

CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (this "Agreement") is dated as of the ___ day of _____, 2026, and is made by and between THE CITY OF LAREDO, a municipal corporation ("City"), and AGAVE INVESTMENTS, L.L.C., a Texas limited liability company ("Agave"). City and Agave are sometimes collectively referred to herein as the "Parties".

Preliminary Statement

Agave is the owner of that certain 0.95 Acre tract of land located in Laredo, Webb County, Texas, which is described as follows:

A tract of land containing 0.95 Acres, more or less, out of 75.61 acres, designated as Tract 4, conveyed to Agave Investments, LLC, recorded in Volume 5227, Pages 41-54, Webb County Official Public Records, situated in Porcion 33, A-3084, J. Treviño, original grantee, and being more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the "Property").

City has advised Agave of the need it has for the Property as part of the City's Concord Hills Right of Way Extension Project ("Concord Hills ROW Extension Project") which it has initiated for the purpose of alleviating vehicular and pedestrian traffic in the areas adjacent to or in the vicinity of Concord Hills and residential and commercial developments serviced by the Concord Hills right of way. As part of the discussions between the City and Agave, City advised Agave of its intent to acquire the Property through initiation of condemnation proceedings covering the Property should the Parties fail to negotiate the terms for the proposed sale and purchase of the Property. After discussions and negotiations, the Parties entered into that certain Sale and Purchase Agreement of even or near even date herewith whereby City agreed to purchase the Property from Seller, as part of and including certain material terms that forms a part of the consideration set forth therein. The Sale and Purchase Agreement covering the Property is incorporated herein by reference as if fully set forth verbatim.

As part of the purchase of the Property from Agave, Agave has agreed to donate and pay to the City of Laredo the amount of \$137,557.56 as its proportionate share of the construction costs incident to the extension of the Concord Hills ROW Extension Project upon the Property ("Agave's Contribution"), as set forth in a signed and sealed Engineering Estimate prepared by Oscar Castillo, P.E., attached hereto as Exhibit B, and incorporated herein by reference. In exchange, City has agreed to forever relinquish and waive any right or request for contribution or payment by Agave for and incident to the construction of the Concord Hills ROW Extension Project covering all real property and the Property forming such Project, as part of the project, or in the future and after the closing of the sale of the Property to City of Laredo (collectively the "ROW Improvements").

Through this Agreement, City and Agave wish to memorialize the terms and conditions under which Agave has agreed to sell the Property to City, and City construct the Concord Hills ROW Extension Project, upon the Property and other real property, as part of the Agreement and consideration tendered by Agave to the City for certain construction costs for the ROW Improvements upon the Property, more fully described in Exhibit B.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agave hereby agree as follows:

1. At the Closing under the above Sale and Purchase Agreement, Agave will convey title to the Property through Special Warranty Deed, for the purpose of construction of the Concord Hills ROW Extension Project upon the Property.
2. Conceptual Engineering and Design Plans for Concord Hills ROW Extension Project upon Property. Prior to construction of the Concord Hills ROW Extension upon the Property, Agave shall be responsible to deliver to the City of Laredo one (1) full set of the Engineering and Construction Plans and Specifications (including but not limited to drainage report, drainage calculations and estimates) for the remainder of the full cross section (South Bound lane from approximately STA: 9+33.09 to STA: 14+62.51) for the City's review and consideration. City shall have a period of not less than thirty (30) days within which to provide approval or disapproval of the proposed plans for the remainder of the full cross section of Concord Hills ROW Extension Project. If not approved, Agave and City will undertake good faith efforts to reach an agreement regarding the design, plans and specifications for the extension.
3. City shall bear all cost and expense incident to the Concord Hills ROW Extension Project, including upon the Property except as described in Section 2 above, as well as all costs and expense for construction for all improvements comprising the Concord Hills ROW Extension Project, subject to Agave's contribution to this cost. As part of the construction, City shall be required to construct: (a) Road improvements on either side of the Concord Hills ROW Extension Project; (b) Drainage improvement; (c) Such other customary and standard improvements incident to a standard right of way extension project in accordance with the requirements of the City of Laredo, and as designed by Top Site Civil Group (Engineers) (the "Work"). City shall also be responsible for all costs and expenses incident to the repair, maintenance, reconstruction, and replacement of the improvements constructed upon the Property as part of the Concord Hills ROW Extension Project. City of Laredo shall ensure that it will address and handle post development runoff within the Work. Agave shall not be required to accept any post development runoff as a result of the Project and Work.
4. Subject to available funding, the Work upon the Property shall commence on or before s i x (6)_calendar months from the Effective Date, with the Work being completed for use by the general public within e i g h t e e n (1 8) calendar months from the Effective Date (the "Construction Deadline"). Should City fail to complete the Work by the Construction Deadline, it shall return Agave's Contribution to Agave within thirty (30) days from the Construction Deadline, without demand from Agave. By mutual agreement, the construction deadline may be extended for one or more additional twelve (12) calendar months.
5. For the consideration set forth herein, and the consideration recited and included in the Sale and Purchase Agreement covering the Property. City does hereby waive,

release and relinquish any claim of contribution from Agave, its successors and assigns, for any ROW Improvements upon the Property, whether required concurrently as part of the Work, or in the future,

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forever, whether for maintenance, repair or replacement cost of any and all ROW Improvements upon the Property or the real property comprising the Concord Hills ROW Extension Project. This covenant shall survive the Closing of the sale of the Property by Agave to City and not be incorporated into the Deed delivered by Agave to City.

6. Performance of Construction.

(a) All Work shall be performed using good construction practices in compliance with all laws and legal regulatory requirements of the City of Laredo relating to the construction and the performance of similar projects as the Work. All construction shall be performed in a good and workmanlike manner in accordance with sound professional construction standards. City shall be responsible for the supervision of such construction work and, upon request, shall advise Agave as to the progress of the Work.

(b) The Work shall be deemed “Completed” on the date that City’s engineer certifies that the Work has achieved substantial completion (“Substantial Completion”) thereby permitting uninterrupted and free flow vehicular and pedestrian ingress and egress over the Concord Hills ROW Extension, and through the existing Concord Hills right of way to the general public.

7. A material consideration for entry by Agave into this Agreement, and the Sale and Purchase Agreement, is City’s representation to Agave that Agave shall never be requested by City or held responsible by City for payment or contribution of any amount necessary for any ROW Improvements upon the Property, that comprises the Concord Hills ROW, including the real property that forms and is part of the Concord Hills ROW Extension Project.

8. Indemnity and Insurance.

(b) Prior to initiation of construction, and continuing until the Work is completed, City shall cause to be maintained in force by its contractor a general commercial public liability policy or policies of insurance written by one or more responsible insurance carriers licensed to do business in the State of Texas insuring against liability for injury to and/or death of any/or damage to property of any person or persons in connection with the Work, with single limit liability coverage of not less than \$1,000,000.00 per occurrence, and \$2,000,000.00 in the aggregate. Such policy or policies shall provide, among other things, that (i) the insurer(s) specifically recognize and insure the obligations undertaken by the City pursuant to this Agreement and shall name Agave as an additional insured, and (ii) provide that the same may not be canceled or amended without at least thirty (30) days, prior written notice being given by the insurer to City and Agave. City agrees to deliver to Agave a certificate of insurance evidencing the existence in force of such policy or policies of insurance prior to the commencement of construction of the Work.

10. Miscellaneous.

(a) City may not assign its rights, or delegate its responsibilities under this Agreement, without the written consent of Agave, which consent may be withheld by Agave in its sole and absolute discretion.

(b) All notices hereunder shall be in writing and addressed as follows:

City of Laredo

Attn: _____

1110 Houston Street

Laredo, Texas 78040

Agave Investments, LLC

Attn: Mr. Gerardo G.S. Salinas and

Mr. Juan Salinas

5904 West Drive, Ste. 12

Laredo, Texas 78041

Telephone: (956) 724-8649

Email: gerry@ggsalinasenterprises.com

johnnysalinas@gmail.com

With a copy to:

Kazen, Meurer & Perez, LLP

Attn: Mr. Sigifredo Perez, III

211 Calle del Norte, Ste. 100

Laredo, Texas 78041

Telephone: (956) 712-1600

Facsimile: (956) 712-1628

Email: sperez@kmp-law.com

(c) The provisions of this Agreement are not intended to create, nor shall they in any way be interpreted to create, a joint venture, a partnership, or any other similar relationship between the Parties.

(d) In the event that any party hereto brings or commences legal proceedings to enforce any of the terms of this Agreement, and a judgment or award shall determine the successful party in such action, such party shall be entitled to receive from the losing party in such action a reasonable sum as attorneys' fees and court costs, to be fixed by the court in such action.

(e) The captions heading the various sections of this Agreement are for convenience and identification only and shall not be deemed to limit or define the contents of their respective sections.

(f) This Agreement shall be construed in accordance with the laws of the State of Texas.

(g) This Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same agreement.

(h) The “**Effective Date**” of this Agreement shall be the date first written above. If the time period by which any right, option, or election under this Agreement must be exercised, or which any act required hereunder must be performed expires on a Saturday, Sunday, or legal holiday, then such time period shall be automatically extended through the close of business on the next regularly scheduled business day.

(i) The invalidity or enforceability of a particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

(j) Time is of the essence of this Agreement. This Agreement is binding upon City and Agave, their successors, legal representatives and assigns.

(k) Nothing in this Agreement shall be construed to limit or waive the City’s governmental or police powers, including but not limited to the authority to impose future development requirements, infrastructure participation, fees, or compliance with ordinances and regulations.

[Signature Page to Follow]

IN WITNESS WHEREOF, City and Agave have executed this Agreement as of the date first above written.

THE CITY OF LAREDO,
a municipal corporation

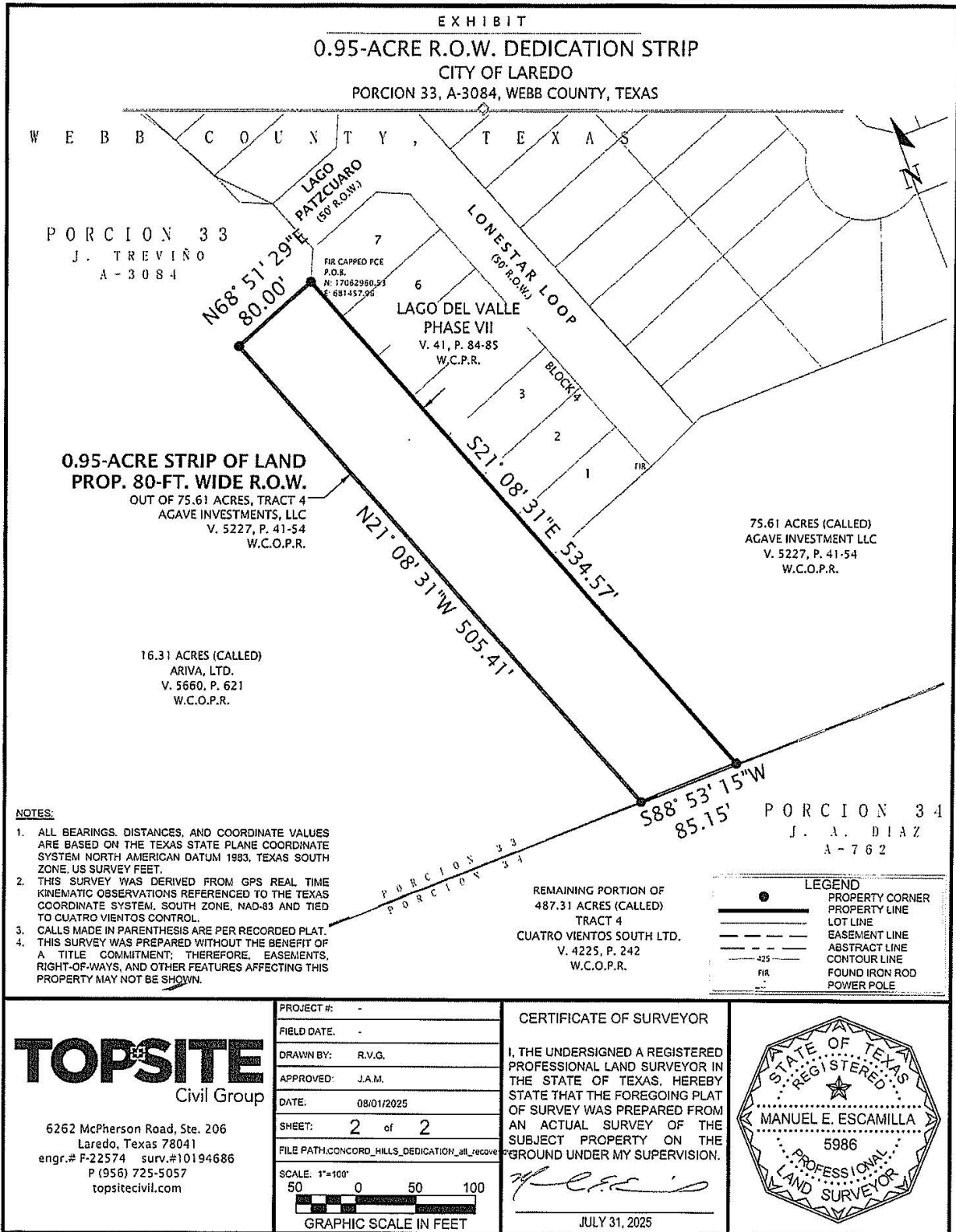
By: _____
Name: _____
Title: _____

AGAVE INVESTMENTS, L.L.C.,
a Texas limited liability company

By: _____
GERARDO G.S. SALINAS
Title: Manager

By: _____
JUAN SALINAS
Title: Manager

EXHIBIT A



METES & BOUNDS

0.95-ACRE R.O.W. DEDICATION STRIP

CITY OF LAREDO

PORCION 33, A-3084, WEBB COUNTY, TEXAS

SHEET: 1 OF 2

BEING A TRACT OF LAND CONTAINING 0.95 ACRES, MORE OR LESS, OUT OF A 75.61 ACRES, DESIGNATED AS TRACT 4, CONVEYED TO AGAVE INVESTMENTS, LLC, RECORDED IN VOLUME 5227, PAGES 41-54, WEBB COUNTY OFFICIAL PUBLIC RECORDS, SITUATED IN PORCION 33, A-3084, J. TREVINO, ORIGINAL GRANTEE, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT AN IRON ROD CAPPED PCE FOUND (GRID COORDINATES, N: 17062960.53, E:681457.96) BEING THE WEST CORNER OF BLOCK 4, LAGO DEL VALLE PHASE VII, RECORDED IN VOLUME 41, PAGES 84-85, WEBB COUNTY PLAT RECORDS, THE NORTH CORNER HEREOF;

THENCE S 21° 08' 31" E, CONTINUING WITH THE WEST LINE OF SAID LAGO DEL VALLE PHASE VII, AT 303.44 FEET PASS THE THE SOUTHWEST CORNER OF SAID LAGO DEL VALLE PHASE VII, AN INTERIOR CORNER OF SAID 75.61 ACRES, CONTINUING A TOTAL OF 534.57 FEET TO A POINT ON THE OSTENSIBLE COMMON LINE OF PORCIONES 33 AND 34, THE NORTH LINE OF THE REMAINING PORTION OF A CALLED 487.31ACRES, DESIGNATED AS TRACT 4, CONVEYED TO CUATRO VIENTOS SOUTH LTD., RECORDED IN VOLUME 4225, PAGE 242, THE SOUTHEAST CORNER HEREOF;

THENCE S 88° 53' 15" W, CONTINUING WITH THE NORTH LINE OF SAID CUATRO VIENTOS SOUTH TRACT, AT 85.15 FEET FOR THE SOUTHWEST CORNER HEREOF;

THENCE N 21° 08' 31" W, AT 505.41 FEET FOR THE NORTHWEST CORNER HEREOF;

THENCE N 68° 51' 29" E CONTINUING THE RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY 359, AT 80.00 FEET THE POINT OF BEGINNING AND CONTAINING 0.95 ACRES (41599.36 S.F.), MORE OR LESS.

A SKETCH PREPARED FOR THIS TRACT OF LAND ACCOMPANIES THIS LEGAL DESCRIPTION.

TOPSITE
Civil Group

6262 McPherson Road, Ste. 206
Laredo, Texas 78041
enr.# F-22574 surv.#10194686
P (956) 725-5057
topsitecivil.com

PROJECT #: -
FIELD DATE: -
DRAWN BY: R.V.G.
APPROVED: J.A.M.
DATE: 08/01/2025
SHEET: 1 of 2
FILE PATH: CONCORDO_HILLS_DEDICATION_all_recvd

CERTIFICATE OF SURVEYOR

I, THE UNDERSIGNED A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS. HEREBY STATE THAT THE FOREGOING PLAT OF SURVEY WAS PREPARED FROM AN ACTUAL SURVEY OF THE SUBJECT PROPERTY ON THE GROUND UNDER MY SUPERVISION.

Manuel E. Escamilla
August 1, 2025

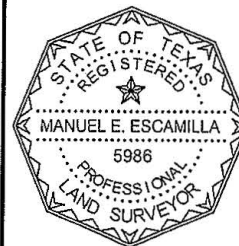


EXHIBIT B

Lago Del Valle Subdivision Phase XII

Engineering Estimate of Probable Cost (Asphalt Option for Concord Hills Blvd. 49' B/B)

December 26, 2025

Item #	Description	Unit	Quantity	Cost/Unit	Total Cost
<i>Street Paving (80' R.O.W.) - 4 Lanes with curb</i>					
2.1	Street Preparation	SY	2,947	\$ 3.60	\$ 10,609.20
2.2	17" Flexible Base Type B	SY	2,947	\$ 28.00	\$ 82,516.00
2.3	3" Hot Mix Asphalt Type D	SY	2,600	\$ 31.46	\$ 81,796.00
2.4	Prime Coat	SY	2,600	\$ 2.65	\$ 6,890.00
2.5	Type "A" Curb and Gutter	LF	1,040	\$ 21.00	\$ 21,840.00
2.6	Concrete Sidewalk (6'- 1 side)	SF	3,120	\$ 6.50	\$ 20,280.00
					\$ 223,931.20

<i>Site Grading (Street system)</i>					
4.1	Clearing and Grubbing	AC	0.9500	\$ 1,000.00	\$ 950.00
4.2	Excavation	CY	3,444	\$ 3.50	\$ 12,054.00
4.3	Embankment	CY	1,451	\$ 4.50	\$ 6,529.50
					\$ 19,533.50

Total Construction Cost	\$ 243,464.70
10% Engineering	\$ 24,346.47
3% Testing	\$ 7,303.94
Total	\$ 275,115.11

Agave Contribution	\$ 137,557.56
Lago del Valle Phase 12a	\$ 68,778.78
Lago del Valle Phase 12b	\$ 68,778.78



Oscar Castillo
12/26/2025