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STATE OF TEXAS
COUNTY OF BLANCO

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF JOHNSON CITY AND BSL JCTX, LP

This Development Agreement ("Agreement") is made and entered into by and between the City of Johnson City, Texas, a Type A General Law municipal corporation ("City") and BSL JCTX, LP, a Texas limited partnership ("Developer"), individually referred to as "Party" and, collectively, as the "Parties".

RECITALS

WHEREAS, Chapter 380 of the Texas Local Government Code authorizes the City to make loans or grants of public funds for the purpose of promoting economic development and stimulating business and commercial activity within the City; and

WHEREAS, Section 212.172 of the Texas Local Government Code authorizes the City to enter into development agreements with owners of property within the City's extraterritorial jurisdiction to provide for annexation and the permissible uses of property after annexation; and

WHEREAS, the Developer proposes to develop approximately 22.4 acres of land located at the southeast intersection of Old River Crossing and Trail Rock Drive, as more particularly described and shown in Exhibit "A", attached hereto and incorporated fully herein ("Property"); and

WHEREAS, the Property is located within the currently existing extraterritorial jurisdiction ("ETJ") of the City and is to be annexed into the city limits following submission and approval by the City Council of a petition for voluntary annexation; and

WHEREAS, upon annexation, the Developer intends to develop on the Property a recreational vehicle campground within the City limits; and

WHEREAS, in furtherance of the development, the Parties desire to enter into a Chapter 380 Economic Development Agreement pursuant to Texas Local Government Code Chapter 380; and

WHEREAS, pursuant to Local Government Code Chapter 380, the City is authorized to provide grants which support the economic development of the City and in accordance with that authorization has established a Chapter 380 Economic Development Program and Policies for receipt of applications for and issuance of a Chapter 380 Grant ("Grant"); and

WHEREAS, the Developer has submitted his application for a grant from the City to be applied toward the Project; and

WHEREAS, the City Council of the City ("City Council") finds and determines that this Agreement will effectuate the purposes of the City's Chapter 380 Economic Development Program, and that the Developer's performance of its obligations herein will provide local economic development and stimulate business and commercial activity in the City.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. PROJECT DESCRIPTION

Development of the property (the "Project") shall encompass the following:

- 1.1 The Developer will develop the Property as a recreational vehicle campground to include up to 170 recreational vehicle spaces, and 70 elevated tent campsites with each elevated tent campsite to include a platform approximately thirty feet (30') in diameter, as more particularly depicted on Exhibit "B", attached hereto and incorporated fully herein.
- 1.2 The Developer shall widen Old River Crossing Road from North Nugent Avenue to Trail Rock Drive ("Road") as described herein.
- 1.3 The Developer shall construct, and pay for in full, water and public sewer stub-outs along the Road as described herein.
- 1.4 The Project may be amended from time to time through mutual written agreement of the Parties, subject to approval by the City Council. Amendment to the Project may result in an amendment to the Chapter 380 Economic Development Grant ("Grant") awarded by the City for the Project as described herein.

SECTION 2. CHAPTER 380 ECONOMIC DEVELOPMENT GRANT

- 2.1 <u>Findings</u>. In accordance with Texas Local Government Code Chapter 380 and the City's Chapter 380 Economic Development Program and Policies, the City Council finds that the Project will serve a public purpose and benefit the City by, among other things, expanding the City's property tax base and sales and use tax base, and that such benefit is in the best interest of the residents of the City; and that issuance of an economic development grant is appropriate and proper.
- 2.2 <u>Grant Purpose</u>. In accordance with Texas Local Government Code Chapter 380 and the Chapter 380 Economic Development Program and Policies of the City, the City Council issues this Grant for the sole purpose of the development of the Project.
- 2.3 <u>Economic Development Grant and Award</u>. As consideration for the Developer's performance of its obligations under this Agreement, the City Council hereby awards to Developer a Chapter 380 Economic Development Grant consisting of the following:

A credit refund of fifty percent (50%) of the required building permit and plan review application fee(s) paid by the Developer and held by the City in the Permit Fees Escrow Account. Said reimbursement shall be issued upon fulfillment of all obligations by the Developer, including completion of the Project. This portion of the Grant expires upon payment by the City. In the event that the obligations are not satisfied or construction is not complete within the prescribed Project term, Developer shall no longer be entitled to receive any reimbursement under the terms herein, and the permit fees paid into the Permit Fees Escrow Account shall be paid into the General Fund of the City.

- 2.4 Payments Not Subject to Future Appropriation. All payments made by the City under this Agreement are reimbursements of the Developer's payments and subject to that collection. In the event the City does not receive funds from the Developer, the City shall not be liable to the Developer for such payments. This Agreement shall not be construed as a commitment, issue, pledge or obligation of any future specific taxes or tax revenues for payment to the Developer.
- 2.5 Termination of Grant. This Grant shall terminate on
 - a. The expiration of this Agreement; or
 - b. Termination of this Agreement by reason of a Developer default; or
 - c. The failure of Developer to construct the Project as described herein, unless the Project design has been amended in writing by mutual agreement of the Parties; or
 - d. The Project is not completed within the timeframe prescribed herein.
- 2.6 Suspension or Termination of Payment.
 - 2.6.1 The City may suspend payment if the Developer is in default of this Agreement until such time that Developer cures the default.
 - 2.6.2 Upon termination or expiration of this Agreement, the City shall not be required to pay, and the Developer shall not be entitled to receive any initial or further payments under this Agreement.

SECTION 3. DEVELOPER'S OBLIGATIONS

For receipt of the Chapter 380 Grant, Developer agrees to perform and meet the following conditions and obligations:

- Annexation. Developer shall submit to the City a voluntary petition for annexation of the Property within three (3) months of the effective date of this Agreement. Failure to submit a petition within the prescribed time period shall be considered a default and shall result in immediate termination of this Agreement.
- 3.2 <u>Rezoning</u>. Developer acknowledges that Chapter 14 Zoning of the City of Johnson City's Code of Ordinances provides that on annexation, a property is automatically zoned as residential. Contemporaneously with the petition for annexation of the Property, the

- Developer shall apply for rezoning of the Property for a use applicable to and in accordance with the Project.
- 3.3 <u>Subdivision</u>. The Parties agree that a subdivision plat will not be required for development of the Property unless the Property tract is to be subdivided. If a plat is required, Developer shall submit a plat application in accordance with Chapter 10, Subdivision Ordinance of the City of Johnson City's Code of Ordinances and shall pay all required City application fees relating to platting of the Property and to construction of required dedicated improvements, if any, on the Property.
- 3.4 <u>Site Improvement Plan and Building Permit Application</u>. Prior to construction, the Developer shall submit to the City a site improvement plan depicting and outlining the Project in accordance with Exhibit B, and also a building permit application accompanied by payment in full to be held by the City in escrow for purposes of the Grant as described herein.

3.5 Old River Crossing Road.

- 3.5.1 The Developer acknowledges that the Road will be essential for receiving services from the City and will provide a significant benefit to the Project. The Road is currently located within the City's ETJ, and upon annexation of the Property, the Road will be annexed by the City. To assist with facilitating annexation, the Developer shall construct and pay, in full, for water and public sewer stub-outs along the Road of a size mutually agreed upon between the Developer and Blanco County to service the Blanco County Fairgrounds located on Parcel ID Nos. 1729 and 2784, as identified by the Blanco County Appraisal District.
- 3.5.2 The Developer acknowledges that the Project will create increased traffic and wear on the Road, and that the Road will require widening and an upgrade to accommodate the increased traffic circulation. In acknowledgement of the enhanced benefit that the Road will contribute to the Property and the Project, the Developer shall widen Old River Crossing between North Nugent Avenue and Trail Rock Drive up to a minimum of thirty feet (30'), in accordance with the City's Design Standards in effect at the execution date of this Agreement.
- 3.5.3 In exchange for the improvements described in Section 3.5.1 and Section 3.5.2 of this Agreement, the Parties agree that Developer may utilize the area bordering the northeast boundary line of the Property for parking spaces serving the Project.
- 3.6 <u>Water/Wastewater</u>. The Developer shall submit payment of equivalent single-family unit (ESFU) impact fees (water and wastewater) for the Property based on the actual amount and size of the water meter(s) placed on the Property.
- 3.7 <u>Project Term; Design and Construction</u>. The Developer shall design and construct the Project within five years of the effective date of this Agreement as listed herein, or the Project shall be deemed expired and this Agreement shall terminate. The Developer shall

construct the Project in accordance with all applicable federal, state and local laws, codes, and regulations (or valid waiver thereof) in effect as of the effective date of this Agreement.

SECTION 4. CITY'S OBLIGATIONS

For issuance of the Chapter 380 Grant, the City agrees to perform and meet the following conditions and obligations:

- 4.1 <u>Annexation</u>. The City shall accept the voluntary petition for annexation of the Property and consider for approval within the authorized statutory timelines. In accordance with the annexation process, the City shall issue a service plan to include the terms of this Agreement. Failure by the City to meet the terms of the service plan shall constitute grounds for disannexation by the owner of the Property.
- Rezoning. Developer acknowledges that the City is legally restricted from assigning a zoning designation to a property prior to annexation. Upon annexation and on the Developer's request for rezoning, the City shall review and consider within the authorized timelines a zoning classification which applies to and is in conformance with the Project, including rezoning as a Planned Unit Development with terms and development standards in accordance with the Project's use and design as contained in Exhibit B. In the unlikely event that the Property is not given a zoning designation authorizing the Project as a permitted use, the City agrees that Developer would be entitled to develop the Project pursuant to Chapter 245 and Section 43.002 of the Texas Local Government Code and a non-conforming use under the Zoning Code, respectively, or in the alternative to terminate this Agreement and to seek disannexation of the Property in accordance with Section 4.1 and Section 6.2 of this Agreement.
- 4.3 <u>Subdivision</u>. Should platting be required, the City shall review and consider within the authorized timelines the Developer's subdivision plat application under the Subdivision Ordinance rules and regulations in effect as of the effective date of this Agreement.
- 4.4 <u>Old River Crossing Road</u>. It is acknowledged that the Road is presently in the City's ETJ and owned by Blanco County. To accommodate water and wastewater line extensions to the Property, upon annexation of the Property, the City shall annex the Road.
- 4.5 <u>Site Improvement Plan and Building Permit Application</u>. Upon submission to the City of a site improvement plan by the Developer and receipt of the Developer's application and fee payment for a building permit, the City shall review the plan and shall issue, upon satisfactory review and within a reasonable time period, all necessary building permits for construction of the Project under the rules and regulations in effect as of the effective date of this Agreement. One (1) fully encompassing building permit and plan review fee shall issue to encompass development of the Project, such building permit to include multiple inspection requirements throughout the Project. The City shall hold the payment(s) for the building permit(s) in a Permit Fees Escrow Account during the duration of the Project and pending completion for purposes of the Grant described herein.

4.6 Water/Wastewater.

- 4.6.1 The City shall review applications for connections to the City's water and wastewater systems as contained in Chapter 13, Utilities of the City of Johnson City's Code of Ordinances and shall issue, upon satisfactory review and within a reasonable time period, all necessary permits. The City agrees to approve all required connections to the City water system and public sewer if the connections comply with applicable City ordinances and regulations, and, if applicable, extensions of City water and wastewater infrastructure to serve the Project.
- 4.6.2 The City will collect the equivalent single-family unit (ESFU) impact fees (water and wastewater) for the Property based on the actual amount and size of the water meter(s) placed on the Property.
- 4.6.3 The City warrants and represents that there is sufficient capacity in its water and wastewater systems to serve the Project.

SECTION 5. COVENANTS AND WARRANTIES

- 5.1 In furtherance of this Agreement, Developer makes the following covenants and warranties that:
 - a. Developer is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during the term of this Agreement, and shall abide by all laws, regulations, and rules, including local ordinance;
 - b. The execution of this Agreement has been duly authorized by the Developer, and the individual signing this Agreement on behalf of the Developer is empowered to execute such Agreement and bind the Developer. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Developer's company agreement, by-laws, or of any agreement or instrument to which Developer is a party to or by which it may be bound;
 - c. Developer is not a party to any bankruptcy proceedings currently pending or contemplated, and Developer has not been informed of any potential involuntary bankruptcy proceedings;
 - d. Developer shall timely and fully perform the obligations and duties contained in this Agreement;
 - e. Developer shall use commercially reasonable efforts to complete the Project, and shall obtain or cause to be obtained, and pay for, all necessary and required building permits and approvals from City; and
 - f. The Developer shall be solely responsible for and bear all costs, improvements, and expenses associated with the Project.
- 5.2 In furtherance of this Agreement, City makes the following covenants and warranties that:

- a. The City has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform the terms and obligations of this Agreement;
- b. City approvals under this Agreement have been duly and validly authorized in accordance with all necessary City proceedings, findings and actions;
- c. This Agreement constitutes the legal, valid, and binding obligation of the City, and does not require the consent of any other governmental authority; and
- d. The City shall timely and fully perform the obligations and duties contained in this Agreement.

SECTION 6. TERM AND TERMINATION; DEFAULT

- 6.1 <u>Effective Date and Term.</u> This Agreement shall be effective upon the closing of Developer's purchase of the Property (the "Effective Date") provided such closing occurs within ninety (90) days after execution of this Agreement by all Parties. This Agreement shall have a term of five (5) years from the Effective Date, terminating upon the fifth anniversary of the Effective Date unless sooner terminated as provided herein. In no event shall the Agreement continue longer than the five-year term unless extended by written agreement pursuant to a force majeure event as provided herein.
- 6.2 <u>Termination</u>. This Agreement shall terminate:
 - a. Upon written notice by any Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured as provided herein; or
 - b. Upon written notice by the City, if the Developer suffers an event of bankruptcy or insolvency; or
 - c. Upon written notice by the City, if the Developer fails to submit a petition for voluntary annexation of the Property within three (3) months of the Effective Date; or
 - d. Upon written notice by the Developer, if City has not rezoned the Property in accordance with the use of the Property and to accommodate the construction and operation of the Project. Termination in this regard shall serve as a basis for disannexation and permit the Developer to pursue disannexation of the Property; or
 - e. Upon written notice by the Developer, if the Developer elects not to proceed with the Project.

6.3 Default.

- 6.3.1 The following shall be considered an act of default:
 - a. Failure by either Party to timely and fully perform the obligations and duties described in this Agreement; or
 - b. Any false or substantially misleading statement made by either Party and contained herein.
- 6.3.2 No party shall be declared in default until written notice of the default has been given to the defaulting party. Such notice shall set forth, in reasonable detail, the

nature of the default. The defaulting party shall be given thirty (30) calendar days after the receipt of such written notice to cure the default. A defaulting party shall not be declared in default, if, within the cure period, the defaulting party has commenced in a commercially reasonable manner to remove or cure such alleged default, provided that, in the event the alleged default cannot reasonably be removed or cured within the cure period, the defaulting party shall provide the non-defaulting party a commercially reasonable written timeline for removing or curing such alleged default and the Parties shall enter into a written agreement extending the cure period to a timeframe consistent with such timeline.

6.4 <u>Effect of Termination</u>. Termination of this Agreement shall mutually release the Parties of any further duty of performance.

SECTION 7. MISCELLANEOUS PROVISIONS

- 7.1 <u>Chapter 245 Permit</u>. The Parties agree that, in accordance with Section 212.172(g) of the Texas Local Government Code, this Agreement constitutes a permit under Chapter 245 of the Texas Local Government Code. Ordinances and regulations applicable to this Project shall be those in effect as of the Effective Date of this Agreement and shall remain applicable provided the Project does not become dormant.
- 7.2 <u>Binding Effect; Covenants Run with the Land</u>. The provisions of this Agreement shall run with the land and be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

7.3 <u>Assignment</u>.

- 7.3.1 This Agreement may not be assigned by the Developer without the express written consent of the City Council.
- 7.3.2 Developer may assign, in whole or in part, its rights and obligations under this Agreement to any person(s) and/or entity(ies) purchasing all, or a portion, of the Property.
- 7.3.3 In the event of an assignment of this Agreement, Developer shall be released from any obligations of this Agreement. Acceptance of title to all or a portion of the Property shall automatically, and without further acknowledgement from the owner, constitute such owner's assumption of the obligations of Developer.
- 7.3.4 The Developer shall record a written assignment of said rights in the Official Public Records of Blanco County, Texas in order to be effective. A copy shall be provided to the City.
- 7.4 Entire Agreement and Exhibits. This Agreement constitutes the entire Agreement between the Parties. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement. All exhibits attached to this Agreement are incorporated into and made a part of this Agreement for all purposes.
- 7.5 <u>Headings, Construction and Counterparts</u>. The paragraph headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of

the paragraphs. Wherever appropriate, words of the masculine gender may include the feminine or neuter, and the singular may include the plural, and vice-versa. Each of the Parties has been actively and equally involved in the negotiation of this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not be employed in interpreting this Agreement or its exhibits. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. This Agreement will become effective only when one or more counterparts, individually or taken together, bear the signatures of all of the Parties.

- 7.6 <u>Amendment</u>. This Agreement may be amended only by the mutual written agreement of the Parties, subject to approval of the City Council. An amendment to the design and construction plans of the Project may amend this Agreement.
- 7.7 Severability. 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 in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.
- 7.8 Force Majeure. If either Party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, then the time period for performance of the obligations of either Party, to the extent affected by such act, shall be extended for a period no longer than two (2) years from the date of such event. Such cause shall be remedied with all reasonable diligence at the earliest practicable time. The term "force majeure" shall include acts of God, acts of a public enemy (including domestic and foreign terrorism), or orders of any kind of the Government of the United States or of the State of Texas impacting the Property or the Project.
- 7.9 <u>No Joint Venture</u>. This Agreement shall be not be construed to create an agency, partnership, or joint venture of any type between the Parties. The City will not be liable for any claims that may be asserted by any third party against the Developer or its consultants, contractors, subcontractors, or tenants occurring in connection with services performed by the Developer under this Agreement.

7.10 Litigation.

- 7.10.1 Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas, and exclusive venue for any action concerning this Agreement shall be in Blanco County, Texas.
- 7.10.2 <u>Dispute Resolution</u>. Notwithstanding the foregoing, the Parties agree that any dispute that may arise under this Agreement shall first be submitted to non-binding mediation, or to alternative dispute resolution proceedings, before litigation is filed in court.

- 7.10.3 <u>Litigation Costs</u>. In the event of litigation, each Party shall be responsible for its own litigation costs and fees and waives its right to recovery from the prevailing Party of litigation costs and fees, including attorneys' fees.
- 7.10.4 <u>Limitation of Damages</u>. No Party will be liable to the other under this Agreement for consequential damages, including lost profits, or exemplary damages.
- Waiver of Rights; Remedies. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either Party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the Parties may have by law statute, ordinance, or otherwise. The failure by any Party to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by such Party of its rights at any time thereafter to require exact and strict compliance with all the terms hereof. Any rights and remedies any Party may have with respect to the other arising out of this Agreement shall survive the cancellation, expiration or termination of this Agreement, except as otherwise set forth herein.
- 7.12 <u>Indemnity; Limitation on Liability</u>. It is understood and agreed between the Parties that Developer, in satisfying the conditions of this Agreement, is deemed to have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions. Developer agrees to indemnify and hold harmless the City and its elected officials, officers, and employees from any claims, suits, and causes of actions, liabilities and expenses, including reasonable attorney's fees, of any nature whatsoever by a third party arising out of Developer's performance of this Agreement. Nothing contained in this Agreement shall be construed as a waiver of or relinquishment of governmental or sovereign immunity by the City. The indemnity provided herein shall survive termination and/or expiration of this Agreement.
- Texas Government Code Chapter 2264. In accordance with Chapter 2264 of the Texas Government Code, as amended, Developer certifies that Developer, and its branches, divisions and departments, do not and will not knowingly employ any person who is not lawfully admitted for permanent residence to the United States or who is not authorized under law to be employed in the United States. If during the term of this Agreement, Developer or any of its branches, divisions or departments is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%) calculated from the date of each payment of an economic development grant, not later than the 120th day after the date City notifies Developer of the violation. The City shall recover court costs and reasonable attorney's fees incurred if it prevails in an action brought pursuant hereto to recover past economic development grants and interest. The Developer shall not be liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee, or by a person with whom the Developer contracts.

7.14 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter if sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered:

City of Johnson City Attn: Chief Administrative Officer PO Box 369 Johnson City, Texas 78636

Yarrington Land, LLC 5900 Balcones Dr., Ste. 100 Austin, Texas 78731

With copies to:
Brown & Ortiz, P.C.
Attn: Daniel Ortiz
112 E. Pecan St., Ste. 112
San Antonio, Texas 78205

BSL JCTX, LP

With copies to:
Christopher B. Bradford
Jackson Walker LLP
100 Congress Ave., Suite 1100
Austin, Texas 78701

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this section.

- 7.15 <u>Recording</u>. Upon execution, this Agreement shall be recorded by the Developer in the Official Public Records of Blanco County, Texas. A copy of the recorded instrument shall be provided to the City.
- 7.16 <u>Duplicates</u>. The Parties may execute this Agreement in one or more duplicate original counterparts, each of equal dignity, however all of the counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement on the dates indicated below.

Signature pages follow.

CITY: CITY OF JOHNSON CITY, TEXAS

Rhonda Stell Mayor	
Date:	
Attest:	
Rick Schroder Chief Administrative Officer/City Se	ecretary
Date:	
Approved as to form only:	
Elizabeth Elleson City Attorney	
Date:	
<u>ACKNOWLEDGEMENT</u>	
This instrument was acknowledged	before me on thisday of
	of the CITY OF JOHNSON CITY, TEXAS, a Texas Type A
	of said municipality, known to me to be the person whose
name is subscribed to the foregoing i	instrument.
	Notary Public
	Date:

DEVELOPER: BSL JCTX, LP, a 7	Texas limited partnership	
Signature		
Printed Name		
Title		
Date:		
ACKNOWLEDGEMENT		
This instrument was acknowledged be	efore me on thisday of	,
2021 by	on behalf of	, General Partner of
BSL JCTX, LP, a Texas limited par	rntership, known to me to be the	person whose name is
subscribed to the foregoing instrument	t.	
	Notary Public	
	Date:	

EXHIBIT "A"

PROPERTY LEGAL DESCRIPTION AND SURVEY



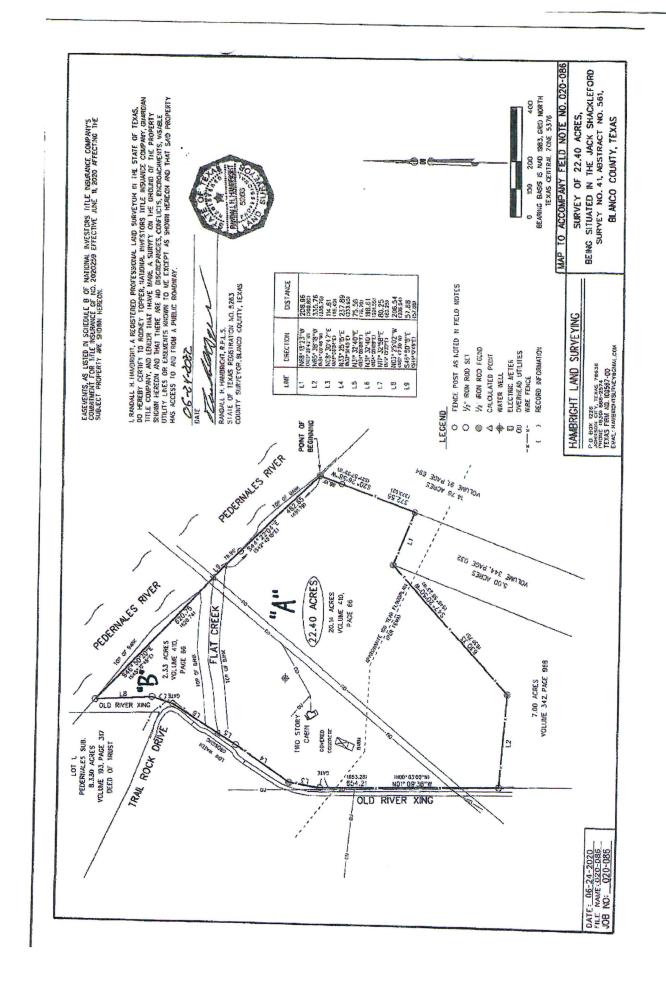
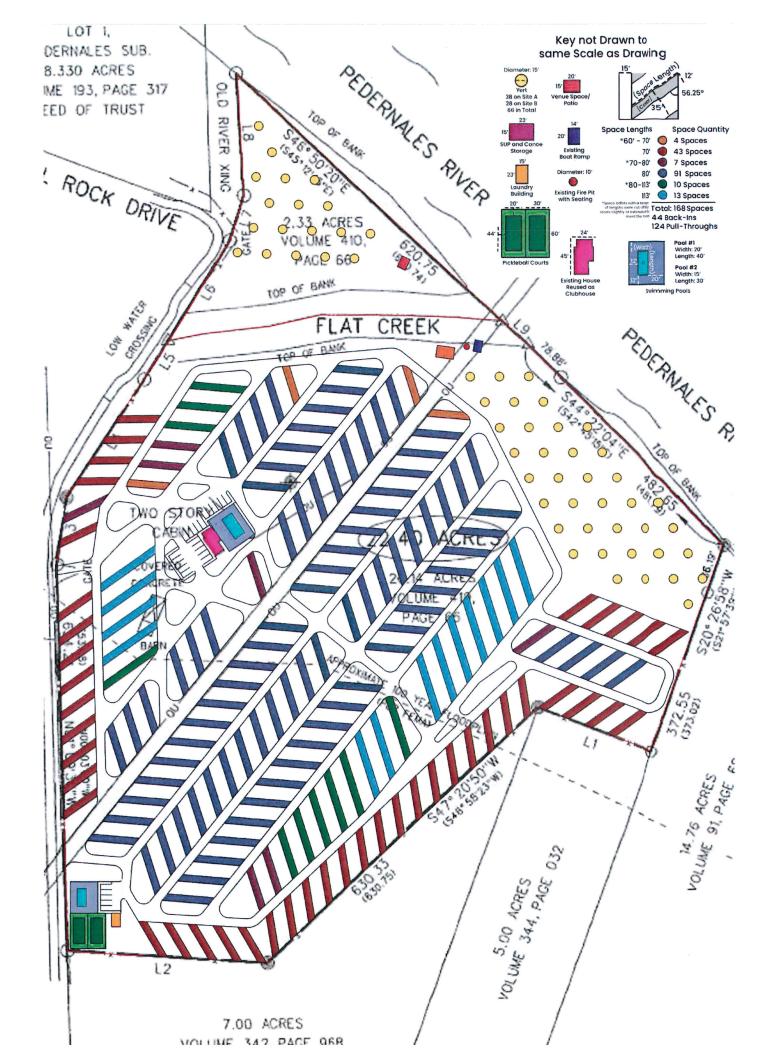


EXHIBIT "B"

PROJECT SITE PLAN





Financial Impact Report - JC.xlsx

Per Unit	\$45,515	2.00%	25	
	Loan Amount	Interest Rate	Amortization (years)	
				2015 tax valuation
Total	243	243		
	Number of Spaces	Total Sites		Owner Equity
Project costs				

\$11,060,081 Total

Hard Costs	Per Unit	Total
All Site Costs	\$41,667	\$10,125,081
Total Hard Costs:	\$41,667	\$41,667 \$10,125,081

Hard Costs	Per Unit	Iotal
All Site Costs	\$41,667	\$10,125,081
Total Hard Costs:	\$41,667	\$41,667 \$10,125,081
Soft Costs	Per Unit .	Total (Annual)
Legal	\$123	\$30,000
Accounting	\$41	\$10,000
Engineering	\$1,029	\$250,000
Property Tax	\$926	\$225,000
Permits & Fees	0\$	
Environmental	\$41	\$10,000
Consulting	\$75	\$10,000
Total Soft Costs:	\$2,235	\$535,000

\$250,000	\$150,000	
Contingency	Reserve	

\$400,000 Total Contingency and Reserve

\$11,060,081 Total:

* Clients can modify inputs in cells with blue highlights in column C and G when necessary.

Proforma Net Income

RV Site Rentals	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Daily RV Sites	\$1,451,272	\$1,512,396	\$1,575,882	\$1,641,815	\$1,710,286	\$1,781,388	\$1,834,830	\$1,889,874	\$1,946,571	\$2,004,968
Weekly RV Sites	\$531,660	\$554,052	\$577,309	\$601,463	\$626,547	\$652,595	\$672,172	\$692,338	\$713,108	\$734,501
Monthly RV Sites	\$1,226,907	\$1,278,581	\$1,332,252	\$1,387,992	\$1,445,878	\$1,505,987	\$1,551,167	\$1,597,702	\$1,645,633	\$1,695,002
Total RV Site Rental	\$3,090,863	\$3,221,043	\$3,356,251	\$3,496,674	\$3,642,501	\$3,793,931	\$3,907,749	\$4,024,981	\$4,145,731	\$4,270,103
2440	7	C 100V	6 200	A 2007	7000	9 200	, 100X	0,200	200	
	421 C2C	422 547	422 404	- CA 177	47E 400	476 FE0	427 2E4	#100 47E	ייים סיי	tear 10
ranını y	421,030	427,047	447,626	1/4/474	\$22,490	000,024	4C/75¢	\$20,175	070'67\$	\$29,891
Concessions/Store	\$154,543	\$161,052	\$167,813	\$174,834	\$182,125	\$189,697	\$195,387	\$201,249	\$207,287	\$213,505
Gross Other Income	\$176,179	\$183,599	\$191,306	\$199,310	\$207,623	\$216,254	\$222,742	\$229,424	\$236,307	\$243,396
Less COGS (concessions)	(\$77,272)	(\$80,526)	(\$83,906)	(\$87,417)	(\$91,063)	(\$94,848)	(\$97,694)	(\$100,625)	(\$103,643)	(\$106,753)
Net Other Income	\$275,087	\$286,673	\$298,706	\$311,204	\$324,183	\$337,660	\$347,790	\$358,223	\$368,970	\$380,039
Total Net Revenue	\$3,365,950	\$3,507,715	\$3,654,958	\$3,807,878	\$3,966,684	\$4,131,591	\$4,255,539	\$4,383,205	\$4,514,701	\$4,650,142
Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Management (On Site)	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286
Maintenance/Labor	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286
Payroll Taxes/Workmans Comp	\$4,800	\$4,944	\$5,092	\$5,245	\$5,402	\$5,565	\$5,731	\$5,903	\$6,080	\$6,263
Supplies	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239
Property & Construc. Taxes	\$ 642,659.59	\$661,939	\$264,138	\$272,062	\$280,224	\$288,631	\$297,290	\$306,208	\$315,395	\$324,856
Ĺ		\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572
	\$	\$104,882	\$106,101	\$107,321	\$108,541	\$109,760	\$109,760	\$109,760	\$109,760	\$109,760
/Sewer		\$57,208	\$57,873	\$58,539	\$59,204	\$59,869	\$59,869	\$59,869	\$59,869	\$59,869
	\$	\$41,953	\$42,441	\$	\$43,416	\$43,904	\$43,904	\$43,904	\$43,904	\$43,904
Telephone 0.10		\$7,628	\$7,716		\$7,894	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983
Marketing	\$ 35,000	\$ 75,000	\$ 45,000	\$ 25,000	\$ 15,000	\$ 12,000	\$ 9,600	\$ 7,680	\$ 6,144	\$ 4,915
Legal & Professional	- \$	+	+	+		+	-	- \$	- \$	- \$
Miscellaneous	+	- \$	- \$	- \$		- \$	- \$	- \$	- \$	- \$
Franchise Fee	- \$	- \$	- \$	- \$		\$	-	- \$	- \$	- \$
Total Expenses	\$1,076,669	\$1,144,104	\$724,629	\$721,055	\$727,900	\$742,177	\$755,036	\$768,834	\$783,487	\$798,933
Net Income (loss)	\$2,289,281	\$2,363,611	\$2,930,329	\$3,086,823	\$3,238,784	\$3,389,414	\$3,500,502	\$3,614,371	\$3,731,214	\$3,851,209
Cash Flow	\$1,	\$1,578,871	\$2,145,589	\$	\$2,454,044	27	27	27	27	33
Debt Service - Normal	\$ 784,740	\$784,740	\$784,740	+	\$784,740	\$ 784,740	\$ 784,740	\$ 784,740	\$ 784,740	\$ 784,740
lotal Debt Selvice	- 1	410 707 023		410 064,740	(0	- 1	- 1	C	C
Unpaid Principal - End of Year	\$ 10,828,345	\$10,585,022	\$10,329,534	\$10,061,270	\$ 9,779,594	\$ 9,483,834	\$ 9,173,286	\$ 8,847,210	\$ 8,504,830	\$ 8,145,332
Contingency & Cash Available	\$ 1,904,541	\$ 1,978,871	\$ 2,545,589	\$ 2,702,083	\$ 2,854,044	\$ 3,004,674	\$ 3,115,762	\$ 3,229,631	\$ 3,346,474	\$ 3,466,469
Return on Equity	#DIV/0i	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0i	#DIV/0!	#DIV/0i	#DIV/0i	#DIV/0i
			ar Average Re	5 Year Average Return on Equity	#DIV/0i		5 Yea	5 Year Average Return on Equity	urn on Equity	#DIV/0i
							10 Yea	10 Year Average Return on Equity	urn on Equity	#DIV/0!
Assumptions RV Sites	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10

Financial Impact Report - JC.xlsx

Proforma Net Income

Sites		243	243	243	243	243	243	243	243	243	243
Rental Sites Per Year (365 days)	ays)	88,695	88,695	88,695	88,695	88,695	88,695	88,695	88,695	88,695	88,695
Occupied Sites		75,391	76,278	77,165	78,052	78,939	79,826	79,826	79,826	79,826	79,826
Occupancy Rate		85%	86%	87%	%88	%68	%06	%06	%06	%06	%06
Daily Rate		\$55.00	\$56.65	\$58.35	\$60.10	\$61.90	\$63.76	\$65.67	\$67.64	\$69.67	\$71.76
Weekly Rate		\$330.00	\$339.90	\$350.10	\$360.60	\$371.42	\$382.56	\$394.04	\$405.86	\$418.03	\$430.58
Monthly Rate		\$990.00	\$1,019.70	\$1,050.29	\$1,081.80	\$1,114.25	\$1,147.68	\$1,182.11	\$1,217.58	\$1,254.10	\$1,291.73
Daily Rented Spaces/Yr	35%	26,387	26,697	27,008	27,318	27,628	27,939	27,939	27,939	27,939	27,939
Weekly Rented Spaces/Yr	15%	11,309	11,442	11,575	11,708	11,841	11,974	11,974	11,974	11,974	11,974
Monthly Rented Spaces/Yr	20%	32,695	38,139	38,582	39,026	39,469	39,913	39,913	39,913	39,913	39,913

SPACES		243	3	243		243		243		243		243	`	243		243		243		243
Equity		\$0	_	\$0		\$0		0\$		0\$		\$0		\$0		\$0		\$0		\$0
Debt Service	2%	\$ 78	784,740	\$ 784,740	₩	\$ 784,740	₩	784,740	₩	784,740	₩.	784,740	\$	784,740	₩.	784,740	8	784,740	₩.	784,740
Total Cost		\$11,060,081),081																	
Long Term Financing (%)		2.00%	%۱																	
Amortization		25	10																	
Inflation		3.00%	%۱																	
Concessions (% x Gross RV Site Renta	Renta	0.00%	%1																	
Labor Cost Increases		3.00%	%۱																	
5 Year Average ROE		#DIN/0i	i0/.																	
10 Year Average ROE		#DIV/0i	<i>i0/.</i>																	

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	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
NOI	\$2,289,281	\$2,363,611	\$2,930,329	\$3,086,823	\$3,238,784	\$3,389,414	\$3,500,502	\$3,614,371	\$3,731,214	\$3,851,209	\$31,995,537
Debt Service	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$784,740	\$7,847,399
Cash Flow	\$1,504,541	\$1,578,871	\$2,145,589	\$2,302,083	\$2,454,044	\$2,604,674	\$2,715,762	\$2,829,631	\$2,946,474	\$3,066,469	\$24,148,138
Contingency + Cash Available	\$1,904,541	\$1,978,871	\$2,545,589	\$2,702,083	\$2,854,044	\$3,004,674	\$3,115,762	\$3,229,631	\$3,346,474	\$3,466,469	
Less: Distributions	\$1,904,540	\$1,978,871	\$2,545,588	\$2,702,082	\$2,854,043	\$3,004,673	\$3,115,761	\$3,229,630	\$3,346,473	\$3,466,468	
Contingency & Cash Available After Dist.	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	
		•			-						

Return on Equity	#DIV/0i	#DIV/0!	#DIV/0i	#DIV/0i	#DIV/0i	#DIV/0i	#DIV/0!	#DIV/0!	#DIV/0i	#DIV/0!
		5 Year		Average Return on Equity	#DIV/0!		5 Yea	5 Year Average Return on Equity	rn on Equity	#DIV/0!
							10 Yea	10 Year Average Return on Equity	rn on Equity	#DIV/0!

Original Cost	\$11,060,081	11,060,081 \$11,060,081	\$11,060,081	\$11,060,081 \$11,060,081 \$11,060,081 \$11,060,081 \$11,060,081 \$11,060,081 \$11,060,081 \$11,060,081	\$11,060,081	\$11,060,081	\$11,060,081	\$11,060,081	\$11,060,081	\$11,060,081
Debt	\$10,828,345	10,828,345 \$10,585,022	\$10,329,534	\$10,329,534 \$10,061,270 \$9,779,594 \$9,483,834 \$9,173,286 \$8,847,210 \$8,504,830 \$8,145,332	\$9,779,594	\$9,483,834	\$9,173,286	\$8,847,210	\$8,504,830	\$8,145,332
Equity (Initial plus Principal paid)	\$231,736	\$475,059	\$730,547	\$998,811	\$998,811 \$1,280,487 \$1,576,247 \$1,886,795	\$1,576,247	\$1,886,795	\$2,212,871	\$2,212,871 \$2,555,251 \$2,914,749	\$2,914,749

\$3,466,468 \$28,148,129

\$3,346,473

\$3,229,630 \$21,335,189

\$3,115,761 \$18,105,559

\$3,004,673

\$2,854,043 \$11,985,124

\$2,702,082 \$9,131,081

\$2,545,588 \$6,428,999

\$1,904,540 \$1,904,540

\$1,978,871 \$3,883,410

Cumulative Cash Distributions

Cash Distribution

Equity (10 years)	\$2,914,749
Cash Flow (10 Years)	\$24,148,138
Value Creation	\$27,062,887

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Financial Impact Report - JC.xlsx

Loan Amortization Schedule

11,060,081

Enter values	11,060,081	2.00 %	25	1	4/1/2021	•
ш	8					₩
	Loan amount \$ 11,060,081	Annual interest rate	Loan period in years	Number of payments per year	Start date of loan	Optional extra payments \$

Lender name:

	Loan summary	3ry
Scheduled payment	\$ 784,739.92	92
Scheduled number of payments		25
Actual number of payments		25
Total early payments \$	- \$	
Total interest	Total interest \$ 8,558,417.12	12

PmtN o.	PmtN Payment o. Date	Beginning Balance	Scheduled Payment	Scheduled Payment Extra Payment Total Payment	Total Payment	Principal	Interest Ending Balance		Cumulative Interest
	4/1/2022	が 中央中央市場を の	784,739.92	14	\$ 784,739.92 \$ 384,730.00	231,735,87 \$	553,004,05 c###### E41,417.16 th size on	1.45 \$ 553,	20 Mag
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161,330,315.31 ₩-

Is the potential addition to the local economy the RV Resort will make in the first year alone.

This figure is derived from the total of the contributions listed here multiplied by the normal economic multiplier of seven. This multiplier shows the effect of money as it is spent repeatedly in the local economy.

835,319.18 State and local sales tax on the cost of construction.

County 'Bedroom' or 'Hotel' tax paid on RV rental 111,837.34

ncome.

225,000.00

Estimated annual property tax paid by your RV Park

Fully loaded wages paid to RV Resort employees. 124,800.00

Studies show that RV's spend \$288.50 per 75,391 RV site rental nights during the first year. night on shopping, fuel and dinning. * 21,750,231.38

W

*2015 KPPF Study

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Rich Stockwell

Since 1993, Rich has tracked the changing trends in the RV Park and Resort Development's growing needs.

Call Rich today for help with your RV Park, RV Resort or RV storage needs. (360) 466-3322

RV PARK CONSULTING

Our firm provides consulting services for RV Resorts and Parks throughout North America. We help design and build private, government, and tribal facilities. We do not charge for the initial "get acquainted" time. We gladly look at your potential or current site via Google Earth, your pictures, and or your plat map, to see if we can help in any way, at *no charge*.

We will make a proposal to you and if you accept the terms of the proposal, we will enter into contract. If the terms and conditions are not acceptable, there is no charge. Our objective is to have a win-win project for both of us and we will advise if we think the project is beneficial.

Rich has designed and consulted for properties with 16 sites to 4800 sites all across the 50 states, plus Canadian Provinces, & Mexico.

If you need help setting up an RV Park/Resort, site plan, feasibility study, business plan, sources of financing – you have come to the right place. With 25 years experience in the RV property market our consulting services will provide a solid foundation for building your RV park or resort business.

- Selecting the correct property, permitting, business plans
- · Park layouts encompassing the rig width requirements delivered in auto-cad and PDF files ready for permitting and financing.
- Economic Impact Statement
- Feasibility Studies
- · Market Analysis
- · Business Plan
- Developing "Pet Friendly" areas with facilities
- · Operations, Team building, and ongoing property management
- Customer relations, marketing, advertising concepts
- Change your park to sell sites as a Condominium park
- Financing through lenders with RV Resort and Park lending experience
- Retro-fitting feasibility of existing parks
- May be able to connect you to people who could joint venture with you.
- Expert Witness for legal disputes and assisting Trustees
- Man Camps need to be planned as first class resorts for ongoing business.
- RV Storage facilities

Through "hands on" permitting, developing and running the day to day operation of a First Class RV Resort for over ten years, and continuing research in assisting many other parks, Rich Stockwell and his team have a vast resource of knowledge and experience that can help you build or retro an existing Park or Resort.

In 1993-1994 Rich & Barbara built what still is considered a "state of the art" RV Resort. Washington State Agencies recommended the park they developed, as a "model" to people wishing to build an RV Resort. Some aspects were the long pull-thru sites and uni-sex restroom facilities. They had the first RV facility to offer WI-FI at "no charge" to guests. They managed on a daily basis until 2003 when they sold and continued expanding their consulting business by helping many to build "state of the art facilities".

Rich and Barbara continue to enjoy their clients and their projects. It's a joy to travel seeing all the projects that meet and exceed RVer's desires. The need for exciting RV friendly parks/resorts is increasing with 11,000 baby boomers coming of age every day.

"We don't see problems - we see solutions"

· Stay connected

RV Park Consulting Inc.

Rich Stockwell

812 Shoshone Drive La Conner, WA 98257

360.466.3322

• Rich has designed and consulted for RV properties with 16 sites to 4800 sites throughout the 50 states, plus Canadian Provinces, & Mexico

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About us



Rich and Barbara Stockwell, founders of RV Park Consulting, and their team of park and resort professionals have been assisting the RV industry since 1993. They have helped with many aspects of permitting process, feasibility studies and business plans. They have also provided design concepts, construction support, operations training, team building, customer relations, and financing for parks throughout North America.

We offer a team of accomplished RV industry professionals available for your needs:

- AUTO-CAD (3) experts for park and resort conceptual layouts
- Engineering Firm, experienced in RV property development available should you desire.
- · Marketing Group
- Feasibility study specialists
- Financial groups and institutions knowledgeable about the RV property requirements
- Management sources

Backgrounds Include:

- Developed, Owned & Managed a top quality waterfront 187 site RV Park for ten years
- Arizona Bankruptcy Court Trustee appointed Rich to design, give value and assist in attaining a sale for a RV park in disrepair. Rich completed
 this successfully. Court Witness for RV Park management requirements
- Chosen by the Chinese Sports and Leisure Development Association to Consult for new RV Resorts in China.
- Real Estate Development & Sales
- Permitting with State and Local Municipalities
- · Public Relations and Marketing
- Business development (including a medical insurance corporation that covered the U.S. and Canada, selling to a major corporation)
- · Retail marketing and purchasing
- Catalog business

Associations:

- Exhibitor at the ARVC Convention November 2008 in Nashville, TN.
- Speaker at the LCOA (Louisiana & Mississippi park owners meeting March 2008
- Speaker at the Iowa RV Park Association October 2006
- Speaker "Wake Up and Smell the Money" at the National RV Park and Campground (ARVC) convention November 29, 2005 in Austin, Texas
- Advisor for "RV Trade Digest" Magazine
- Speaker on "Trends in RV Park Design" at the National RV Park and Campground (ARVC) convention December 4, 2004 in Savannah, Georgia
- Served on the Washington State Department of Health, RV Hook-up Advisory Group 2004 & 2005
- · Member of National Recreation and Park Association
- Member of Association of RV Parks and Campgrounds (ARVC)
- Washington State RV Parks and Campgrounds (WARVC)
- Rich & Barbara served as Council of Delegates at the ARVC conventions in November 2002 and 2003 representing Washington State
- Vice President of Washington Association of RV Parks & Campgrounds (WARVC) 2003 & 2004
- Barbara Stockwell Secretary of Washington Association of RV Parks & Campgrounds (WARVC) 2003 & 2004
- Commercial Member of Family Motor Coach Association (FMCA)

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