

EXCHANGE LETTER AGREEMENT

This Letter Agreement (the "Agreement") is made by and between JMC Realty L.P., a Texas Limited Partnership ("Grantor"), 770 S Post Oak Lane, Suite 435, Houston, Texas 77056-1937, and the City of San Marcos, Texas ("City"), 630 East Hopkins Street, San Marcos, Texas 78666 to be effective as of the date executed by both parties below (the "Effective Date").

I. Recitals

1. The City requires a **0.0234-acre (1,020 square foot)** area for a COSM Public Wastewater Easement owned by Grantor in connection with the Posey Road Wastewater Project.
2. Grantor has agreed to Grant a COSM Public Wastewater Line Easement to the City, subject to the terms of this Agreement.

II. Agreement

1. Together with this Agreement, Grantor has executed a COSM Public Wastewater Line Easement in favor of the City, which is attached hereto and made a part hereof for all purposes (the "Easement"). The Easement grants certain rights to the City across a portion of real property owned by Grantor, described in the Easement as the "Easement Area." In addition, the City has agreed to the following conditions.

- The City will replace and or repair any section of fence taken down to construct or maintain the Easement.

- If the City's contractor is unable to complete the work, the City will complete the project with City Employees and City Equipment.

2. As compensation to the Grantor for the Easement, the City agrees to convey to Grantor the properties attached to this Agreement as Attachment "A" ("Properties"), after construction of the Public Wastewater Line Easement facilities in the Easement Area and the bringing online of those improvements for active public use. This conveyance by Release of Easement and Deed will occur within 15 days of the final approval of the vacation and abandonment of the Properties by the San Marcos City Council and physical removal of any public facilities on the Properties.

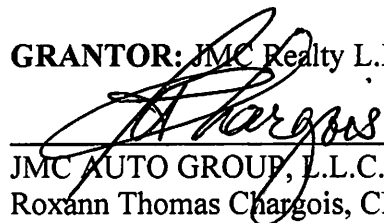
3. The City will pay for all expenses associated with the recording of the instruments used in this exchange of the Easement Areas and the Properties.

4. The City's obligation to accept the COSM Public Wastewater Line and pay Grantor is subject to the City's review and acceptance, in its sole discretion, of the state of title of the COSM Public Wastewater Easement Area, including evidence of Grantor's authority to grant the Easement and subject to the completion of any environmental investigations.

5. **Subject to Approval:** The effectiveness of this agreement is subject to its approval by the San Marcos City Council, in its sole discretion.

EXECUTED to be effective as of the date of the last signature below.

GRANTOR: JMC Realty L.P., a Texas Limited Partnership



JMC AUTO GROUP, L.L.C., General Partner
Roxann Thomas Chargois, CEO/President

Date:



2 Aug 2023

CITY:

Date:
