

## MEMORANDUM OF UNDERSTANDING

between Montgomery County, Texas

and TW-VOGMVC, LLC

This Memorandum of Understanding (“MOU”) sets forth the terms and understanding between Montgomery County, Texas, a political subdivision of the State of Texas (“County”) and TW-VOGMVC, LLC, a Delaware limited liability company (“VOGM”). The County or VOGM may be referred to singly as “party” or collectively as “parties.”

### Background and Recitals

- A. The County owns two (2) parcels of improved real estate currently housing the South Montgomery County Regional Library and the South Montgomery County Community Center (collectively the “County Owned Properties”).
- B. VOGM recently acquired two (2) parcels of improved property located in The Woodlands which is commonly known as the Grogan’s Mill Retail Center. The Grogan’s Mill Retail Center is aging and VOGM would like to revitalize it.
- C. VOGM desires to redevelop the County Owned Properties and the County would like to relocate the South Montgomery County Regional Library and the South Montgomery County Community Center and replace them with new, modern facilities located in a portion of the Grogan’s Mill Retail Center. The redevelopment of the County Owned Properties and the Grogan’s Mill Retail Center would benefit both the County and The Woodlands community at large.
- D. The revitalization of the Grogan’s Mill Retail Center, as well as the modernization of the South Montgomery County Regional Library and the South Montgomery County Community Center will bring positive economic and social impacts to The Woodlands and coordinating with VOGM is the most efficient and beneficial means for achieving those benefits for county residents.

The County and VOGM desire to set forth terms by which the parties may exchange the County Owned Properties and a portion of the Grogan’s Mill Retail Center to provide for redevelopment of the Properties.

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## Definitions

1. "County Owned Properties" being those two (2) parcels described as the "South Montgomery County Regional Library" and the "South Montgomery County Community Center."
2. "Grogan's Mill Retail Center Properties" being a portion of the 8.72 acres, more or less, comprised of two (2) parcels described in (1) Special Warranty Deed from Grogan's Mill Retail Center GP, LLC to TW-VOGMVC, LLC recorded under clerk's file no. 2023039535 in the Official Public Records of Montgomery County, Texas; and (2) Special Warranty Deed from Randall's Food and Drugs, LP to TW-VOGMVC, LLC recorded under clerk's file no. 2023039543 in the Official Public Records of Montgomery County, Texas, SAVE AND EXCEPT the retail tracts to be identified and retained by VOGM.
3. "South Montgomery County Regional Library" being that 3.0868 acres, more or less, in the John Taylor Survey, A-547 and the Walker County School Land Survey, A-599, and being the same property described in deed recorded under clerk's file no. 9236102 in the Official Public Records of Montgomery County, Texas.
4. "South Montgomery County Community Center" being that 2.6415 acres, more or less, in the John Taylor Survey, A-547, being a portion of Restricted Reserve A, Metro Center Section 24, a subdivision in Montgomery County, Texas according to the map or plat of said subdivision recorded in Cabinet "F", sheet 088-A, Map Records of Montgomery County, Texas and being the same property described in deed recorded under clerk's file no. 99010759 in the Official Public Records of Montgomery County, Texas.

## Agreement

- A. Exchange Agreement. The County and the VOGM agree that they will negotiate an agreement providing for an exchange of the County Owned Properties and the Grogan's Mill Retail Center Properties containing the following terms:
  1. County will agree to exchange, transfer and convey to VOGM good and indefeasible title in fee simple to the County Owned Properties and VOGM will exchange, transfer and convey to the County good and indefeasible title in fee simple to the Grogan's Mill Retail Center Properties, on a date determined by the parties.

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2. VOGM will agree to construct or cause to be constructed on the Grogan's Mill Retail Center Properties a new community building structure and a new south regional branch library structure in accordance with plans to be mutually agreed upon by County and VOGM.
3. An agreement that if the parties determine that the exchange contemplated under #1 above will occur prior to construction of the new facilities contemplated under #2, the County will lease South Montgomery County Regional Library and the South County Community Center from VOGM during the period of construction on the proposed new community building structure and the proposed south regional branch library structure at lease rates and on other terms mutually agreed upon by County and VOGM.
4. An agreement that if the parties determine that the exchange contemplated under #1 above will not occur prior to construction of the new facilities contemplated under #2, the County will, at VOGM's request, execute an amendment to the existing land use designation(s) encumbering the County Properties which would, upon acquisition of the County Properties by VOGM, permit the County Properties to be used for commercial purposes.

B. Other Terms.

1. The exchange of the County Owned Properties and the Grogan's Mill Retail Center Properties must comply with the provisions of Texas Local Government Code § 263.006. County will obtain all appraisals required by Texas Local Government Code § 263.006.
2. Neither the execution of this Agreement nor any other conduct of any Party relating to this Agreement shall be considered a waiver by the County of any right, defense, or immunity under the Texas Constitution or the laws of the State of Texas.
3. If one or more of the provisions in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such holding shall not affect any other provision hereof, and this Agreement shall be construed as if it had never contained such invalid, illegal, or unenforceable provision.
4. The parties acknowledge that VOGM must seek and obtain the approval of the Board of Directors of The Howard Hughes Corporation of the proposed exchange agreement.

**Duration**

This MOU may be modified by mutual consent of VOGM and the County. This MOU shall become effective upon signature by the parties and will remain in effect until (1) modified by mutual written consent of the parties to this MOU, or (2) the comprehensive Exchange Agreement contemplated by this MOU is executed by the parties, or (3) this MOU is terminated by either party to this MOU upon thirty (30) days' written notice to the other party.

**Counterparts; Facsimile or Email Signatures**

This MOU may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one MOU. To facilitate execution of this MOU, the parties may execute and exchange by telephone facsimile or email counterparts of the signature pages.

**Notices and Contact Information**

All notices, requests, demands and other communications under this Agreement shall be given by electronic mail and either (i) overnight courier or (ii) hand delivery addressed as follows:

Montgomery County, Texas:

James Noack, Commissioner  
1130 Pruitt Rd  
Spring, TX 77380  
Email: [Evan.besong@mctx.org](mailto:Evan.besong@mctx.org)

With a copy to:

B. D. Griffin, County Attorney  
501 N. Thompson St., Suite 300  
Conroe, Texas 77301  
(936) 539-7828  
Email: [Bd.griffin@mctx.org](mailto:Bd.griffin@mctx.org)

VOGM:

Jim Carman, President  
c/o The Howard Hughes Corporation  
9950 Woodloch Forest Drive, Suite 1200  
The Woodlands, Texas 77380  
Email: [jim.carman@howardhughes.com](mailto:jim.carman@howardhughes.com)


With a copy to:

General Counsel  
The Howard Hughes Corporation  
9950 Woodloch Forest Drive  
The Woodlands, Texas 77380  
Email: [GeneralCounsel@howardhughes.com](mailto:GeneralCounsel@howardhughes.com)

This Memorandum of Understanding is executed by the parties on the respective dates shown below to be effective upon the last date of execution.


EXECUTED ON the 23<sup>rd</sup> day of May, 2023.

**MONTGOMERY COUNTY, TEXAS**

By:   
Evan Besong, Sr. Chief of Staff,  
Pct. 3 Commissioner James Noack

EXECUTED ON the 23<sup>rd</sup> day of May, 2023.

**TW-VOGMVC, LLC**

By:   
Name: JIM CARMAN  
Title: VICE PRESIDENT