



July 2, 2018

City of San Marcos
630 East Hopkins Street
San Marcos, Texas 78666
Attn: Steve Parker, Assistant City Manager

Re: Trace Project – Security for Subdivision Improvement Agreements

Dear Mr. Parker:

This letter is being provided to the City of San Marcos ("City") by Highpointe Trace, LLC ("Highpointe"), in connection with those certain City of San Marcos Subdivision Improvement Agreements pertaining to the following Planning Department Case Nos.: (i) PC 18-31_03 (School site) and PC 18-10_03 (PA 2A Sec B), (ii) PC 18-31_03 (School site) and PC 18-13_03 (Wm Moon Way and Snowbell Street), and (iii) PC 18-31_03 (School site) and PC 18-34_03 (PID 2A Esplanade Parkway) (collectively, the "Improvement Agreements").

By its signature below, the City hereby acknowledges and agrees that the City's right to receive reimbursements from the Trace Public Improvement District created by the City pursuant to Resolution No. 2015-145R approved October 20, 2015 (the "PID") in accordance with the PID governing documents constitutes sufficient and adequate "Security" pursuant to Section 5 of each of the Improvement Agreements.

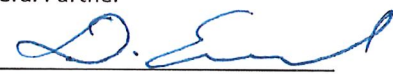
If the foregoing meets with your approval, please execute and date this letter where indicated below and return same to my attention at your earliest convenience. Thank you for your cooperation.

HIGHPOINTE TRACE, LLC,

a California limited liability company

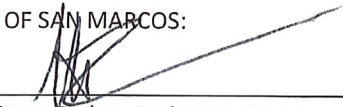
By: Highpointe Posey Road, L.P., a California
Limited partnership, Its Managing Member

By: Highpointe Investments, Inc.,
a California corporation, Its
General Partner

By: 
Timothy D. England, SVP

THE FOREGOING IS ACKNOWLEDGED AND AGREED TO:

CITY OF SAN MARCOS:

By: 
Steve Parker, Assistant City Manager

Date: July __, 2018



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