

EXHIBIT
“C”

MUNICIPAL SERVICES AGREEMENT

This MUNICIPAL SERVICES AGREEMENT (the “Agreement”) is entered into on the _____ day of _____, 20____, by and between the City of Round Rock, Texas, a home-rule municipality of the State of Texas (the “City”), and VPDF Sauls Ranch LLC, Delaware limited liability company, DFH Coventry LLC, a Florida limited liability company, and Milestone Community Builders LLC, a Texas limited liability company (the “Owners”).

RECITALS

The parties agree that the following recitals are true and correct and form the basis upon which the parties have entered this Agreement.

WHEREAS, Section 43.0671 of the Texas Local Government Code permits a municipality to annex an area if the owner(s) of the land in an area requests the annexation; and

WHEREAS, when a municipality elects to annex such an area, the municipality is required to enter into a written agreement with the property owner(s) that sets forth services to be provided by the municipality for the property in the affected area; and

WHEREAS, the Owners own certain parcel of land situated in Williamson County, Texas, which consists of approximately 55.772 acres of land in the City’s extraterritorial jurisdiction, such property being more particularly described and set forth in Exhibit “A,” attached hereto and incorporated herein by reference (the “Property”); and

WHEREAS, the Owners have entered into that certain Development Agreement with the City, dated effective as of October 13, 2022, pursuant to Section 212.172 of Texas Local Government Code (“Development Agreement”), which addresses full-purpose annexation of the Property; and,

WHEREAS, the Owners have filed a written request with the City for annexation of the Property pursuant to Section 43.0671 of the Texas Local Government Code (the “Annexation”); and

WHEREAS, the City and the Owners desire to set forth the City services to be provided for the Property on or after the effective date of the Annexation pursuant to Section 43.0672 of the Texas of the Local Government Code; and

WHEREAS, the Annexation and execution of this Agreement are subject to approval by the governing body of the City.

NOW THEREFORE, in exchange for the mutual covenants, conditions and promises contained herein, the City and the Owners agree as follows:

- 1. PROPERTY.** This Agreement is only applicable to the Property, which is the subject of

the Annexation.

2. **INTENT.** It is the intent of the City that this Agreement provide the delivery of full, available municipal services to the Property as described herein, in accordance with State law, which may be accomplished through any means permitted by law.

3. MUNICIPAL SERVICES.

A. Commencing on the effective date of the annexation, the City will provide the municipal services set forth below. For the purposes of this Agreement, the term “providing services” includes having services provided by any method or means by which the City may extend municipal services to any other area of the City, including the City’s infrastructure extension policies and the developer or the Owners’ participation, in accordance with applicable State law and City ordinances, rules, regulations and policies and the Development Agreement. Each of the municipal services listed below, including, but not limited to, the zoning of the Property in a manner which allows the Property to be lawfully developed as set forth in the Development Agreement, constitutes a municipal service that if not provided or caused to be provided shall authorize a petition for disannexation pursuant to Section 43.141 of the Texas Local Government Code.

- i. Fire and Police Services. The City will provide these services to the Property.
- ii. Planning, Zoning, Building and Code Enforcement. The City will provide comprehensive planning, land development, land use, building review, inspection services and code enforcement in accordance with all applicable laws, ordinances, rules, regulations, and policies. The planning and zoning jurisdiction of the City will be extended to this Property on the effective date of the annexation ordinance. Pursuant to the Development Agreement, the Parties anticipate and desire for the Property to be zoned Single-Family-Mixed Lot (SF-3), or other zoning designation which provides for the uses and development set forth in the Development Agreement, following the effective date of the Annexation and in accordance with the process and procedures applicable to all other properties within the City. All services provided by the City will be extended to the area on the effective date of the Annexation.
- iii. Water and Wastewater. The City shall provide continuous and adequate retail water service and wastewater service to Property and to customers within the Property, in accordance with the terms of the Development Agreement, as long as the Property is not within the certificated service area of another utility. The facilities will be maintained and operated by the City as governed by standard policies and procedures. Existing, occupied homes that are using water-well and on-site sewer facilities on the effective date of annexation may continue to use the same. If, and when, the Property is developed, platted, or the current use(s) of the Property changes in the future, landowners shall be required to fund and construct necessary water and wastewater capital improvements to serve the annexed Property in

accordance with applicable State law and the City's ordinances, rules, regulations, and policies.

- iv. Solid Waste Service. Within its corporate boundaries, the City currently contracts with Central Texas Refuse (dba "Round Rock Refuse") for residential collection only. Any commercial development on the Property shall contract individually for solid waste collection services.
- v. Roads and Streets. The City will maintain public streets over which the City has jurisdiction. If necessary, the City will also provide regulatory signage services. Street lighting will be maintained in accordance with the City ordinances and state law.
- vi. Public Facilities. The City will operate and maintain public parks, playgrounds, swimming pools, libraries, and other public facilities in accordance with the City Code and operating procedures. Upon annexation, residents of the Property may utilize all public facilities and services.
- vii. Miscellaneous. All other applicable municipal services will be provided to the Property in accordance with policies established by the City.

B. It is understood and agreed that the City is not required to provide any service that is not explicitly included in this Agreement.

- 4. **AUTHORITY**. The City and the Owners represent that they have full power authority and legal right to execute, deliver and perform their obligations pursuant to this Agreement. The Owners acknowledge that approval of the Annexation is within the sole jurisdiction of the City's governing body. Nothing in this Agreement guarantees favorable decisions by the City's governing body.
- 5. **SEVERABILITY**. If any part, term, or provision of this Agreement is held by the courts to be illegal, invalid, or otherwise unenforceable, such illegality, invalidity, or unenforceability will not affect the validity of any other part, term or provision, and the rights of the parties will be construed as if the part, term, or provision was never a part of the Agreement.
- 6. **INTERPRETATION**. The parties to this Agreement covenant and agree that in any litigation relating to this Agreement, the terms and conditions of this Agreement will be interpreted in accordance with the laws of the State of Texas.
- 7. **GOVERNING LAW AND VENUE**. This Agreement shall be enforceable in Round Rock, Texas, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for same shall lie in Williamson County, Texas. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

- 8. GOVERNMENTAL POWERS.** It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers or immunities.
- 9. WAIVER.** The failure of either party to insist on the performance of any term of provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.
- 10. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
- 11. CAPTIONS.** The captions to the various clauses of this Agreement are for information purposes only and shall not alter the substance of the terms and conditions of this Agreement.
- 12. AGREEMENT BINDS SUCCESSORS AND RUNS WITH THE PROPERTY.** This Agreement is binding on and inures to the benefit of the parties, their successors, and assigns. The term of this Agreement constitutes covenants running with the land comprising the Property and is binding on the Owners.
- 13. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements between said parties. This Agreement shall not be amended unless executed in writing by both parties.

[Remained intentionally left blank.]

Executed as of the day and year first above written to be effective on the effective date of the annexation of the Property.

City of Round Rock, Texas

By: _____
Craig Morgan, Mayor

Date: _____

Attest:

By: _____
Meagan Spinks, City Clerk

For City, Approved as to Form:

By: _____
Stephan L. Sheets, City Attorney

VPDF Sauls Ranch LLC,
a Delaware limited liability company
By: VP Finders 2 Holdings LLC,
a Delaware limited liability company
its Sole member

By: Värde Partners, Inc.,
a Delaware corporation, its Manager

By:  _____

Name: James E. Dunbar

Title: Principal

Date: 11/1/24

DFH Coventry, LLC,
a Florida limited liability company

By:  _____

Name: Alex Dadidakis

Title: Division President

Date: 11/1/24

Milestone Community Builders, LLC,
a Texas limited liability company

By:  _____

Name: Terry LaGrone

Title: CFO

Date: 11/4/24