applicable. Developer, his successors and assigns agree that no plat recordation or sale of any portion of the Property will occur with compliance with this Agreement.

(signatures on following page)

CITY OF ELGIN:

ATTEST:

By: _____
Chris Cannon, Mayor

Amelia Sanchez, City Secretary

Date: _____

_____: _____
By: _____
Date: _____

STATE OF TEXAS §
§
COUNTY OF BASTROP §

On this ____ day of _____, 201_, before me, the undersigned notary public, personally appeared Chris Cannon, Mayor of the City of Elgin, Texas, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein stated.

Notary Public, State of Texas

DEVELOPER:

LGI-HOMES-TEXAS,LLC:

By: _____

Its: _____

STATE OF TEXAS §

COUNTY OF TRAVIS §
§

On this ____ day of _____, 201__, before me, the undersigned notary public, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein stated.

Notary Public, State of _____

After Recording, please return to:

City of Elgin
Attn: City Manager
310 N. Main St.
Elgin, Texas 78621