

ENCROACHMENT AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Encroachment Agreement (“Agreement”) is made and entered into by and between **Enterprise Texas Pipeline LLC** (hereinafter referred to as “Company”) whose mailing address is c/o Land Department, P.O. Box 4324, Houston, Texas 77210-4324 and physical address is c/o Land Department, 1100 Louisiana Street, Houston, Texas 77002, and **Lennar Homes of Texas Land and Construction, LTD.** (hereinafter referred to as “Landowner”), whose address is 1922 Dry Creek Way, Suite 101, San Antonio, Texas 78259, upon the following terms and conditions:

WITNESSETH:

WHEREAS, Landowner owns a certain tract of land located in Bexar County, Texas and more particularly described as follows:

Being a 146.541 acre, or 6,383,328 square feet more or less, tract of land out of that 1296.619 acre tract and more particularly described by metes and bounds in that certain Special Warranty Deed from **Marmaxx Operating Corp. to Lennar Homes of Texas Land and Construction, LTD.** effective March 1, 2024 and recorded March 1, 2024 under Document Number 20240037286 in the Official Public Records of Bexar County, Texas (the “Property”);

WHEREAS, Company holds a certain right of way and easement upon, over, under and through the Property, more particularly described in that certain Right-of-Way Agreement from A. K. Mery, Jr. to Valero Transmission Company dated August 22, 1985, and recorded in Volume 3655, Page 1865 in the Official Public Records of Bexar County, Texas (the “Easement”);

WHEREAS, Company owns and operates a pipeline that is located within the Easement and commonly known as **9146/Bruni Comal S.A. South Loop Extension** pipeline (the “Pipeline”; the Pipeline together with any related valves, meters, equipment, and other appurtenances, collectively the “Facilities”) that runs through the Property pursuant to the Easement;

WHEREAS, Landowner desires to construct proposed “**Espada Tract Unit 16 & 19**” **Project** consisting of **two (2) thirty (30) foot wide asphalt paved residential site roadways including four (4) foot wide sidewalks known as “Socorro Ridge” and “Purissima Creek”; and one (1) four (4) inch gas main**, as shown on the plans dated April 2024, July 2024, and November 2024, and attached hereto as Exhibit A over/across the Pipeline, which will encroach on the Easement (the “Encroachment”);

WHEREAS, Landowner desires to obtain Company's consent to encroach on the Easement and Facilities; and

WHEREAS, Company, subject to the terms and conditions hereinafter stated, is willing to permit the Encroachment.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company hereby agrees to accommodate the Encroachment, subject to the following terms and conditions, and Company and Landowner hereby agree as follows:

1. Recitals: The foregoing Recitals are hereby incorporated into and made part of this Agreement.

2. Assumption of Risk: Landowner assumes all risks for damages, injuries, or loss to either property or persons, which may be incurred by Landowner or its agents, invitees, guests, or licensees present on, or in the vicinity of, the Easement and in any way associated with the Encroachment. Any maintenance or improvements to or repairs of the Encroachment that may become necessary shall be the sole responsibility, and performed at the sole cost and expense, of Landowner. Landowner shall keep all portions of the Encroachment in good repair.

3. Construction Parameters: Construction activity of any kind, including, but not limited to, equipment movement, materials storage, boring, and digging that take place within the Easement will require 48 hours (two working days) prior notice to Texas One-Call at 811. A Company representative must be present during any of the aforementioned construction activities and Landowner acknowledges that Company's representative shall have full authority to stop any of Landowner's excavation or construction related activities within the Easement if Company's representative, in his/her sole discretion, believes Landowner's activities could result in damage to the Facilities or pose a threat to the environment or public safety. The presence of Company's representative will not relieve Landowner of any liability under this Agreement.

4. The following language must be conspicuously displayed on all drawings depicting the Pipeline(s):

WARNING!

HIGH PRESSURE PIPELINE(S)

Excavation and/or Construction Prohibited without Prior Written Permission From
Enterprise Products Operating LLC

5. Construction Parameters (continued): No equipment will be allowed to work over the Pipeline, unless approved by Company's representative. Excavators must work/dig parallel to the Pipeline, and the buckets must have barred teeth, no detachable implements will be allowed. Any excavation within eighteen (18) inches plus half the diameter of the Pipeline

will be done by hand; however, no mechanical excavation should ever be performed less than two (2) feet from the Pipeline. No vibratory compaction equipment is allowed within the Easement. Landowner's crossing(s) will be as close to **ninety (90) degrees** as possible to the Pipeline, but not less than **forty-five (45) degrees**. Company will require physical verification of Pipeline depth of cover and alignment, at Landowner's expense, prior to work being performed near the Pipeline. The method of physical verification, whether hydro-excavation or other means, shall be coordinated and approved by Company's field representative. If the Pipeline is not at the anticipated alignment or depth, Landowner shall adjust the Encroachment accordingly at no expense to Company. A minimum of **three (3) feet** of stable soil cover must be maintained over the Pipeline.

6. "Socorro Ridge" and "Purissima Creek" Roadways and other Paved Areas: Landowner will maintain a minimum of **four and one half (4.5) feet of final cover** between the top of the Pipeline and the top of the road surface(s). Landowner shall be responsible for all future damage to the **roadways** including its replacement or restoration in the event that **Company**, or its designee, must access the Pipeline and/or associated right-of-way to perform routine or emergency maintenance. Placement of roadways shall not impede natural overland storm water sheet flow and shall allow for positive drainage sheet flow across Pipeline Easement and no ponding of storm water. In addition, ease of access should be considered when the need arises to traverse along the Pipeline Easement across the gravel roads. Landowner shall be responsible for all future damage to the roadways including their replacement or restoration in the event that Company, or its designee, must access the Pipeline and/or associated right-of-way to perform routine or emergency maintenance. **Landowner understands that Company, in its sole discretion, retains the right to inspect and recoat the Pipeline prior to allowing roadway construction to commence.**

7. Underground Utility: Landowner will install the **four (4) inch gas main**, via open cut construction method, across and **under** the Pipeline in such a way that a minimum vertical separation of **two (2) feet** between the bottom of the Pipeline and the top of Landowner's UTILITY is maintained. In coordination with and at the discretion of the Pipeline Representative, Landowner shall provide adequate Pipeline support at minimum every **fifteen (15) feet** of unsupported span when exposing the Pipeline via open trench. Open trench shall be constructed in a manner that allows for safe manned entry in accordance with OSHA standards. Company reserves the right to inspect and possibly recoat the Pipeline upon exposure. Foreign utilities crossing Company's Pipeline should include warning tape in accordance with the American Public Works Association (APWA) Uniform Color Code, above the foreign utility, 12-inches below ground and shall extend at least 20-feet each direction measured from the crossing point. Foreign metallic pipe crossings will be subject to a cathodic protection interference study and require full cooperation from Landowner to ensure that the cathodic protection system is operating properly. If interference is detected, Landowner shall work diligently towards remediation. Foreign metallic pipe crossings shall be coated with a non-conductive coating for the full width of Pipeline right-of-way.

8. Fill Placement: Areas on the natural grade to be filled shall be stripped and shall be free of roots, trash, and other foreign debris. Fill material shall be obtained from excavation areas, borrow pits, or other approved sources. These materials shall be free of organics, roots, metals, rocks, and other foreign debris. Placement of fill shall not impede natural overland storm water sheet flow. The fill shall be placed in a manner that allows for positive drainage sheet flow across Pipeline Easement and no ponding of storm water.

9. Heavy Equipment: Company will require a **minimum of 72 hours written notice** prior to crossing the Pipeline with heavy equipment. Wherever Landowner will cross the Pipeline and/or Easement with heavy equipment, Landowner will place **eight (8) inch** thick timber matting over the Pipeline and/or Easement as determined by Company's field representative.

10. Excavated Material: Excavated material will not be placed over the Pipeline. Landowner agrees to clean up and repair all damages to the Easement resulting from the work on or across the Easement. Any and all damage repairs and cleanup of the Easement will be subject to Company's acceptance.

11. Landscaping: Large landscaping is not permitted on the Easement, including, but not limited to, trees, shrubs, and large landscaping with a mature untrimmed height greater than eighteen (18) inches. Company reserves the right to trim canopy of any trees or other vegetation adjacent to the Easement to prevent overhang onto the Easement.

12. No Interference: Landowner shall at all times conduct all of its activities within the Easement in such a manner as not to interfere with or impede in any manner whatsoever the operation of the Facilities and any related activities of Company. If at any time Company, in its sole discretion, determines that the safety, operation, or maintenance of the Facilities is adversely affected by the Encroachment, Company may take any and all necessary action to protect the Easement and Facilities from such adverse condition. In accordance with Section 15, Landowner shall promptly reimburse Company for its reasonable costs incurred in protecting or modifying the Facilities from, or to eliminate, such adverse condition.

13. **INDEMNIFICATION**

(A) **GENERAL INDEMNITY**: EXCEPT WITH RESPECT TO CLAIMS RELATING TO BODILY INJURY OR DEATH OF AN EMPLOYEE (AS DEFINED IN PARAGRAPH (B) BELOW), LANDOWNER AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS (COLLECTIVELY "**INDEMNIFY**") COMPANY, ITS AFFILIATES, PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, CONTRACTORS AND EMPLOYEES (COLLECTIVELY THE "**INDEMNIFIED PARTIES**" OR INDIVIDUALLY AN "**INDEMNIFIED PARTY**") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY'S FEES (COLLECTIVELY "**CLAIMS**"), FOR BODILY OR PERSONAL INJURIES, INCLUDING, BUT NOT LIMITED TO, DEATH, TO ANY PERSON OR DAMAGES TO OR

DESTRUCTION OF PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE LOSS OF USE THEREOF, ACTUALLY OR ALLEGEDLY CAUSED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE ENCROACHMENT, THE CONSTRUCTION OF THE ENCROACHMENT, OR THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, CLAIMS CAUSED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY LANDOWNER OR ITS RESPECTIVE AGENTS, CONTRACTORS OR EMPLOYEES, OR ANY OTHER PARTY FOR WHOSE ACTS LANDOWNER IS LIABLE (EACH A "LANDOWNER PARTY"). LANDOWNER'S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY, EVEN IF SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS PARAGRAPH (A) IS INTENDED TO INDEMNIFY THE INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE; BUT THE INDEMNIFIED PARTIES SHALL NOT BE ENTITLED TO INDEMNIFICATION UNDER THIS PARAGRAPH (A) FOR ANY CLAIMS TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY. NOTWITHSTANDING THE FOREGOING, IF SUBCHAPTER C OF CHAPTER 151 OF THE TEXAS INSURANCE CODE APPLIES TO THIS AGREEMENT, THIS INDEMNITY PROVISION SHALL NOT APPLY TO THE EXTENT THAT IT REQUIRES LANDOWNER TO INDEMNIFY AN INDEMNIFIED PARTY AGAINST A CLAIM CAUSED BY THE NEGLIGENCE OR FAULT, THE BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR THE BREACH OF CONTRACT OF THE INDEMNIFIED PARTY, ITS AGENT OR EMPLOYEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF THE INDEMNIFIED PARTY, OTHER THAN LANDOWNER OR ITS AGENTS, EMPLOYEES OR CONTRACTORS OF ANY TIER.

(B) INDEMNITY FOR EMPLOYEE CLAIMS: LANDOWNER AGREES TO AND SHALL INDEMNIFY THE INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL CLAIMS FOR BODILY INJURY OR DEATH OF ANY EMPLOYEE OF (i) LANDOWNER, (ii) ANY OTHER LANDOWNER PARTY OR (iii) THEIR RESPECTIVE AGENTS (COLLECTIVELY "EMPLOYEE" FOR THE PURPOSE OF THIS SECTION), ACTUALLY OR ALLEGEDLY CAUSED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE ENCROACHMENT THE CONSTRUCTION OF THE ENCROACHMENT, OR THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, CLAIMS DUE TO NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY ANY LANDOWNER PARTY OR EMPLOYEE. LANDOWNER'S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY REGARDLESS OF WHETHER SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS PARAGRAPH (B) IS INTENDED TO INDEMNIFY THE INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE.

14. Reimbursement: If at any time the existence, construction, operation, maintenance, relocation, or removal of the Encroachment causes Company to incur any cost that in any manner relates to Company's operation, maintenance, removal, repair, replacement, protection, modification, construction, alteration, relocation, changing the size of, addition to and/or inspection of the Facilities or Easement, or the cleanup or handling of any spills of petroleum products (individually and collectively, "Easement Operations"), Landowner agrees to reimburse Company for any and all such costs that would not have been incurred but for the existence of the Encroachment. Landowner hereby releases Company from and agrees that Company will not be held liable for any damages to the Encroachment arising from Easement Operations. Any sums Landowner is required to pay or reimburse to Company under this Agreement shall accrue interest at the lesser of the maximum legal rate or 18% per annum, beginning the 30th day after Company makes written demand to Landowner for same, until paid in full.

15. Insurance: Landowner shall maintain (and require its contractors to maintain, during the course of work on the Encroachment) insurance of the type, in the amount and under the terms set forth in Exhibit B attached hereto and made a part thereof. Certificates of Insurance on all policies shall be furnished to Company upon execution of this Agreement.

16. Removal: Company has the right to remove all or portions of the Encroachment as necessary in Company's discretion in its exercise of the rights granted to it under the Easement. Should Company need to remove any portion of the Encroachment within the Easement in order to conduct Easement Operations, Landowner shall pay for the cost of removing and be responsible for replacing or reinstalling such removed portion of the Encroachment and the costs thereof. Company shall not be responsible for any loss, damage, or replacement to the Encroachment or any associated equipment and facilities that exist within the Easement; and Landowner releases Company from all costs, losses, or damages directly or indirectly arising from Company's removal of any portion of the Encroachment.

17. No Waiver: The existence of the Encroachment does not constitute a waiver of Company's express rights under the Easement or any other rights which Company may have express or implied by law or equity.

18. No Additional Improvements: Except for the Encroachment, Landowner will not at any time erect, construct, or create any additional buildings, improvements, structures, or obstructions of any kind on, above, or below the surface of the Easement, or change the grade thereof, or cause or permit these things to be done by others, without the express prior written consent of Company, which consent may be withheld in Company's sole discretion. No permanent structures or improvements, including, but not limited to, fences, water wells, septic systems, utility poles, light poles, buildings, houses, barns, garages, patios, swimming pools, or concrete or asphalt slabs, are permitted on the Easement. This Agreement provides only for the Encroachment, and any and all future encroachments require Company's prior review and written consent.

19. Termination: If Landowner is in breach of any terms or conditions set forth in this Agreement, Company, at its option, may terminate this Agreement upon ten (10) days written notice to Landowner unless such breach has been cured prior to the expiration of such ten (10) day period. In the event of such termination, Landowner shall immediately remove all of the Encroachment situated on the Easement, or if Landowner fails to remove all of the Encroachment, Company may, at its option, remove the Encroachment at Landowner's cost and expense and without any liability whatsoever. The failure by Company to exercise this termination option as to any particular breach shall not constitute a waiver of Company's future right to exercise this termination option as to the same or any future breach.

20. Legal Costs: In the event that Landowner breaches any of the terms, covenants, or provisions of this Agreement, and Company retains counsel and/or commences litigation to enforce any provisions of this Agreement and prevails, the cost of attorneys' fees and the attendant costs and expenses will be payable to Company by Landowner upon demand.

21. Runs with the Land: The terms, covenants and conditions of this Agreement constitute covenants running with the land and shall be binding upon and inure to the benefit of Company and Landowner, their heirs, legal representatives, successors and assigns.

22. Governance and Venue: This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Texas, without regard to any of its principles of conflicts of laws that would make applicable the laws of any other jurisdiction. Exclusive venue for any suit, action, or proceeding brought by either party in connection with this Agreement shall be in the state and federal courts located in Harris County, Texas. The parties each hereby irrevocably and unconditionally waive, to the fullest extent they may legally and effectively do so, any objection they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in the state and federal courts situated in Harris County, Texas. **EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING RELATED TO THIS AGREEMENT.**

23. Construction: If any term, covenant or condition of this Agreement is deemed invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other terms, covenants or conditions of this Agreement shall remain in full force and effect. Upon such determination, the parties shall negotiate in good faith to modify this Agreement so as to give effect to the original intent of the parties, as closely as possible and in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the maximum extent possible.

24. Amendment: This Agreement shall not be amended or modified in any manner, including the conduct of the parties, except by written instrument duly signed by Company and Landowner or their respective heirs, successors or assigns.

25. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Company and Landowner and their respective heirs, legal representatives, successors and assigns.

26. Entire Agreement: This Agreement, including any exhibits hereto, constitute the entire agreement between Company and Landowner with respect to the Encroachment and supersedes and replaces any prior agreement, whether written or oral, between the Parties with respect thereto.

27. Counterparts: This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed copy of this Agreement by facsimile, e-mail or other electronic means shall be effective as delivery of an original executed counterpart of this Agreement and shall be binding on the parties hereto and thereto. Any party delivering an executed counterpart of this Agreement by electronic means shall also physically deliver original executed counterparts of this Agreement in the manner and quantity as requested by Company or Company's counsel, but the failure to physically deliver such original executed counterparts shall not affect the validity, enforceability, and binding effect of this Agreement.

28. Notices: Any notice required by or permitted under this Agreement must be in writing. Any such notice will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in the opening paragraph of this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered to the other parties as provided herein.

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SIGNATURES CONTAINED ON NEXT PAGE

IN WITNESS WHEREOF, we have hereunto set our hands on the day and year below.

(COMPANY)

Enterprise Texas Pipeline LLC

By: _____

Jamie Lavergne Bryan
Agent and Attorney-in-Fact

Date: _____

(LANDOWNER)

**Lennar Homes of Texas Land and
Construction, LTD.**

By: _____

Name: *William M. West*

Title: *Assistant General Counsel*

Date: *11/26/2025*

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this ____ day of _____, 20__, by Jamie Lavergne Bryan, Agent and Attorney-in-Fact for Enterprise Texas Pipeline LLC, on behalf of such limited liability company as authorized by its Board.

(seal)

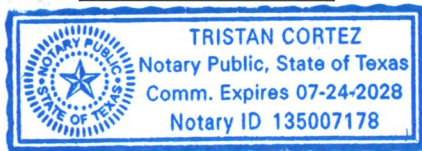
Notary Public

My Commission Expires: _____

STATE OF Texas §
 §
COUNTY OF Bexar §

This instrument was acknowledged before me on this 28th day of Jun., 2025, by Richard Motz, as Authorized Agent of Lennar Homes of Texas Land & Construction, on behalf of such _____.

(seal)



Tristan Cortez
Notary Public

My Commission Expires: 7-24-28

Prepared By/Return To:
Enterprise Texas Pipeline LLC
c/o T. York – Land Department
P.O. Box 4324
Houston, Texas 77210-4324