

MEMORANDUM OF UNDERSTANDING

Walsh Ranches Limited Partnership ("Walsh") is the owner and Quail Valley Land Company, LLC ("Quail Valley") is the contract purchaser of approximately 1,628 acres of land in the Aledo Independent School District ("AISD") planned for development as the first phase of the Walsh Development, a master-planned community in Parker and Tarrant Counties, Texas. Walsh and Quail Valley are collectively referred to as "Owner". Development is anticipated to commence in the first quarter of 2016 and to include more than 3,000 single-family homes upon full development. The AISD Board of Trustees and Owner agree that it is in the best interests of AISD and the future residents of the Walsh Development for AISD to establish an elementary school to serve such residents commencing with the 2017-2018 school year (the "Elementary School"). To facilitate construction of the Elementary School, Owner agrees to dedicate a school site and to provide additional financial support to AISD. This Memorandum of Understanding ("MOU") sets out the basic terms for establishment of the Elementary School.

1. Approval of School Site. On or before February __, 2016, AISD's Board of Trustees will approve an approximately 14.5-acre elementary school site at the location generally shown Exhibit A (the "School Site"). Owner will provide a metes and bounds description for the School Site to AISD at Owner's sole expense within 10 days of this MOU.
2. Conveyance of School Site to AISD. On or before April 15, 2016, Owner will donate the School Site to AISD, at no cost to AISD. Conveyance of the School Site to AISD shall be by special warranty deed which shall include a clause providing for title of the School Site to revert to Walsh or Quail Valley if AISD does not commence construction the Elementary School on or before December 31, 2016. Owner will provide all engineering studies and design electronic CAD documents that are in its possession and control which are necessary for the design of the School on or before February 16, 2016.

Prior to conveyance of the School Site to AISD, Owner will grant access to AISD beginning on February 16, 2016, in order for AISD to conduct adequate due diligence, Phase I site assessment (if needed), surveying, and geotechnical studies, and other required investigation-
at its sole cost and expense. Such due diligence and investigation shall be conducted on or before the conveyance on April 15, 2016. Should AISD find conditions in the School Site that would make it unsuitable for construction of an elementary school, AISD will notify Owner of such findings and the transfer of the School Site shall not be completed. Should that conveyance be cancelled under these conditions, Owner and AISD agree to negotiate the conveyance of a different School Site.

After the conveyance of the School Site to AISD, and prior to June 30, 2016, Owner will provide an all-weather road with access to the site, and shall maintain that road (excepting damage caused by the negligence of AISD or its contractors, or the tracking of mud out of the site) until permanent streets providing access to the School Site are constructed by Owner.

Construction is currently estimated by AISD to begin on or about August 1, 2016. AISD will need fire-water access access to water for construction and a rough-graded site by that date and Owner agrees to provide that by August 1, 2016. On or before November 1, 2016, Owner

will extend all water, sewer, power, ~~gas~~ and ~~internet~~gas utilities to the boundary of the site, all at no cost to AISD.

Owner accepts all drainage from the School Site in a fully-developed condition following construction of the Elementary School by AISD, and agrees to provide off-site detention of drainage pursuant to the City of Fort Worth's iSWM ordinances. ~~Further, in lieu of Owner rough grading the School Site, Owner agrees to donate \$250,000.00 to AISD on or before June 30, 2016 for AISD to make the School Site ready for construction, including all rough grading and other civil engineering work necessary to prepare the site.~~

On or before February 17, 2017, Owner will provide internet utilities to the School Site and construct Street A and Street T (as reflected on Exhibit A) meeting City of Ft. Worth's street standards, at no cost to AISD.

3. Donation to AISD. Owner will cause a \$1,000,000 donation to be made to AISD on or before the groundbreaking for the Elementary School. The use of such funds will be at AISD's discretion. ~~In addition, Owner (or any foundation created by it) agrees to donate ____% of the sales of each home sold in Quail Valley, to AISD for its benefit and use in funding educational projects for AISD (said amount currently estimated to amount to \$26,875,102.00, over the next twenty five (25) years from the date of this Agreement).~~

4. Design of School. AISD will work in conjunction with Owner and their architects to ensure the Elementary School building and accessory buildings are consistent with the aesthetic standards for the Walsh Development. Within ~~15-45~~ days of the execution of this MOU, Owner will provide AISD with the ~~design guidelines for the Walsh Development.~~

5. Construction of School. AISD will commence construction of the Elementary School on or before December 31, 2016, and will use its best efforts to complete and open the Elementary School to students on the first day of the 2017 school year in August, 2017. Construction of the Elementary School will be at AISD's sole expense. ~~Owner hereby agrees to pay for all cost overages in construction of the Elementary School caused by Owner's failure to meet the deadlines for road and utility work set out in this Agreement and which are necessary to complete construction by August, 2017.~~

6. Name. Owner hereby requests the name of the Elementary School to be constructed on the School Site to be "Walsh Elementary School"~~or~~. Under AISD's Board Policy, final naming rights on the Elementary School are reserved to the Board of Trustees for AISD, which hereby agrees to consider any proposed name submitted by Owner in the event that the Board of Trustees does not agree to name the school "Walsh Elementary School."

7. Legal Effect of MOU. AISD and Owner agree that this MOU is ~~a legally binding~~ and enforceable agreement to the extent that specific agreements and timeframes have been agreed to by the parties in this document. The parties agree that final completion of the donation of the land is subject to the execution of final documents acceptable to both parties.

ALEDO INDEPENDENT SCHOOL DISTRICT

By: _____
Jay Stringer
President, Board of Trustees

Date: February __, 2016

WALSH RANCHES LIMITED PARTNERSHIP,
a Texas limited partnership

By: Walsh North Star Company, a Texas corporation,
Its General Partner

By: _____
Name: _____
Its: _____

Date: February __, 2016

QUAIL VALLEY LAND COMPANY, LLC,
a Texas limited liability company

By: RPG QVR, LLC, a Texas limited liability company,
its Manager

By: Republic Property Group, Ltd., a Texas
limited partnership, its Manager

By: RPG, LLC, a Texas limited liability
company, its General Partner

By: _____
Jake Wagner, Co-CEO

Date: February __, 2016

Exhibit “A”
Location Map



WALSH
Fort Worth, Texas

Phase

or be used except with the expressed written consent of Hart Howerton.