



Cibolo Public Facility Corporation

Tuesday, April 14, 2026, 6:00 PM

Est. Duration: 20 min

Council Chambers

200 S. Main St.

Cibolo, Texas 78108

1. Call to Order

2. Roll Call and Excused Absences

3. Consent Agenda

- 3.A. Approval of the minutes from the March 10, 2026, meeting.

4. Citizens to be Heard

This is the only time during the Council Meeting that a citizen can address the City Council. It is the opportunity for visitors and guests to address the City Council on any issue to include agenda items. All visitors wishing to speak must fill out the Sign-In Roster prior to the start of the meeting. The City Council may not debate any non-agenda issue, nor may any action be taken on any non-agenda issue at this time; however, the City Council may present any factual response to items brought up by citizens. (Attorney General Opinion – JC-0169) (Limit of three minutes each.) All remarks shall be addressed to the Council as a body. Remarks may also be addressed to any individual member of the Council so long as the remarks are (i) about matters of local public concern and (ii) not disruptive to the meeting or threatening to the member or any attendee including City staff. Any person violating this policy may be requested to leave the meeting, but no person may be requested to leave or forced to leave the meeting because of the viewpoint expressed.

5. Discussion/Action

- 5.A. Discussion/Action to authorize use of funds to cover expenses related to the purchase and remediation of approximately 0.40 acres of real property located at 323 Haeckerville Road up to a maximum of \$72,000.

6. Resolutions

- 6.A. RESOLUTION APPROVING AN ASSIGNMENT AGREEMENT FOR THE ASSIGNMENT OF CONSTRUCTION DEFECT CLAIMS RELATED TO THE TROPHY OAK APARTMENTS AS SET FORTH THEREIN; AUTHORIZING THE EXECUTION OF ANY DOCUMENTS IN CONNECTION THEREWITH; AND OTHER MATTERS IN CONNECTION THEREWITH. (Wayne Reed)

7. Adjournment

This Notice of Meeting is posted pursuant to the Texas Government Code 551.041 - .043 on the front bulletin board of the Cibolo Municipal Building, 200 South Main Street, Cibolo, Texas which is a place readily accessible to the public at all times and that said notice was posted on

Valerie A. Chapman, TRMC

City Secretary

Pursuant to Section 551.071, 551.072, 551.073, 551.074, 551.076, 551.077, 551.084 and 551.087 of the Texas Government Code, the City of Cibolo reserves the right to consult in closed session with the City Attorney regarding any item listed on this agenda. This agenda has been approved by the city's legal counsel and subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551. This has been added to the agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144.

A possible quorum of Council, committees, commissions, boards and corporations may attend this meeting.

This facility is wheelchair accessible and accessible parking space is available. Request for accommodation or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (210) 566-6111. All cell phones must be turned off before entering the Council Meeting.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the _____ day of _____ 2026.

Name and Title

Date Posted: April 8, 2026 05:54 pm



Cibolo Public Facility Corporation Staff Report

A. Approval of the minutes from the March 10, 2026, meeting.

Meeting	Agenda Group
Tuesday, April 14, 2026, 6:00 PM	Consent Agenda Item: 3A.
From	
Valerie Chapman, City Secretary	

PRIOR CITY COUNCIL ACTION:

N/A

BACKGROUND:

N/A

STAFF RECOMMENDATION:

N/A

FINANCIAL IMPACT:

N/A

MOTION(S):

N/A

Attachments

[031026 PFC Minutes.pdf](#)



**Minutes for the Cibolo Public Facility Corporation
200 S. Main St., Cibolo, Texas 78108
March 10, 2026, 6:18 PM - March 10, 2026, 6:22 PM**

1. Call to Order

Mayor Latimer called the meeting to order at 6:18pm

2. Roll Call and Excused Absences

Councilmembers present: Mayor Latimer, McGlothlin, R. Roberts, Patterson, Sanchez-Stephens, D. Roberts, Brown. Councilmembers absent: Councilwoman Cunningham. Councilwoman Sanchez-Stephens made the motion to excuse Councilwoman Cunningham's absence. Motion was seconded by Councilwoman Patterson. For: All; Against: None. Motion carried 6 to 0.

3. Citizens to be Heard

No Citizens signed up for Citizens to be heard.

4. Resolution

4.A. RESOLUTION APPROVING AN ASSIGNMENT AGREEMENT FOR THE ASSIGNMENT OF CONSTRUCTION DEFECT CLAIMS RELATED TO THE TROPHY OAK APARTMENTS AS SET FORTH THEREIN; AUTHORIZING THE EXECUTION OF ANY DOCUMENTS IN CONNECTION THEREWITH; AND OTHER MATTERS IN CONNECTION THEREWITH

No action taken

5. Adjournment

Councilman McGlothlin made the motion to adjourn the meeting at 6:22p.m. Motion was seconded by Councilwoman Roberts. For: All; Against: None. Motion carried 6 to 0.

PASSED AND APPROVED THIS 14th DAY OF APRIL 2026.

Kara Latimer
Mayor

ATTEST:

Valerie A. Chapman
City Secretary



Cibolo Public Facility Corporation Staff Report

A. Discussion/Action to authorize use of funds to cover expenses related to the purchase and remediation of approximately 0.40 acres of real property located at 323 Haeckerville Road up to a maximum of \$72,000.

Meeting	Agenda Group
Tuesday, April 14, 2026, 6:00 PM	Discussion/Action Item: 5A.
From	
Wayne Reed, City Manager	

PRIOR CITY COUNCIL ACTION:

February 24, 2026 – City Council approved Resolution 1751 authorizing the purchase of approximately 0.40 acres of real property located at 323 Haeckerville Road for \$38,600, plus closing costs, and the City Manager to execute the real-estate purchase contract (see attached resolution).

BACKGROUND:

The subject property has an extensive history of code violations dating to September 2018. The property was occupied for several years without water, sewer or electrical services. Violations included IRC Building Code violations, International Property Maintenance Code violations, junked vehicles, unsanitary human waste disposal, and high weeds and grass. Due to the extenuating circumstances, the City Council authorized staff to negotiate the purchase of 323 Haeckerville Road to remove unsafe and substandard structures so that the property could be returned to a safe, undeveloped condition.

In early 2026, the property owner accepted an offer in the amount of \$38,600 plus closing costs, which represented a reduction in the appraised value of \$72,000 to account for the demolition, clearing and abatement activities. This led to the City Council approving a resolution on February 24, 2026, to authorize the purchase of the property.

The intention was for the total funds of \$72,000 to come from the Cibolo PFC Fund.

STAFF RECOMMENDATION:

The City staff recommends the CPFC Board approve the expenditure of a maximum of \$72,000 for the purchase and remediation of 323 Haeckerville Road and direct the City staff to take an ordinance to City Council for a FY26 budget amendment to reflect this expenditure.

FINANCIAL IMPACT:

The total cost associated with purchasing, demolition and remediation activities will be a maximum of \$72,000. Purchase price is \$38,600.00, plus closing costs. The remaining amount will be used for demolition and remediation activities. After the property is restored to a clean, vacant lot, the City will eventually consider selling the lot, but no date or timeline has been identified at this time. Any proceeds from the sale of the lot could either be returned to the CPFC Fund or used as property abatement funds for Code Enforcement for future blighted properties or other abatement measures.

The FY26 budget for the CPFC shows a Beginning Fund Balance of \$2,426,227 and an Ending Fund Balance of \$2,223,227.

SPECIAL REVENUE FUNDS		FY 24 ACTUALS	FY 25 ADOPTED BUDGET	FY 25 EOY ESTIMATE	FY 26 ADOPTED BUDGET
CIBOLO PUBLIC FACILITY CORPORATION					
810-32670-000-000-0000	AGREEMENT AND AMENDMENT FEES	41,600	14,000	14,000	14,000
810-35100-000-000-0000	INTEREST	233,444	100,000	115,000	100,000
TOTAL REVENUE		275,044	114,000	129,000	114,000
810-52610-000-000-0000	CONTRACT SERVICES	-	-	217,435	3,000
810-52710-000-000-0000	PROFESSIONAL SERVICES	-	-	-	50,000
810-54910-000-000-0000	CAPITAL OUTLAY	-	-	107,300	-
810-57400-000-000-0000	EASEMENTS/SURVEY/ACQUISITION	2,011,379	-	18,500	-
810-57600-000-000-8100	CONSTRUCTION COSTS	-	-	142,700	250,000
810-58101-000-000-0000	TRANSFER TO GENERAL FUND	-	14,000	14,000	14,000
TOTAL EXPENDITURES		2,011,379	14,000	499,935	317,000
BEGINNING FUND BALANCE		4,533,497	2,256,163	2,797,162	2,426,227
ENDING FUND BALANCE		2,797,162	2,356,163	2,426,227	2,223,227

MOTION(S):

Suggested Motion: I move to approve the expenditure of up to \$72,000 for the for the purchase and remediation of the property located at 323 Haeckerville Road.

Attachments

[RES 1751 Purchas 0.40 acres of Real Property.pdf](#)



RESOLUTION NO. 1751

A RESOLUTION OF THE CITY OF CIBOLO, TEXAS AUTHORIZING THE PURCHASE OF APPROXIMATELY 0.40 ACRES OF REAL PROPERTY LOCATED AT 323 HAECKERVILLE ROAD IN THE CITY OF CIBOLO; FINDING PUBLIC PURPOSES FOR THE ACQUISITION; PROVIDING FOR SIGNATORY AUTHORITY; AND ADDRESSING RELATED MATTERS

WHEREAS, as a home-rule municipality in the State of Texas, the City of Cibolo is empowered by the Texas Constitution, the City Charter, and State law, to acquire interests in real property for public purposes; and

WHEREAS, the City Council of the City of Cibolo is interested in the purchase of approximately 0.40 acres of real property located at 323 Haeckerville Road in Cibolo, Texas, together with all improvements located thereon (the "Property"); and

WHEREAS, the Property currently contains a structure that is deteriorated, unsafe, and inconsistent with the surrounding neighborhood, and its continued existence negatively affects the health, safety, aesthetics, and general welfare of the community; and

WHEREAS, the City intends, following acquisition of the Property, to demolish and remove the dilapidated structure and to remediate the site, thereby eliminating a condition detrimental to the public and improving the livability and safety of the area; and

WHEREAS, the removal of unsafe and substandard structures and the redevelopment or maintenance of property for municipal purposes constitute recognized public purposes under Texas law and are a proper exercise of the City's police powers and home-rule authority; and

WHEREAS, the City Council of the City of Cibolo finds that the acquisition of the Property is necessary to accomplish a valid public purpose of the City; and

WHEREAS, the City Council further finds that the purchase price for the Property is fair and reasonable in consideration of the costs necessary to remedy its current condition, and that the acquisition is in the best interest of the City and its residents;

NOW, THEREFORE BE IT RESOLVED BY THE CITY OF CIBOLO:

Section 1. That the foregoing recitals are hereby found to be true and correct findings of the City of Cibolo, and are fully incorporated into the body of this Resolution.

Section 2. That the City of Cibolo hereby approves the purchase of the Property in the amount of \$38,600.00 plus closing costs, which represents a reduction in the appraised value of \$72,000.00

to account for the demolition, clearing, and other abatement activities necessary to remediate the Property condition.

Section 3. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 4. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

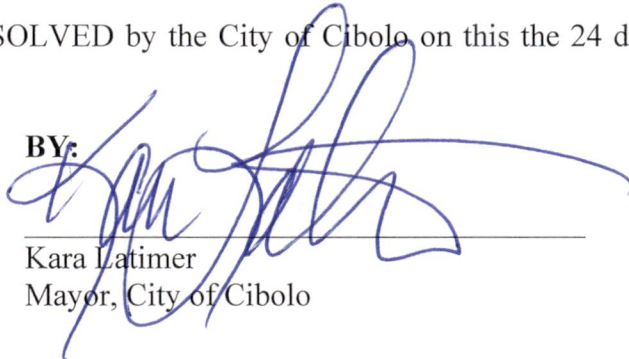
Section 5. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 6. This Resolution shall be in force and effect from and after its final reading, and it is so resolved.

Section 7. The City Manager is authorized, empowered and directed to execute any and all transaction documents necessary for and on behalf of the City of Cibolo and in its name, that are consistent therewith and to deliver the same to effectuate this transaction.

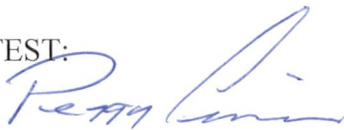
PASSED, APPROVED AND DULY RESOLVED by the City of Cibolo on this the 24 day of February, 2026.

BY:



Kara Latimer
Mayor, City of Cibolo

ATTEST:



Peggy Cimics, TRMC
City Secretary





Cibolo Public Facility Corporation Staff Report

A. RESOLUTION APPROVING AN ASSIGNMENT AGREEMENT FOR THE ASSIGNMENT OF CONSTRUCTION DEFECT CLAIMS RELATED TO THE TROPHY OAK APARTMENTS AS SET FORTH THEREIN; AUTHORIZING THE EXECUTION OF ANY DOCUMENTS IN CONNECTION THEREWITH; AND OTHER MATTERS IN CONNECTION THEREWITH. (Wayne Reed)

Meeting	Agenda Group
Tuesday, April 14, 2026, 6:00 PM	Resolutions Item: 6A.
From	
Wayne Reed, City Manager	

PRIOR CITY COUNCIL ACTION:

March 10, 2026 - The Cibolo Public Facility Corporation (CPFC) board met to discuss this resolution and the attached assignment agreement. Due to the assignment agreement being under draft and not in final form, the CPFC Board decided to take no action.

BACKGROUND:

The CPFC Board is being asked to approve a resolution that approves an Assignment Agreement, which will authorize the Tenant to pursue litigation related to defects arising from the construction of the pool located on the Property.

The Resolution establishes the following facts:

- The Cibolo Public Facility Corporation (“CPFC”) is the fee simple owner of the land and improvements comprising the Trophy Oak Apartments located at located at FM 78 and Main Street, Cibolo, Texas (the “Project”).
- The CPFC has leased the Project to Trophy Oak Property, LP (the “Tenant”) pursuant to a long-term Amended and Restated Lease Agreement dated as of August 31, 2022 (the “Lease”).
- The Tenant has discovered certain defects with respect to the construction of the pool located in the Project (the “Pool”) and desires to pursue claims related to such construction defects (the “Claims”).
- In order to properly pursue the Claims, the Tenant has requested CPFC assign any right, title and interest in and to the Claims to the Tenant pursuant to an Assignment Agreement (the “Assignment Agreement”) and as consideration therefor, Tenant has agreed to reconstruct the Pool at no cost to CPFC.
- This Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of CPFC.

The resolution further authorizes the President or Vice President to execute any and all documentation, including without limitation the Agreements. Also, the resolution approves the selection of Bracewell LLP as legal counsel to CPFC for this transaction.

The Assignment Agreement is limited to the defects arising from the construction of the pool located on the Property. **In this agreement the CPFC is referred to as the “Assignor” and the Tenant is identified as the “Assignee.”** It reads as follows with emphasis on the last sentence:

The Property includes a swimming pool (the "Pool") that was constructed as part of the original construction of improvements at the Property.

For value received, upon satisfaction of all conditions precedent under this Assignment Agreement, Assignor hereby transfers, conveys, and assigns to Assignee, its legal representatives and assigns, any and all claims or causes of action, whether known or unknown, arising from or relating to defects in the in the construction of the Pool and related pool improvements at the Property (collectively, the "Pool Defect Claims"), including, without limitation, claims arising under or in connection with: (i) the contract dated August 7, 2021, between Assignor and Cibolo Valley Apartments, LP for the construction of improvements at the Property (the "Construction Contract"), which Assignor has fully performed; and (ii) the contract dated August 7, 2021, between Assignor and NRP Contractors II, LP for the construction of improvements at the Property (the "Master Subcontract"). *For the avoidance of doubt, this assignment is limited solely to claims and causes of action related to the Pool Defect Claims and does not include any other claims or causes of action arising from the construction of improvements at the Property.*

Assignee shall not further assign, transfer, pledge, encumber, or otherwise dispose of any of the Pool Defect Claims or any rights under this Assignment Agreement, in whole or in part, without the prior written consent of Assignor.

STAFF RECOMMENDATION:

The City staff recommend the CPFC Board approve this resolution.

FINANCIAL IMPACT:

The Trophy Oak Property, LP, will be responsible for all costs associated with the litigation. The Assignment Agreement states the Assignee shall be solely liable for all expenses related to the litigation:

As a condition of the assignment, Assignee hereby warrants that it shall be solely liable for all amounts that Assignee may be compelled to pay for taxable costs, attorney's fees, or other expenses necessarily incurred in the prosecution or collection of any claims or causes of action, or any such amount incurred for the purpose of enforcing or collecting the claims. Assignee further agrees to indemnify, defend, and hold harmless Assignor from and against any and all claims, liabilities, losses, damages, costs, and expenses (including, without limitation, reasonable attorney's fees, court costs, and other litigation expenses) arising out of, relating to, or in connection with this Assignment Agreement, the Pool Defect Claims, or any claims, suits, or proceedings brought by or against Assignee or Assignor in connection with or regarding this Assignment Agreement or the Pool Defect Claims

Further, the Assignment Agreement protects the CPFC in certain events that would terminate the agreement:

This Assignment Agreement shall automatically terminate, and all rights assigned hereunder shall immediately revert to Assignor, without further action by either party, upon the occurrence of any of the following: (a) a Foreclosure Event (as defined in the Lease) affecting the Leasehold Estate (as defined in the Lease); (b) any assignment or transfer of the Leasehold Estate or of Assignee's interest in the Lease to any third party, whether voluntary or involuntary, by operation of law or otherwise; or (c) an Event of Default (as defined in the Lease) by Assignee (as Tenant under the Lease) that remains uncured beyond any applicable notice and cure periods set forth in the Lease. Upon any such termination, Assignee shall promptly execute and deliver to Assignor such documents and instruments as Assignor may reasonably request to evidence the reversion of the assigned claims and causes of action to Assignor.

If the agreement is terminated, the Assignee's obligations under this Assignment Agreement with respect to indemnification, attorney's fees, and the repair and restoration of the Pool shall survive any such termination.

Assignee shall keep Assignor reasonably informed of the status of any claims, suits, proceedings, or settlement negotiations arising from or related to the Pool Defect Claims.

Lastly, the last paragraph of the Assignment Agreement obligates the Assignee to repair, restore, and remediate the Pool and related pool improvements at the Property to their original intended condition as follows:

Notwithstanding the outcome of any claims, suits, or proceedings arising from or related to the Pool Defect Claims, Assignee hereby covenants and agrees that it shall, at its sole cost and expense, repair, restore, and remediate the Pool and related pool improvements at the Property to their original intended condition in accordance with the applicable Plans and Specifications (as defined in the Lease) within a commercially reasonable time following the date of this Assignment Agreement. Assignee's obligation to repair and restore the Pool pursuant to this paragraph shall be independent of, and shall not be contingent upon, the recovery of any amounts pursuant to the Pool Defect Claims or any settlement, judgment, or other resolution thereof.

MOTION(S):

Suggested Motion: I move to approve the Resolution approving an Assignment Agreement for the assignment of construction defect claims related to the Trophy Oak apartments as set forth therein; Authorizing the execution of any documents in connection therewith; and other matters in connection therewith and authorize the CPFC President to execute all documents related thereto.

Attachments

[Cibolo PFC Resolution to Approve Assignment of Claims FINAL](#)

[Cibolo PFC Assignment Agmt FINAL.pdf](#)

CERTIFICATE FOR RESOLUTION

The undersigned officer of the Cibolo Public Facility Corporation, a Texas nonprofit public facility corporation created pursuant to the laws of the State of Texas (“CPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of CPFC (the “Board”) held a meeting on April 14, 2026, (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

**RESOLUTION APPROVING AN ASSIGNMENT AGREEMENT FOR THE
ASSIGNMENT OF CONSTRUCTION DEFECT CLAIMS RELATED TO
THE TROPHY OAK APARTMENTS AS SET FORTH THEREIN;
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CONNECTION THEREWITH; AND OTHER MATTERS IN
CONNECTION THEREWITH**

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of Cibolo Public Facility Corporation.

SIGNED April 14, 2026.

Valerie Chapman, CPFC Secretary

RESOLUTION APPROVING AN ASSIGNMENT AGREEMENT FOR THE ASSIGNMENT OF CONSTRUCTION DEFECT CLAIMS RELATED TO THE TROPHY OAK APARTMENTS AS SET FORTH THEREIN; AUTHORIZING THE EXECUTION OF ANY DOCUMENTS IN CONNECTION THEREWITH; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Cibolo Public Facility Corporation (“CPFC”) is the fee simple owner of the land and improvements comprising the Trophy Oak Apartments located at located at FM 78 and Main Street, Cibolo, Texas (the “Project”);

WHEREAS, CPFC has leased the Project to Trophy Oak Property, LP (the “Tenant”) pursuant to a long-term Amended and Restated Lease Agreement dated as of August 31, 2022 (the “Lease”);

WHEREAS, the Tenant has discovered certain defects with respect to the construction of the pool located in the Project (the “Pool”) and desires to pursue claims related to such construction defects (the “Claims”);

WHEREAS, in order to properly pursue the Claims, the Tenant has requested CPFC assign any right, title and interest in and to the Claims to the Tenant pursuant to an Assignment Agreement (the “Assignment Agreement”) and as consideration therefor, Tenant has agreed to reconstruct the Pool at no cost to CPFC;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of CPFC;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE CIBOLO PUBLIC FACILITY CORPORATION, THAT:

Section 1. The assignment of the Claims and the Assignment Agreement are hereby authorized and approved.

Section 2. The President or Vice President are hereby authorized to execute any and all documentation, including without limitation the Agreements, required to achieve the foregoing purposes, whether on behalf of BCHFC or the general partner of the Partnership.

Section 3. The President or Vice President and, if required by the form of the document, the Secretary of the CPFC are authorized and directed to modify, execute and deliver any of the documents, upon approval by the CPFC attorney, to be signed by or consented to by CPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President or the Vice President are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, upon approval by the CPFC attorney, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to CPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 5. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to CPFC for this transaction.

Section 6. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 8. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 10. This Resolution shall be in force and effect from and after its passage.

PASSED AND APPROVED by the Cibolo Public Facility Corporation, Texas, this ___ day of April 2026.

DONETTA ROBERTS, PRESEIDENT, CIBOLO PUBLIC FACILITY CORPORATION

ATTEST:

VALERIE CHAPMAN, SECRETARY, CIBOLO PUBLIC FACILITY CORPORATION

APPROVED AS TO FORM:

ATTORNEY, CIBOLO PUBLIC FACILITY CORPORATION

Assignment Agreement

Assignment is made pursuant to the terms stated herein, effective as of *[date of assignment]*, by CIBOLO VALLEY PUBLIC FACILITY CORPORATION, of 200 S. Main Street, Cibolo, Texas, 78108 (“Assignor”), to TROPHY OAK PROPERTY, LP, of 836 W. Sixth Street, Suite 1500, Austin, Texas 78703 (“Assignee”).

Assignor is the fee owner of certain real property (“The Property” as defined below), which includes a multi-family apartment complex known as Trophy Oak Apartments.

Assignee is the current lessee of the Property pursuant to that certain Amended and Restated Lease Agreement between Assignor and Assignee dated August 31, 2022 (the “Lease”).

The Property includes a swimming pool (the “Pool”) that was constructed as part of the original construction of improvements at the Property.

For value received, upon satisfaction of all conditions precedent under this Assignment Agreement, Assignor hereby transfers, conveys, and assigns to Assignee, its legal representatives and assigns, any and all claims or causes of action, whether known or unknown, arising from or relating to defects in the in the construction of the Pool and related pool improvements at the Property (collectively, the “Pool Defect Claims”), including, without limitation, claims arising under or in connection with: (i) the contract dated August 7, 2021, between Assignor and Cibolo Valley Apartments, LP for the construction of improvements at the Property (the “Construction Contract”), which Assignor has fully performed; and (ii) the contract dated August 7, 2021, between Assignor and NRP Contractors II, LP for the construction of improvements at the Property (the “Master Subcontract”). For the avoidance of doubt, this assignment is limited solely to claims and causes of action related to the Pool Defect Claims and does not include any other claims or causes of action arising from the construction of improvements at the Property.

The Property:

Address: *224 Broad Oak Dr, Cibolo, Texas 78108*

Legal Description: *Lots 1, 903 and 904, in Block 1, of THE QUARTERS, a subdivision in the City of Cibolo, Guadalupe County, Texas, according to the map or plat thereof, recorded in/under Volume 9, Pages 137-138 of the Map and Plat Records of Guadalupe County, Texas.*

Said assignment expressly includes but is not limited to:

- a. Any and all Pool Defect Claims which Assignor, as party to the Construction Contract or the Master Subcontract, may possess or is entitled to enforce against any other person or persons, jointly or severally, arising out of, or for, any loss, injury, or damage sustained in connection with labor, materials, or services furnished by such person or persons in connection with the construction of the Pool, including, without limitation: NRP Contractors II, LLC, MC Aquatic Construction, LLC, and Easy Mix Concrete Services LLC;
- b. The power to demand and receive satisfaction of all Pool Defect Claims, and, to take whatever legal action may be necessary to enforce any such Pool Defect Claims, in Assignee’s own name and at Assignee’s expense;

- c. The power to nonsuit, dismiss, settle, compromise, or cause final judgment to be entered upon all Pool Defect Claims, which may be exercised at the sole discretion of Assignor; and
- d. The right to have, and dispose of, any amount that may be realized by Assignee from any action for, or on compromise of, all Pool Defect Claims, to extent of ONE HUNDRED PERCENT (100%) of any amount recovered.

As a condition of the assignment, Assignee hereby warrants that it shall be solely liable for all amounts that Assignee may be compelled to pay for taxable costs, attorney's fees, or other expenses necessarily incurred in the prosecution or collection of any claims or causes of action, or any such amount incurred for the purpose of enforcing or collecting the claims. Assignee further agrees to indemnify, defend, and hold harmless Assignor from and against any and all claims, liabilities, losses, damages, costs, and expenses (including, without limitation, reasonable attorney's fees, court costs, and other litigation expenses) arising out of, relating to, or in connection with this Assignment Agreement, the Pool Defect Claims, or any claims, suits, or proceedings brought by or against Assignee or Assignor in connection with or regarding this Assignment Agreement or the Pool Defect Claims.

This Assignment Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Assignment Agreement shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of the parties reflected hereon as signatories.

Assignee hereby represents and warrants to Assignor that (a) any indebtedness arising from or created by the Senior Loan Agreement (as defined in the Lease) has been fully satisfied, (b) all duties and obligations owed to the Senior Lender (as defined in the Lease) by Tenant or Landlord as defined in the Lease) under the Senior Loan Documents (as defined in the Lease) have been extinguished and/or released, and (c) there is no debt secured by a first lien on the Property under a mortgage, deed of trust, or any other instrument. This Assignment Agreement shall automatically terminate, and all rights assigned hereunder shall immediately revert to Assignor, without further action by either party, upon the occurrence of any of the following: (a) a Foreclosure Event (as defined in the Lease) affecting the Leasehold Estate (as defined in the Lease); (b) any assignment or transfer of the Leasehold Estate or of Assignee's interest in the Lease to any third party, whether voluntary or involuntary, by operation of law or otherwise; or (c) an Event of Default (as defined in the Lease) by Assignee (as Tenant under the Lease) that remains uncured beyond any applicable notice and cure periods set forth in the Lease. Upon any such termination, Assignee shall promptly execute and deliver to Assignor such documents and instruments as Assignor may reasonably request to evidence the reversion of the assigned claims and causes of action to Assignor. Upon any such termination, Assignee shall promptly execute and deliver to Assignor such documents and instruments as Assignor may reasonably request to evidence the reversion of the assigned claims and causes of action to Assignor. Notwithstanding the foregoing termination, Assignee's obligations under this Assignment Agreement with respect to indemnification, attorney's fees, and the repair and restoration of the Pool shall survive any such termination.

Assignee shall not further assign, transfer, pledge, encumber, or otherwise dispose of any of the Pool Defect Claims or any rights under this Assignment Agreement, in whole or in part, without the prior written consent of Assignor, which consent may be granted or withheld in Assignor's sole discretion. Any purported assignment or transfer in violation of this provision shall be null and void and of no force or effect. For the avoidance of doubt, as used in the foregoing, the term "otherwise dispose" shall not be construed as imposing an limitation upon Assignee's right to nonsuit, dismiss, settle, compromise, or fully and finally adjudicate any Pool Defect Claims assigned hereby.

Assignee shall keep Assignor reasonably informed of the status of any claims, suits, proceedings, or settlement negotiations arising from or related to the Pool Defect Claims. Without limiting the generality of the foregoing, Assignee shall provide Assignor with (a) prompt written notice of the filing or commencement of any action, suit, or proceeding related to the Pool Defect Claims, (b) prompt written notice of any settlement offer received or proposed in connection with the Pool Defect Claims, and (c) periodic written status reports regarding the Pool Defect Claims, no less frequently than quarterly, until all such claims have been fully resolved. Notwithstanding the foregoing, Assignee's agreement to provide Assignor with periodic written status reports shall not be construed as material condition of this Assignment Agreement.

Notwithstanding the outcome of any claims, suits, or proceedings arising from or related to the Pool Defect Claims, Assignee hereby covenants and agrees that it shall, at its sole cost and expense, repair, restore, and remediate the Pool and related pool improvements at the Property to their original intended condition in accordance with the applicable Plans and Specifications (as defined in the Lease) within a commercially reasonable time following the date of this Assignment Agreement. Assignee's obligation to repair and restore the Pool pursuant to this paragraph shall be independent of, and shall not be contingent upon, the recovery of any amounts pursuant to the Pool Defect Claims or any settlement, judgment, or other resolution thereof.

Dated: *[date of execution]*

Assignor

CIBOLO VALLEY PUBLIC FACILITY CORPORATION

Dated: *[date of execution]*

Assignee

TROPHY OAK PROPERTY, LP