PURSUIT COST SHARING AGREEMENT

This Pursuit Cost Sharing Agreement (this “Agreement”) is made and entered into effective as of August \_\_\_ 2023 (the “Effective Date”), by and among **Alpha Development Group**., a Texas limited liability company (“Alpha”), and **Bravo Partners**., a Texas corporation (“Bravo”). Alpha and Bravo (collectively, the “Parties”) desire to share cost in the design and pre-development expenses (the “Pre-Closing Costs”) before closing on the debt and equity investment for the development of a [short project description] to be constructed by the Parties in [city and state] Georgetown, Texas (“Project”). The Project is further described in **Exhibits A1** – **Exhibit A3**.

1. Sharing of Pre-Closing Costs»

. The split in the sharing of the Pre-Closing Costs, herein referred to as Pre-Closing Costs Split, shall be: 51% from Alpha, and 49% from Bravo.

1. Representatives»

. The Parties shall each designate one person to serve as its representative for purposes of this Agreement (individually, a “Representative” and collectively, the “Representatives”). Alpha designates Johnny Johnson as its Representative, and Bravo designates Chad Suitonu as its Representative. The Parties may change their Representative upon three (3) business days’ prior written notice to the other Party members. Each Party may conclusively rely on the signature of the other Party’s Representative as fully and accurately representing the desires and consent of the Representative’s Party.

1. Pre-Closing Budget»

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* 1. The Parties have approved the Pre-Closing Budget attached hereto as Exhibit B (the “Pre-Closing Budget”) which outlines the total approved pursuit costs before closing on financing for the development of the Project.
  2. The Pre-Closing Budget may be revised as necessary with the approval of the Representatives. Upon mutual approval of any such additional Pre-Closing Costs as reflected in a revised Pre-Closing Budget, the Parties each agree to fund any shortfall in the Pre-Closing Budget in accordance with the Pre-Closing Costs Split. The Parties agree to supply each other with copies of all invoices, proof of payment, and other supporting documentation for all disbursements to Pre-Closing Costs.

1. Future Partnership and Development Agreement»

. In exchange for each Party funding their portion of the Pre-Closing Costs per the terms mentioned above, they will be allowed to participate in a future, to be formed partnership and be party to a future, to be drafted development agreement for the development of the Project, each on terms and conditions approved by the Parties. In general, the future partnership agreement and development agreement will reflect the below terms:

* 1. Anticipated Project Capitalization.
     1. Total Project Cost: $77.48MM
     2. Total Debt (65% “A” Senior Piece + 7.5% “B” Piece): 72.5% or $56.17MM
     3. Total Equity: $21.30MM
     4. Limited Partner Equity: $19.18MM
     5. General Partner (GP) Equity: $2.13MM. The Parties will be the GP for the development of the Project.
  2. Anticipated General Partner Equity Contributions.
     1. Alpha (51%): $1,086,300
     2. Bravo (49%): $1,043,700
  3. Debt Guarantees.
     1. Alpha - 30% of Requisite Guarantees
     2. Bravo - 70% of Requisite Guarantees
  4. Promote Splits.
     1. Alpha – 70%
     2. Bravo – 30%

1. Termination»

. This Agreement will remain in effect until the earlier of (a) eighteen (18) months after the Effective Date, (b) disbursement of funds for all Pre-Closing Costs incurred to reflect the Pre-Closing Costs Split and the Parties’ mutual written decision not to increase the Pre-Closing Budget in excess of such costs, (c) execution of a partnership agreement for the development of the Project by the Parties, or (d) mutual agreement of the Parties. Upon termination of this Agreement, the Parties shall true up all Pre-Closing Costs to reflect the Pre-Closing Costs Split. Each Party is obligated to fund any Pre-Closing Costs which accrue prior to termination in accordance with the Pre-Closing Costs Split.

1. Notices»

. Unless otherwise agreed to by the Parties, all changes to the Pre-Closing Budget, all notices of funds required to true up Pre-Closing Costs incurred to the Pre-Closing Costs Split, and other material notices, demands, elections, requests or other communications that any Party may desire or be required to give hereunder shall be in writing and shall be deemed to have been duly given (i) upon delivery of electronic mail (email) correspondence.

*Signature Page Attached*

IN WITNESS WHEREOF, the Parties have executed this Pursuit Cost Sharing Agreement effective as of the Effective Date above.

**Alpha Development Group**.

Address for Notices: a Texas corporation

12345 Elm Ave, Suite 12

Houston, TX 77040 By:

Name:

Title:

**Bravo Partners**.,

Address for Notices: a Texas limited liability company

1234 Main Street, Suite A

Dallas, Texas 75205 By:

Name:

Title: