

CERTIFICATE

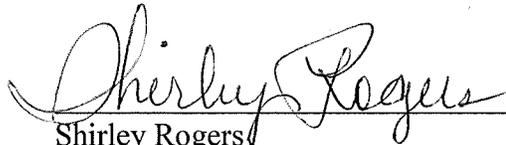
THE STATE OF TEXAS §

COUNTY OF DENTON §

TOWN OF NORTHLAKE §

I, Shirley Rogers, Town Secretary of the Town of Northlake, Texas, do hereby certify that the attached and foregoing is a true and correct copy of the Petition for the Creation of Northlake Municipal Management District in the Town of Northlake, Texas as was filed with the Town of Northlake, Texas on February 6, 2017.

WITNESS my hand and the Seal of said Town this 6th day of February, 2017.



Shirley Rogers
Town Secretary
Town of Northlake, Texas



PETITION FOR THE CREATION OF
NORTHLAKE MUNICIPAL MANAGEMENT DISTRICT NO. 1

THE STATE OF TEXAS §

COUNTY OF DENTON §

TO THE HONORABLE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:

HP Gibbs, LP, a Texas limited partnership (the "Petitioner"), respectfully petitions the Commissioners of the Texas Commission on Environmental Quality (the "Commission") for the creation of a municipal management district in Denton County, Texas. Petitioner holds title to a majority of the assessed value of the real property described in Exhibit "A," attached hereto and incorporated herein for all purposes, as indicated by the appraisal rolls of Denton County, Texas. Petitioner, acting pursuant to the provisions of Chapter 375, Texas Local Government Code and the provisions of Chapters 49 of the Texas Water Code, together with all amendments and additions thereto, and would respectfully show the following:

I.

The name of the proposed district shall be "NORTHLAKE MUNICIPAL MANAGEMENT DISTRICT NO. 1" (the "District"). There is no other conservation or reclamation district in Denton County, Texas with the same name.

II.

The District shall be created and organized and shall exist under the terms and provisions of Article XVI, Section 59, and Article III, Sections 52 and 52-a, of the Texas Constitution and Chapter 375, Texas Local Government Code, and Chapter 49, Texas Water Code, together with all amendments and additions thereto.

III.

The District shall have all the rights, powers, privileges, authority and functions conferred by and shall be subject to all duties imposed by the Texas Local Government Code and Texas Water Code and the general laws of the State of Texas relating to municipal management districts.

IV.

The area proposed to be within the District consists of that certain land described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes (the "Property"). The Property is located wholly within the corporate limits of the Town of Northlake (the "Town") and Denton County, Texas. No portion of the Property is located within the corporate boundaries or extraterritorial jurisdiction of any other incorporated city, town or village. All of the territory proposed to be included in the District may properly be included in the District.

V.

The undersigned constitute a majority of value of the holders of title of the land within the proposed district, as indicated by the tax rolls of the central appraisal district of Denton County, Texas, and by conveyances of record since the date of preparation of said tax rolls. There are no lienholders on the property except, 387 Acre Farm, LLC, a Texas limited liability company.

VI.

The general nature of the work proposed to be done by the District at the present time is to purchase, construct, acquire, provide, operate, maintain, repair, improve, or extend inside or outside of its boundaries any and all works, improvements, facilities, plants, equipment, and appliances necessary or helpful to supply and distribute water for municipal, domestic, industrial and commercial purposes; to collect, transport, process, dispose of and control domestic, industrial and commercial wastes; to gather, conduct, divert, abate, amend and control local storm water or other local harmful excesses of water in the District; and to purchase, construct, acquire, provide, operate, maintain, repair, improve, or extend inside or outside of its boundaries such additional facilities, systems, plants and enterprises as shall be consonant with the purposes for which the District is created, all as more particularly described in an engineer's report filed simultaneously with the filing of this Petition, to which reference is made for a more detailed description.

VII.

There is, for the following reasons, a necessity for the above described work, services and improvements: The area proposed to be within the District is in a developing area of Denton County, Texas, and within the foreseeable future will experience a substantial and sustained residential and commercial growth. There is not now available within the area, which will be developed as residential subdivisions with some commercial development, an adequate water supply and distribution system, sanitary sewer system, drainage system and roadway system. The protection of the purity and sanitary condition of the State's water and the health and welfare of the present and future inhabitants of the area and of territories adjacent thereto require the purchase, construction, acquisition, provision, operation, maintenance, repair, improvement, extension and development of an adequate water supply and distribution system, sanitary sewer system, drainage system and roadway system. A public necessity therefore exists for the organization of the District to provide for the purchase, construction, acquisition, provision, operation, maintenance, repair, improvement, extension and development of a water supply and distribution system, sanitary sewer system, drainage system and roadway system.

VIII.

The proposed improvements are feasible and practicable, and the terrain of the territory to be included within the District is such that a waterworks system, a sanitary sewer system, and a drainage and storm sewer system, can be constructed and developed at a reasonable cost. A preliminary investigation has been instituted to determine the cost of the project, and it is now estimated by the Petitioners, from such information as it has at this time, that the ultimate cost of the project contemplated will be approximately Sixty Million and no/100 Dollars (\$60,000,000).

IX.

The following named persons are each and all over eighteen (18) years of age, resident citizens of the State of Texas, owners of land subject to taxation within the District, and are otherwise qualified to serve as directors of the District under the provisions of the Texas Water Code:

1. Edward Bogel (two-year term)
2. Tim Scott Coltart (two-year term)
3. James Kemper Cowden (four-year term)
4. Ryan Walker Griffin (four-year term)
5. Drew Corn (four-year term)

A description of each individual's experience is attached hereto as Exhibit "B." Pursuant to Chapter 375.062, Texas Local Government Code, the Petition requests that the Commission divide the initial directors into two groups, with two directors serving two-year terms and three directors serving four-year terms.

X.

The Town has heretofore adopted a Resolution consenting to the creation of the District over the Property. A copy of the Town's Resolution is attached hereto as Exhibit "C."

WHEREFORE, the undersigned respectfully pray that this Petition be properly filed, as provided by law; that notice of the application be given as provided therein; that a hearing be held if necessary and that this Petition be in all things granted; that the proposed municipal utility district be organized; that the five (5) persons named herein be appointed to serve as temporary directors until their successors are duly elected and qualified; and for such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purpose of creating and organizing the District and to the execution of the purposes for which the District shall be organized, as you may deem proper and necessary.

[EXECUTION PAGE FOLLOWS]

RESPECTFULLY SUBMITTED, this 1st day of FEB, 2017.

PETITIONER:

HP Gibbs, LP,
a Texas limited partnership

By: BOH Investments GP, LLC,
a Delaware limited liability company,
its general partner

By: [Signature]
Name: BRIAN CARLOCK
Title: SVP

THE STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on this 1 day of February, 2017 by Brian Carlock, SVP of BOH Investments GP, LLC, general partner of HP Gibbs, LP, a Texas limited partnership, on behalf of said limited partnership.

[Signature]
Notary Public in and for
the State of Texas

(SEAL)

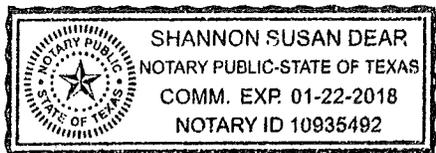


EXHIBIT "A"
PROPERTY DESCRIPTION

Property Description

A tract or parcel of land situated in the F.W. Thornton Survey, Abstract 1244, and in the J.G. Cleveland Survey, Abstract 1461 in the City of Northlake, Denton County, Texas, being part of the two tracts described in the deed to Homer Gibbs, recorded in Volume 196, Page 578 in the Denton County Deed Records (DCDR), and being the same as the called 386.8295 acres tract described in the deed to 387 Acre Farm LLC recorded in Document No. 2009-126009 in the DCDR, and being more particularly described as follows:

BEGINNING at a found wooden right-of-way marker at a fence corner on the west right-of-way line of Interstate Highway 35W (170' west of centerline) on the south side of said F.W. Thornton Survey at the southwest corner of the called 7.905 acres tract described in the deed to the State of Texas recorded in Volume 520, Page 642 in the DCDR;

THENCE North 89°35'42" West, 3373.39 feet along the north side of the tract of land described in the deed to Jacqueline S. Ligon et al recorded in Documents #2009-81507, 08, 09 and 10 in the DCDR; and along the south side of said F.W. Thornton Survey, to a set ½ inch iron rod with C&P cap near a fence corner post;

THENCE South 00°43'51" West, 187.50 feet along the east side of said J.G. Cleveland Survey and continuing along the north side of said Jacqueline S. Ligon tract to a fence corner post;

THENCE North 89°54'55" West, along the south side of said J.G. Cleveland Survey and continuing along the north side of said Jacqueline S. Ligon tract at 1854.98 feet passing a fence corner for the northwest corner of said Jacqueline S. Ligon tract and continuing along the north side of the called 167.8 acres tract described in the deed to Kathryn G. Gibbs recorded in Document #2003-18546 in the DCDR for a total distance of 2532.75 feet to a found ½ inch iron rod with a cap stamped "VannoyAssoc";

THENCE North 00°25'24" West, 900.53 feet along the east side of the called 156.945 acres tract described in the deed to Hardeman Savoie Family Limited Partnership recorded in Documents #2005-71310, 11 and 12 in the DCDR, to a found ½ inch iron rod;

THENCE North 00°16'40" East, 411.92 feet continuing along the east side of said Hardeman Savoie Family Limited Partnership tract, to a found ½ inch iron rod with a cap stamped "VannoyAssoc";

THENCE North 00°29'18" East, continuing along the east side of said Hardeman Savoie Family Limited Partnership tract, at 1279.92 feet passing a found ½ inch iron rod and continuing for a total distance of 1304.25 feet to a set ½ inch iron rod with C&P cap near the center of a gravel road called Mulkey Lane (40' wide right-of-way);

~~THENCE South 89°35'38" East, 1206.20 feet generally along the center of Mulkey Lane to a found 1 inch iron pipe;~~

THENCE South 89°26'13" East, 1131.63 feet along the south side of the called 174.82 acres tract described in the deed to J. Young Land & Cattle Ltd. recorded in Document #2010-108044 in the DCDR and generally along the center of Mulkey Lane to a found ½ inch iron rod with C&P cap;

THENCE North 54°05'43" East, 257.30 feet continuing along the south side of said J. Young Land & Cattle Ltd. tract to a found ½ inch iron rod with C&P cap;

THENCE North 00°20'37" East, 214.39 feet along the east side of said J. Young Land & Cattle Ltd. tract to a found ½ inch iron rod with C&P cap near a fence;

THENCE South 89°29'45" East, 3794.19 feet along the south side of the called 460.6946 acres tract described in the deed to J. Young Land & Cattle, Ltd. recorded in Document #2003-203076 in the DCDR and along the north side of Mulkey Lane and generally along a fence to a found ½ inch iron rod with C&P cap;

THENCE South 00°11'59" West, 1247.31 feet along the west side of the called 500 acres tract in the deed to Gene Paul McCutchin recorded in Volume 2610, Page 916 in the DCDR and generally along the center of an asphalt road called Cleveland-Gibbs Road to a found PK nail in asphalt pavement;

THENCE Southwesterly along the west right-of-way line of Interstate Highway 35W the following:

North 89°47'43" West, 22.00 feet to a wooden right-of-way marker;

South 21°18'56" West, 745.37 feet to a wooden right-of-way marker;

South 21°06'30" East, 290.00 feet to a found ½ inch iron rod with C&P cap;

South 23°53'30" West, 608.98 feet to the POINT OF BEGINNING and CONTAINING 386.8295 acres of land, more or less.

EXHIBIT "B"

DIRECTOR EXPERIENCE

Director 1

Name: Edward Bogel

Experience:

- Partner – DB2RE Real Estate Brokers
- Associate – Venture Commercial Real Estate Brokers

Director 2

Name: Tim Scott Coltart

Experience:

- Managing Director – Realty Capital

Director 3

Name: James Kemper Cowden

Experience:

- President – Seaboard Capital, LLC
- Vice President – Tug Hill
- Associate – JP Morgan

Director 4

Name: Ryan Walker Griffin

Experience:

- President – FCS Construction

Director 5

Name: Drew Corn

Experience:

- Town Administrator – Town of Northlake
- Budget Director – City of North Richland Hills
- Division Manager – City of Dallas

EXHIBIT "C"
TOWN CONSENT RESOLUTION



STATE OF TEXAS

COUNTY OF DENTON

I, Shirley Rogers, Town Secretary of the Town of Northlake, Texas, hereby certify that the attached and foregoing document is true and correct copy of Town of Northlake, Texas Resolution No. 16-41 approved by the Northlake Town Council on December 8, 2016 on file in my office.

(Town Seal)



Shirley Rogers
Shirley Rogers, Town Secretary
Public Information Officer
Custodian of Records

TOWN OF NORTHLAKE, TEXAS

RESOLUTION NO. 16-41

WHEREAS, HW GIBBS, LP, a Texas limited partnership (the "Petitioner"), wishes to create Northlake Municipal Management District No. 1 (the "District") to serve the approximately 386.83 acres of land, more or less, in Denton County, Texas as described in Exhibit "A" attached hereto and incorporated herein for all intents and purposes (the "Land"); and

WHEREAS, all of the land to be included within the District is located within the corporate boundaries of the Town of Northlake, Texas (the "Town"); and

WHEREAS, the Petitioner has submitted to the Mayor and Town Council of the Town, a Petition for Consent to Creation of Northlake Municipal Management District No. 1; and

WHEREAS, the general nature of the work to be done in the District is the construction, acquisition, maintenance and operation of a waterworks system, a sanitary sewer system, a storm water drainage system and roadway system; and

WHEREAS, the Town Council of the Town desires to adopt a Resolution for the purpose of consenting to the creation of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

Section 1. That the Town Council of the Town of Northlake hereby grants its consent to and the Mayor is instructed to execute such additional documents, if any, as required to evidence the Town's consent to the creation of a municipal management district, to be known as "Northlake Municipal Management District No. 1," on the property described on the attached metes and bounds description which is located within the Town's corporate boundaries.

Section 2. The Town's consent to the creation of Northlake Municipal Management District No. 1, as expressed in Section 1 hereinabove, is expressly conditioned upon: (i) the Petitioner applying for and receiving the appropriate zoning; and (ii) the Petitioner qualifying and submitting to the Texas Commission on Environmental Quality, to serve as a director of the District, a person nominated by the Town Council.

Section 3. That this resolution shall take effect immediately from and after its passage and is accordingly so resolved.

PASSED AND APPROVED ON THIS THE 8th DAY OF Dec, 2016

Town of Northlake, Texas


Peter Dewing, Mayor

Attest:

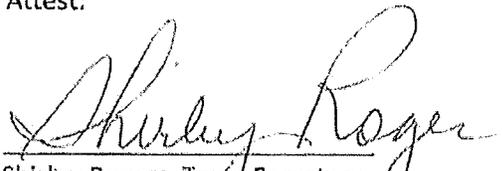

Shirley Rogers, Town Secretary



EXHIBIT "A"

PETITION FOR CONSENT TO THE CREATION
OF NORTHLAKE MUNICIPAL MANAGEMENT DISTRICT NO. 1

TO THE HONORABLE MAYOR AND TOWN COUNCIL OF THE TOWN OF
NORTHLAKE, TEXAS:

The undersigned HW GIBBS, LP, a Texas limited partnership (the "Petitioner"), acting pursuant to the provisions of Chapter 49, Texas Water Code, as amended, and Chapter 375, Texas Local Government Code, as amended, respectfully petitions the Town Council of the TOWN OF NORTHLAKE, TEXAS (the "Town"), for its written consent to the creation of a municipal management district and would show the following:

I.

The name of the District is NORTHLAKE MUNICIPAL MANAGEMENT DISTRICT NO. 1 (the "District").

II.

The District shall be created and organized under the authority of Article XVI, Section 59, and Article III, Sections 52 and 52-a, of the Texas Constitution and Chapter 375, Texas Local Government Code, and Chapter 49, Texas Water Code, together with all amendments and additions thereto.

III.

The District contains an area of 386.83 acres of land, more or less (the "Land"), situated in Denton County, Texas. The Land consists of one tract described by metes and bounds in Exhibit A, which is attached hereto and incorporated herein for all purposes. The land is located within the corporate limits of the Town. All of the Land may be properly included in the District.

IV.

The Petitioner represents that it holds title to all of the Land.

V.

The general nature of the work to be done by the District at the present time is the provision of the supplemental services and the construction, acquisition, maintenance, and operation of certain improvements and services authorized under the laws governing the District to serve the Land, including but not limited to the providing of water, wastewater, drainage and road facilities.

VI.

There is, for the following reasons, a necessity for the above-described work. The Land is urban in nature, is within the growing environs of the Town, and is in close proximity to populous and developed sections of Denton County, Texas, and within the immediate future will experience a substantial and sustained commercial and residential growth.

VII.

A preliminary investigation has been made to determine the total cost of the District's projects, and it is now estimated by the Petitioner, from such information as it has at this time, that such cost will be approximately \$60,000,000.

WHEREFORE, the Petitioner prays that this petition be heard and that the Town Council duly pass and approve an ordinance or resolution granting the consent to the creation of the District and authorizing the inclusion of the Land within the District.

[EXECUTION PAGE FOLLOWS.]

RESPECTFULLY SUBMITTED this 5th day of DEC, 2016.

HP Gibbs, LP,
a Texas limited partnership

By: BOH Investments GP, LLC,
a Delaware limited liability company,
its general partner

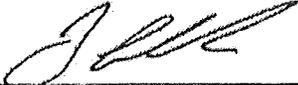
By: 
Name: BRIAN CARLOCK
Title: SENIOR VICE PRESIDENT

EXHIBIT "A"

Property Description

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THENCE North 89°35'42" West, 3373.39 feet along the north side of the tract of land described in the deed to Jacqueline S. Ligon et al recorded in Documents #2009-81507, 08, 09 and 10 in the DCDR; and along the south side of said F.W. Thornton Survey, to a set ½ inch iron rod with C&P cap near a fence corner post;

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