(SOUTHLAND SHOPPING PLAZA - TIF AGREEMENT)

DELIVERED JUN 18 2026

City Of Middleburg Heights, Ohio

Ordinance No. 2026-47

Introduced by: Mayor Matthew Castelli

AN ORDINANCE
DECLARING THE IMPROVEMENT TO CERTAIN PARCELS OF REAL PROPERTY WITHIN THE CITY TO BE A PUBLIC PURPOSE AND EXEMPT FROM TAXATION PURSUANT TO ORC SECTION 5709.41; PROVIDING FOR THE COLLECTION AND DEPOSIT OF SERVICE PAYMENTS; SPECIFYING THE PURPOSES FOR WHICH THOSE SERVICE PAYMENTS MAY BE EXPENDED; AUTHORIZING A TAX INCREMENT FINANCING AGREEMENT; AND DECLARING AN EMERGENCY.

WHEREAS, PMAT Southland, L.L.C. (the "Developer") desires to renovate a commercial retail plaza and construct or cause to be constructed commercial out parcels for the retail plaza (the "Project") on certain parcels of real property within the City; and

WHEREAS, this Council, pursuant to Ohio Revised Code ("ORC") 5709.41, 5709.42 and 5709.43 (collectively, the "TIF Act"), is authorized to declare improvement to the Parcels (as defined herein) to be a public purpose, exempt those improvements from real property taxation and require owners of the Parcels to make service payments in lieu of taxes in an amount equal to such exempted taxes and require the distribution of a portion of the service payments to the Berea City School District and Polaris Career Center and establish a tax increment equivalent fund for the deposit of the those service payments, and specify the purposes for which money in that fund will be expended; and

WHEREAS, as required by the TIF Act, the City acquired fee title to the Parcels prior to enacting this ordinance for urban redevelopment purposes; and

WHEREAS, the City desires to implement a tax increment financing program for the Parcels pursuant to the TIF Act to enable the City to support the redevelopment of the Parcels and the development of the Project; and

WHEREAS, notice of this proposed Ordinance has been delivered to the Board of Education of the Berea City School District (the "School District") and Polaris Career Center ("PCC") in accordance with and within the time periods prescribed in ORC 5709.41 and 5709.83; and

WHEREAS, an emergency exists in the usual daily operations of the City, that emergency being related to the need to pass this Ordinance as quickly as possible, which will result in urban redevelopment and the creation and retention of jobs, all of which will improve the health, safety and welfare of the residents of the City;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, COUNTY OF CUYAHOGA, STATE OF OHIO, THAT:

Section 1: Parcels. The real property subject to this ordinance is identified and depicted in Exhibit A attached hereto (as currently or subsequently configured, the "Parcels", with each individual tax parcel a "Parcel"). This Council finds that the City acquired the Parcels while engaged in urban redevelopment, as evidenced by city documents and plans approved by this Council.

Section 2: Urban Redevelopment Costs. Money deposited into the TIF Fund (as defined in Section 5) may be used to pay or reimburse any costs incurred by the City for improvements that are part of its urban redevelopment efforts, including, without limitation, the costs of improvements to be made in connection with the Project as further described in the Tax Increment Financing Agreement, as defined in Section 7, (including, but not limited to, those costs listed in ORC 133.15(B)), together with any other costs hereafter designated by ordinance (the "Urban Redevelopment Costs").

Section 3: Exemption. This Council hereby finds and determines that 100% of the increase in assessed value of each Parcel subsequent to the acquisition of that Parcel by the City (which increase in assessed value is hereinafter referred to as the "Improvement" as defined in ORC Section 5709.41) is hereby declared to be a public purpose and will be exempt from taxation for a period commencing, for each Parcel, with the first tax year in which an Improvement first appears on the tax list and duplicate for that Parcel and ending on the earlier of (a) 30 years after such commencement or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of the TIF Act.

Section 4: Service Payments. As provided in ORC 5709.42, the owner of each Parcel is hereby required to make service payments in lieu of taxes with respect to the Improvement allocable to each Parcel to the Cuyahoga County Treasurer (the "County Treasurer") on or before the final dates for payment of real property taxes. The service payments in lieu of taxes will be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and collected against that Improvement if it were not exempt from taxation pursuant to Section 3, including any penalties and interest (collectively, the "Service Payments"). The Service Payments, and any other payments with respect to each Improvement that are received in connection with the reduction required by ORC 319.302, 321.24, 323.152 and 323.156, as the same may be amended from time to time, or any successor provisions thereto as the same may be amended from time to time (the "Property Tax Rollback Payments"), will be deposited and distributed in accordance with Section 6.

Section 5: TIF Fund. This Council establishes, pursuant to and in accordance with the provisions of ORC 5709.43, the Southland Shopping Plaza Redevelopment Tax Increment Equivalent Fund (the "TIF Fund"), into which the Service Payments and Property Tax Rollback Payments collected with respect to the Parcels will be deposited. The TIF Fund will be maintained in the custody of the City. The City may use amounts deposited into the TIF Fund only for the purposes authorized in the TIF Act, Compensation Agreement, Tax Increment Financing Agreement and this Ordinance (as it may be amended). The TIF Fund will remain in existence so long as the Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time the TIF Fund will be dissolved and any surplus funds

remaining therein transferred to the City's General Fund, all in accordance with ORC Section 5709.43.

Section 6: Distributions; Payment of Costs. Pursuant to the TIF Act, the County Treasurer is requested to distribute the Service Payments and Property Tax Rollback Payments to each of the School District and the PCC, an amount equal to the amount the school district would otherwise receive as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to each Parcel if the Improvement had not been exempt from taxation pursuant to this Ordinance and all remaining Service Payments to the City for deposit into the TIF Fund. Money deposited into the TIF Fund shall be used to pay or reimburse Urban Redevelopment Costs, including, without limitation, payment of reimbursements to the City's General Fund or other City funds, payments under the Tax Increment Financing Agreement authorized pursuant to Section 7, or payment of debt charges on any notes or bonds issued to pay or reimburse the Urban Redevelopment Costs, and to make payments pursuant to the School District and the PCC to the extent the payments are not made by the County Treasurer. All distributions required under this Section are requested to be made at the same time and in the same manner as real property tax distributions.

Section 7: Tax Increment Financing Agreement and Payments. This Council hereby (a) approves and authorizes the Mayor to execute the Tax Increment Financing Agreement presently on file with the Clerk of Council along with any changes or amendments thereto consistent with this Ordinance and not substantially adverse to the City and approved by the Mayor and the Law Director; provided that the approval of such changes and amendments thereto by the Mayor and Law Director, and the character of those changes and amendments as not being substantially adverse to the City, shall be evidenced conclusively by the Mayor and Law Director's execution and delivery thereof and (b) authorizes the making of payments pursuant to the terms of the Tax Increment Financing Agreement, as the same may be amended from time to time.

Section 8: Further Authorizations. This Council hereby authorizes each of the Mayor, the Director of Law, the Director of Finance, the Director of Economic Development, and other appropriate officers of the City, to deliver a copy of this ordinance to the Ohio Department of Development within fifteen days after its effective date, in accordance with ORC 5709.41(E), and to make such arrangements as are necessary and proper for collection of the Service Payments. This Council further authorizes each of the Mayor, the Director of Law, the Director of Finance, the Director of Economic Development, and other appropriate officers of the City, to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section 9: Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or any of its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law, including ORC 121.22.

Section 10: Effective Date. This Ordinance is hereby declared to be an emergency measure for the reasons stated in the preamble hereto. Wherefore, provided this Ordinance received the

affirmative vote of at least two-thirds (2/3) of the members of Council it shall take effect and be in force immediately upon it passage and approval by the Mayor.

Passed: 10/27/26

David Bortolotto
President of Council

Attest: M. Meola
Clerk of Council

Approved On: 10-29-26

Presented to Mayor: 10/28/26

Matthew Cash
Mayor

	Yea	Nay
Bortolotto	X	
Ali	X	
Sage	ABSENT	
Meany	X	
McGregor	X	
Ference	X	
Zakel	X	

I, MaryAnn Meola Clerk of the Council of the City of Middleburg Hts., Ohio, hereby certify that Ord. 2026-47 adopted by the Council of the City of Middleburg Hts., on 10/27/26 was posted for a period of fifteen days, beginning 10/29/26 and remained so posted for fifteen days at the two posting places as designated by Charter.

MaryAnn Meola
Clerk

CERTIFICATE

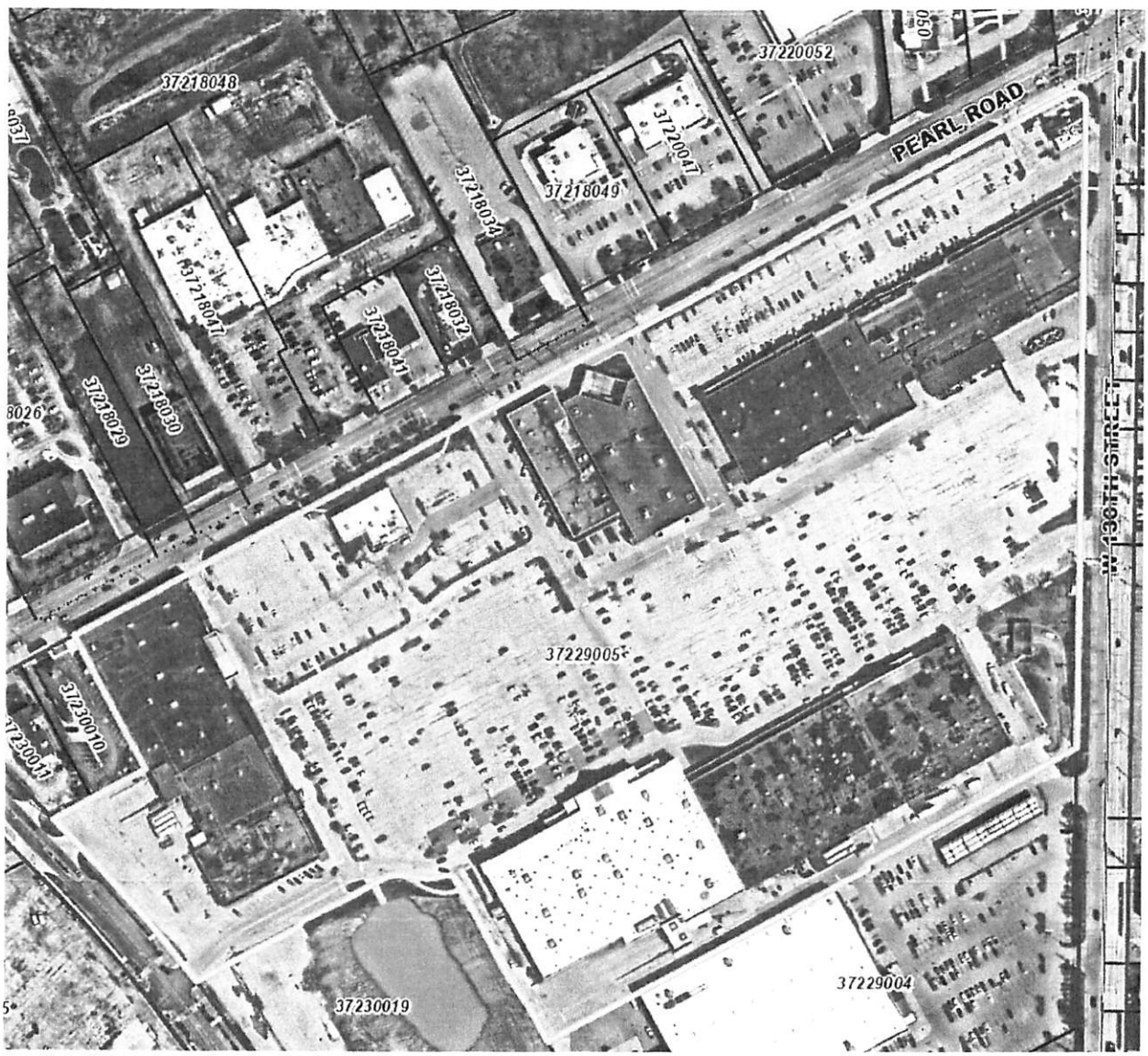
I, MaryAnn Meola Clerk of Council of the City of Middleburg Heights, Ohio, do hereby certify that the foregoing is a true and accurate copy of Ord. 2026-47 passed on the 27th day of October 20 26 by said Council.

MaryAnn Meola
Clerk of Council

EXHIBIT A

IDENTIFICATION AND MAP OF THE PARCELS

The area outlined in yellow on the following map specifically identify and depict the Parcels and constitute part of this Exhibit A. The tax parcel for tax year 2026 is 372-29-005 and is included for further identification purposes only and does not limit the extent of the Parcels shown on the map.



TAX INCREMENT FINANCING AGREEMENT

This Tax Increment Financing Agreement (this "Agreement") is made and entered into as of _____, 2026 by and between the CITY OF MIDDLEBURG HEIGHTS, Cuyahoga County, Ohio (the "City"), an Ohio municipal corporation, and PMAT SOUTHLAND, L.L.C. (the "Developer"), a Delaware limited liability company with an office located at 16675 E. Brewster Road, Suite 100, Covington, Louisiana 70433, its affiliates, successors, nominees and/or assigns (the "Developer").

WITNESSETH:

WHEREAS, the Developer owns certain real property situated in the City, a depiction of which is attached hereto as Exhibit A (the "Project Area") and incorporated herein by reference, with each parcel of real property within the Project Area referred to herein as a "Parcel" (whether as presently appearing on the county tax duplicate or as subdivided or combined and appearing on future tax duplicates); and

WHEREAS, in order to successfully redevelop the Parcels (the "Project"), it is necessary to construct or to cause to be constructed certain developer improvements as described in Exhibit B attached hereto (the "Developer Improvements"); and

WHEREAS, the City may, but is not required to, construct or cause to be constructed certain City improvements as described in Exhibit C attached hereto (the "City Improvements"); and

WHEREAS, the City, by its Ordinance No. _____ passed _____, 2026 (the "TIF Ordinance"), has declared that one hundred percent (100%) of the increase in the assessed value of each Parcel subsequent to the acquisition by the City of the Parcels (each such increase hereinafter referred to as an "Improvement," as further defined in Section 5709.41 of the Ohio Revised Code and the TIF Ordinance) is a public purpose and is exempt from taxation for a period commencing for each Parcel in the first tax year in which an Improvement first appears on the tax list and duplicate for that Parcel and ending for each Parcel on the earlier of (a) thirty (30) years after such commencement or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Sections 5709.41, 5709.42 and 5709.43 of the Ohio Revised Code and the TIF Ordinance (the "TIF Exemption"); and

WHEREAS, the City acquired the Project Area while engaged in urban redevelopment and has determined that it is necessary and appropriate and in the best interest of the City to provide for the owner of each Parcel (referred to herein individually as an "Owner" and collectively as the "Owners") to make annual service payments in lieu of taxes with respect to any Improvement allocable thereto (collectively for all Parcels, the "Service Payments") to the Cuyahoga County Treasurer (the "County Treasurer"), which Service Payments will be (i) distributed, in part, to the Berea City School District ("Berea") and the Polaris Career Center (the "Career Center," together with Berea, the "School Districts") in an amount equal to the amount the school district would otherwise receive as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to each Parcel if the Improvement had not been exempt from taxation pursuant to the TIF Ordinance, (ii) used to reimburse the City for any

administrative costs associated with the TIF Ordinance, TIF Fund or the administration of the TIF (the "City Payment"), (iii) used to reimburse the Developer for costs of the Developer Improvements, (iv) used by the City for costs of the City Improvements, and (v) used for such other purposes as may be authorized by law, all pursuant to and in accordance with Sections 5709.41, 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the "TIF Statutes"), the TIF Ordinance and this Agreement; and

WHEREAS, the City Council of the City in the TIF Ordinance approved the terms of this Agreement and authorized its execution on behalf of the City; and

WHEREAS, the parties desire to enter into this Agreement on the terms and conditions hereinafter set forth to provide for the collection of and disbursement of the Service Payments and to facilitate the construction of the Developer Improvements and the City Improvements, which will benefit the Project Area.

NOW, THEREFORE, in consideration of the premises and covenants contained herein and to induce the Developer to proceed with the construction of the Developer Improvements, the Developer and the City agree as follows:

Section 1. TIF Exemption and Agreements Related Thereto.

A. In connection with the construction of the Developer Improvements and the City Improvements, the City, through the TIF Ordinance, has granted with respect to the Improvements, a one hundred percent (100%) exemption from real property taxation.

B. The City and Developer shall cooperate to perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain the exemptions from real property taxation granted under the TIF Ordinance and this Agreement, including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 2. Obligation to Make Service Payments.

A. Service Payments. The Owner hereby agrees to make the Service Payments due during its period of ownership of each Parcel, all pursuant to and in accordance with the requirements of the TIF Statutes, the TIF Ordinance, the provisions of Ohio law relating to real property tax collections, and any subsequent amendments or supplements thereto. Service Payments will be made semiannually to the County Treasurer (or to the County Treasurer's designated agent for collection of the Service Payments) on or before the final dates for payment of real property taxes for the Parcels, until expiration of the TIF Exemption. Any late payments will bear penalties and interest at the then current rate established under Sections 323.121 and 5703.47 of the Ohio Revised Code or any successor provisions thereto, as the same may be amended from time to time. Service Payments will be made in accordance with the requirements of the TIF Statutes and the TIF Ordinance and, for each Parcel, will be in the same amount as the real property taxes that would have been charged and payable against the Improvement to that Parcel if it were not exempt from taxation pursuant to the TIF Exemption, including any penalties and interest. The Owner will not, under any circumstances, be required for any tax year to pay both

real property taxes and Service Payments with respect to any portion of the Improvement to a Parcel, whether pursuant to Section 5709.42 of the Ohio Revised Code or this Agreement. The City and the Owner agree that the [Southland Shopping Plaza Redevelopment] Tax Increment Equivalent Fund referred to in Section 5 of the TIF Ordinance (the "TIF Fund") will receive all Service Payments made with respect to the Improvement to each Parcel that are payable to the City.

B. Priority of Lien. The Owner acknowledges, for itself and any and all future Owners, that the provisions of Section 5709.91 of the Ohio Revised Code, which specify that the Service Payments for each Parcel will be treated in the same manner as taxes for all purposes of the lien described in Section 323.11 of the Ohio Revised Code, including, but not limited to, the priority of the lien and the collection of Service Payments, will apply to this Agreement and to the Parcels and any Improvements thereon.

Section 3. Establishment of a TIF Fund by the City; Distribution of Funds. The City agrees that it shall establish the TIF Fund as a depository fund to be held in the custody of the City for the sole purpose of receiving the Service Payments made from the Owners to the County Treasurer and payable to the City. Upon distribution of the Service Payments to the City, those Service Payments shall be deposited to an account of the TIF Fund that applies to only the Project Area (the "Account"). Amounts on deposit in the Account shall be used by the City for the following purposes and in the following order:

(i) First, to make payments to the School Districts pursuant to the TIF Ordinance;

(ii) Second, to reimburse the City for its legal fees associated with establishing the TIF, up to a maximum of $15,000.00;

(iii) Third, to reimburse the Developer for costs of the Developer Improvements as described in Section 6 hereof;

(iv) Fourth, once the Developer has been fully reimbursed for costs of the Developer Improvements, to reimburse the City for costs of the City Improvements; and

(v) Fifth, once the amounts in (i) – (iv) have been paid in full, to the City for any lawful purpose.

Section 4. Exemption Applications, Maintenance and Notice. In accordance with Ohio Revised Code Sections 5715.27 and 5709.911, the Developer or the City, at the Developer's request, shall file or cause to be filed an application prepared by the Developer for an exemption from real property taxation (DTE Form 24 or its successor form) with the Cuyahoga County Fiscal Officer (the "County Fiscal Officer") for the Improvements. The Developer and the City agree to cooperate with each other for this purpose, and to cooperate with the County Fiscal Officer, the Ohio Department of Taxation and other public officials and governmental agencies in the performance by the public officials and governmental agencies of their duties in connection with the TIF Ordinance and this Agreement.

Section 5. Payments to School Districts. As provided in the TIF Ordinance, the County Fiscal Officer or the City shall make semi-annual payments to the School Districts, solely from the

Service Payments deposited into the Account, equal to the amount of real property taxes that the School Districts would have received on the Improvement but for the exemption provided in the TIF Ordinance.

Section 6. Reimbursements to Developer and City From TIF Fund. The City shall pay to the Developer in accordance with the terms of this Agreement with respect to the Developer Improvements for which a written requisition substantially in the form attached as Exhibit D (a "Written Requisition") is submitted to the City, the actual costs of those Developer Improvements (with the costs of all those Developer Improvements, and the costs of the City Improvements, collectively referred to herein as the "Costs"). Except as otherwise agreed between the Developer and the City Finance Director, the Developer shall submit an initial Written Requisition after first incurring eligible Costs, and shall also submit a written letter request, including payment instructions, (each a "Letter Request") for reimbursement for any subsequent years for which reimbursement is sought. For the costs of those Developer Improvements to be eligible for reimbursement, the Developer shall submit the Written Requisition and Letter Request within one year of paying the actual costs of the Developer Improvement. After the Developer is fully reimbursed for its Costs, the City shall be entitled to use 100% of the amount on deposit in the Account for City Improvements and/or for any lawful purpose.

Except as otherwise provided herein, the City shall pay the Costs of the Developer Improvements to or as directed by the Developer within sixty (60) days after receipt of a Letter Request for eligible Costs (each, a "Payment Date") until all of the Costs of the Developer Improvements have been paid in full or no additional funds are available pursuant to this Agreement. Payments for the portion of Costs of the Developer Improvements will be made beginning with the first Payment Date.

For purposes of this Agreement, "costs" of the Developer Improvements and City Improvements includable in "Costs" under this Agreement include (to the extent permitted pursuant to the requirements of Sections 5709.41, 5709.42 and 5709.43 of the Ohio Revised Code and the TIF Ordinance) without limitation as to other costs properly allocable to Developer Improvements, the costs of: acquiring, constructing, reconstructing, rehabilitating, installing, remodeling, renovating, enlarging, equipping, furnishing, or otherwise improving the Developer Improvements; site clearance, improvement, and preparation; acquisition of real property; indemnity and surety bonds and premiums on insurance; all related direct administrative expenses and allocable portions of direct costs of the Developer, including but not limited to engineering, architectural, legal, management fees and other consulting and professional services; designs, plans, specifications, feasibility or rate studies, appraisals, surveys, and estimates of cost; interest or interest equivalent, whether capitalized or not; financing costs; title work and title commitment, insurance, and guaranties; audits; the reimbursement of moneys advanced or applied by or borrowed from any person, whether to or by the City, any other political subdivision or the Developer or others, from whatever source provided, for the payment of any item or items of cost of Developer Improvements, including interest or interest equivalent thereon; and all other expenses necessary or incidental to planning (including but not limited to traffic studies) or determining feasibility or practicability with respect to permanent improvements, or necessary or incidental to the acquisition, construction, reconstruction, rehabilitation, installation, operation, maintenance, remodeling, renovating, enlargement, equipping, furnishing, or other improvement of the permanent improvements, including, but not limited to, the close-out thereof, the financing

of the permanent improvements, and the placing and maintaining of the permanent improvements in condition for use and operation, and all like or related costs, including any one, part, or combination of, those costs and expenses. As used in this paragraph, "financing costs", "interest" and "interest equivalent" have the meanings given in Ohio Revised Code Section 133.01.

All payments to the Developer hereunder on each Payment Date shall be made pursuant to written instructions provided by the Developer.

The Developer and the City acknowledge that the Developer may seek the issuance of bonds backed by the Service Payments and/or "minimum service payment obligations" as defined in Ohio Revised Code Section 5709.91(D) to finance the Developer Improvements. The City agrees to reasonably cooperate with the Developer for any such bond issuance, including, but not limited to, executing any required cooperative agreements or other documents necessary for the issuance of bonds, said bonds being non-recourse to the City.

Notwithstanding any other provision of this Agreement, the City's payment obligations hereunder are limited to the monies in the TIF Fund and do not constitute an indebtedness of the City within the provisions and limitations of the laws and the Constitution of the State of Ohio, and the Developer does not have the right to have taxes or excises levied by the City for the payment of the Costs and interest thereon.

Section 7. Representations of the Parties. The Developer hereby represents that it has full power and authority to enter into this Agreement and carry out its terms. The City hereby represents that the TIF Ordinance was passed by the Council on _____, 2026 and remains in full force and effect, that this Agreement is authorized by the TIF Ordinance and that the City has full power and authority to enter into this Agreement, to carry out its terms and to perform its obligations hereunder and thereunder. The City further represents and warrants that it shall not take action which would result in a reduction in the period of the TIF Exemption, the percentage of the TIF Exemption, or the amount of Service Payments to be received and made available to pay the Costs of the Developer Improvements.

Section 8. Provision of Information. The Developer, as Owner, agrees for itself and each successive Owner to (i) cooperate in all reasonable ways with, and provide necessary and reasonable information to, the designated tax incentive review council to enable that tax incentive review council to review and determine annually during the term of this Agreement the compliance of the Owners with the terms of this Agreement; and (ii) to cooperate in all reasonable ways with, and provide necessary and reasonable information to the City to enable the City to submit the status report required by Section 5709.41(E) of the Ohio Revised Code to the Director of the Ohio Department of Development on or before March 31 of each year.

Section 9. Nondiscriminatory Hiring Policy. The Developer, as Owner, agrees for itself and each successive Owner to comply with the City's nondiscriminatory hiring policy adopted pursuant to Ohio Revised Code Section 5709.832 to ensure that recipients of tax exemptions practice nondiscriminatory hiring in their operations. The City will provide a copy of that policy and any updates to that policy to the Developer and each Owner. In furtherance of that policy, the Developer agrees for itself and each successive owner that they will not deny any individual employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Section 10. Estoppel Certificate. Within thirty (30) days after a request from a Developer or any Owner of a Parcel, the City will execute and deliver to that Developer or an Owner or any proposed purchaser, mortgagee or lessee of that Parcel, a certificate stating that, with respect to that Parcel, if the same is true: (i) this Agreement is in full force and effect; (ii) the requesting Developer or Owner is not in default under any of the terms, covenants or conditions of this Agreement, or, if that Developer or Owner is in default, specifying same; and (iii) such other matters as that Developer or an Owner reasonably requests.

Section 11. Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder must be in writing and will be deemed sufficiently given if actually received or if hand-delivered or sent by recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this Agreement or any addendum to or counterpart of this Agreement, or to such other address as the recipient has previously notified the sender of in writing, and will be deemed received upon actual receipt, unless sent by certified mail, in which event such notice will be deemed to have been received when the return receipt is signed or refused. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications must be sent. The present addresses of the parties follow:

(a) To the Developer at:
PMAT Southland, L.L.C.
16675 E. Brewster Road, Suite 100
Covington, Louisiana 70433
Attention: Robert A. Whelan
Phone: (504) 228-2800

With a copy to:
Taft Stettinius & Hollister LLP
41 S. High Street, Suite 1800
Columbus, Ohio 43215
Attention: Chris L. Connelly
Phone: (614) 334-7108

(b) To the City at:
City of Middleburg Heights, Ohio
15700 Bagley Road
Middleburg Heights, Ohio 44130
Attention: Economic Development Director
Phone: (440) 234-8811

With a copy to:
City of Middleburg Heights, Ohio
15700 Bagley Road
Middleburg Heights, Ohio 44130
Attention: Law Director
Phone: (440) 234-8811

And to: Kutak Rock LLP
670 Meridian Way, Suite 275
Westerville, Ohio 43082
Attention: Russell W. Balthis
Phone: (330) 573-1566

Section 12. Successors; Assignment; Amendments; City Consents. This Agreement will be binding upon the parties hereto and their successors and assigns. Each Owner's obligations under this Agreement, including, without limitation, its obligation to make Service Payments with respect to each Parcel it owns, are absolute and unconditional covenants running with the land and are enforceable by the City. Each Owner further agrees that all covenants herein, including, without limitation, its obligation to make Service Payments, whether or not these covenants are included by any Owner of any Parcel in any deed or instrument of conveyance to that Owner's successors and assigns, are binding upon each subsequent owner and are enforceable by the City. Any future Owner of any Parcel, or any successors or assigns of such Owner, will be treated as an Owner for all purposes of this Agreement. Nothing in this Agreement prevents an Owner from transferring any or all of its interest in the Parcels to another person or entity. Each Owner shall only be responsible for making Service Payments that become due and payable during the period of that Owner's ownership of all or any portion of a Parcel and only with respect to the portion of a Parcel owned by the Owner. Upon satisfaction of the obligations under this Agreement and termination of the obligations of the Owner to make the Service Payments, the City shall, upon the request of an Owner, execute an instrument in recordable form evidencing such termination as to such Owner only, without invalidating or terminating the obligations hereunder as to any successor Owner.

Notwithstanding anything contained herein to the contrary, the City acknowledges that the Developer may from time to time transfer one or more Parcels to one or more third parties for any reason including, but not limited to, development of portions of the Project, subject to this Agreement. As such, this Agreement and the benefits and obligations hereof may be assigned, in whole or in part, without consent of, but upon notice to, the City, for any reason to any party including, but not limited to, (i) any entity related to, affiliated with or under common control with the Developer (including but not limited to parents, subsidiaries, and/or affiliates); (ii) a lender in connection with the Developer obtaining financing related to the Project; (iii) successor entities to the Developer as a result of a consolidation, reorganization, acquisition or merger; and/or (iv) any third party. In the event of any such transfer and assignment, Developer shall have the right to transfer or assign its right to be reimbursed for Project Costs from the Account to any third party; provided, however, that such right shall not be deemed to be transferred or assigned unless the same is explicitly set forth in a document signed by Developer.

Section 13. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the parties contained in this Agreement are effective and enforceable to the extent authorized and permitted by applicable law. The obligations of the City may be enforced to the extent permitted by law by mandamus or any suit or proceeding in law or equity. No such covenant, stipulation, obligation or agreement will be deemed a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of any of the parties hereto in their individual capacity, and neither the members of the City Council nor any City official executing this Agreement, or any individual person executing this Agreement on behalf of the Developer, will

be liable personally by reason of the covenants, stipulations, obligations or agreements of the City or the Developer contained in this Agreement. The obligation to perform and observe the agreements contained herein on the part of an Owner shall be binding and enforceable by the City against such Owner with respect to (and only to) such Owner's interest in its portion of the Parcels and the Improvements, or any parts thereof or any interest therein.

Section 14. Events of Default and Remedies.

A. Any one or more of the following constitutes an "Event of Default" under this Agreement:

(i) The Developer or the City fails to perform or observe any material obligation punctually and as due under this Agreement, provided that if a Force Majeure (as such term is defined below) event causes the failure, the Developer or City shall receive an additional period of time as is reasonably necessary to perform or observe the material obligation in light of the event if it notifies the other of the potential event and the extent of the delay promptly after becoming aware of the event;

(ii) The Developer or the City makes a representation or warranty in this Agreement that is materially false or misleading at the time it is made;

(iii) The Developer files a petition for the appointment of a receiver or a trustee with respect to it or any of its property;

(iv) The Developer makes a general assignment for the benefit of creditors;

(v) A court enters an order for relief pursuant to any Chapter of Title 11 of the U.S. Code, as the same may be amended from time to time, with the Developer as debtor; or;

(vi) The Developer files an insolvency proceeding with respect to itself or any proceeding with respect to itself for compromise, adjustment or other relief under the laws of any country or state relating to the relief of debtors;

As used in this Section, "Force Majeure" means any event that is not within the control of a party or its affiliates, employees, contractors, subcontractors or material suppliers that delays performance of any obligation under this Agreement including, but not limited to, the following acts: acts of God; fires; epidemics; landslides; floods; strikes; lockouts or other industrial disturbances; acts of public enemies; acts or orders of any kind of any governmental authority; insurrections; riots; civil disturbances; arrests; explosions; breakage or malfunctions of or accidents to machinery, transmission pipes or canals; partial or entire failures of utilities; shortages of labor, materials, supplies or transportation; lightning, earthquakes, hurricanes, tornadoes, storms or droughts; periods of unusually inclement weather or excessive precipitation; or orders or restraints of any kind of the government of the United States or of the State (and in the case of a

Force Majeure claim by a Developer, the City or any departments, agencies, political subdivisions or officials that are not in response to a violation of law or regulations.

B. General Right to Cure. In the event of any Event of Default in or breach of this Agreement, or any of its terms or conditions, by any party hereto, the defaulting party will, upon written notice from the other, proceed, as soon as reasonably possible, to cure or remedy such Event of Default or breach, and, in any event, within thirty (30) days after receipt of such notice. In the event such Event of Default or breach is of such nature that it cannot be cured or remedied within said thirty (30) day period, then in such event the defaulting party will upon written notice from the other commence its actions to cure or remedy said breach within said thirty (30) day period, and proceed diligently thereafter to cure or remedy said breach.

C. Remedies. If a defaulting party fails to cure any Event of Default pursuant to paragraph (B) of this Section, a party may institute such proceedings against the defaulting party as may be necessary or desirable in its opinion to cure and remedy such default or breach. Such remedies include, but are not limited to: (i) instituting proceedings to compel specific performance by the defaulting party, (ii) suspending or terminating the obligations of the non-defaulting party under this Agreement, provided the aggrieved party must provide thirty (30) days' notice of any termination to the defaulting party and provided further that the aggrieved party must rescind the termination notice and not terminate the Agreement if the defaulting party cures all Events of Default within a reasonable time thereafter, and (iii) any other rights and remedies available at law, in equity or otherwise to collect all amounts then becoming due or to enforce the performance of any obligation under this Agreement.

Section 15. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, said provision will be fully severable. This Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible that is and will be legal, valid and enforceable.

Section 16. Separate Counterparts; Captions. This Agreement may be executed by the parties hereto in one or more counterparts or duplicate signature pages, each of which when so executed and delivered will be an original, with the same force and effect as if all required signatures were contained in a single original instrument. Any one or more of such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed original instrument. Captions have been provided herein for the convenience of the reader and shall not affect the construction of this Agreement.

Section 17. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the matters covered herein and supersedes prior agreements and understandings between the parties.

Section 18. Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question among the City, its employees, contractors, subcontractors and agents, the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within the County of Cuyahoga, State of Ohio.

Section 19. Additional Documents. The City, the Developer, and their respective successors, assigns and transferees agree to execute any further agreements, documents, or instruments as may be reasonably necessary to fully effectuate the purpose and intent of this Agreement.

Section 20. Right to Contest. Nothing herein is intended to prevent the Owner, at its expense and in good faith, from contesting the amount or validity of any taxes, assessments or other charges, and further provided that the Owner shall not contest the amount or validity of the TIF Exemption or challenge or contest in any manner the validity and imposition of the Service Payments, or the obligation to pay the Service Payments.

Section 21. Interpretation. The term "Owner" as used herein shall mean, as the context shall require, any party (including, but not limited to Developer) that owns one (1) or more Parcels in the Project Area. To the extent that certain provisions herein refer to "Developer" only, they shall be interpreted and construed to mean any Owner as the context shall require.

[The Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective names by their duly authorized officers or representatives, as of the date hereinabove written.

CITY OF MIDDLEBURG HEIGHTS

By: Matthew Castell

Its: Mayor

By Ordinance No. 2026-47 dated 10/27, 2026
Verified and Certified:

Mary Ann Meola
Clerk of Council

Approved as to Form:

City Director of Law

PMAT SOUTHLAND, L.L.C., a Delaware limited liability company

By: PMAT Acquisition, L.L.C., a Louisiana limited liability company, its Manager

By: _____
Robert A. Whelan, Manager

FISCAL OFFICER'S CERTIFICATE

As fiscal officer for the City of Middleburg Heights, I hereby certify that funds sufficient to meet the obligations of the City in this Agreement have been lawfully appropriated for the purposes thereof and are available in the treasury, and/or are in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. The City has no obligation to make payments pursuant to this Agreement except from Service Payments to be collected for deposit into the TIF Fund, which Service Payments are in the process of collection. No City expenditures will be required in 2026. This certificate is given in compliance with Ohio Revised Code Sections 5705.41 et seq.

Dated: _____, 2026

_____

Director of Finance
City of Middleburg Heights,
Cuyahoga County, Ohio

EXHIBIT A

DEPICTION OF THE PROJECT AREA

Tax year 2026 Cuyahoga County parcel number 372-29-005.

EXHIBIT B

DESCRIPTION OF DEVELOPER IMPROVEMENTS

The Developer Improvements include, but are not limited to, any or all of the following improvements and all related costs of permanent improvements (including, but not limited to, those costs listed in R.C. Section 133.15(B)):

Construction and development of new retail structures and improvements and renovation of existing retail structures and improvements in the Project Area and all related improvements and appurtenances.

EXHIBIT C

DESCRIPTION OF CITY IMPROVEMENTS

The City Improvements include, but are not limited to, any or all of the following improvements that will benefit the Project Area and all related costs of permanent improvements (including, but not limited to, those costs listed in R.C. Section 133.15(B)):

- Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of, highways, streets, intersections, bridges (both roadway and pedestrian), sidewalks, bikeways, medians and viaducts accessible to and serving the public that benefit the Project Area, and providing signage (including traffic signage and informational/promotional signage), lighting systems, signalization, and traffic controls, and all other appurtenances thereto

- Construction, reconstruction, extension, opening, improving, widening, grading, draining or curbing of walking and/or multipurpose paths that benefit the Project Area.

- Construction, reconstruction or installation of public utility improvements (including any underground municipally owned utilities), storm and sanitary sewers (including necessary site grading therefor), water and fire protection systems, including, but not limited to, tap, capacity and connection improvements for accessing the water, storm and sanitary sewers, or fire protection systems, that benefit the Project Area, and all appurtenances thereto.

- Construction, reconstruction or installation of gas, electric and communication service facilities (including any underground lines or other facilities) that benefit the Project Area, and all appurtenances thereto.

- Construction, reconstruction and installation of stormwater and flood remediation projects and facilities that benefit the Project Area, including such projects and facilities on private property when determined to be necessary for public health, safety and welfare.

- Continued and ongoing maintenance, paving, repaving, striping, grading and related work on roads, highways, streets, water and sewer lines constructed as part of the City Improvements.

- Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, scenic fencing, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements that benefit the Project Area, together with all appurtenances thereto, including, but not limited to streetscape improvements in conjunction with and along the roadway improvements described above.

- Acquisition of real estate or interests in real estate (including easements) (a) necessary to accomplish any of the foregoing City Improvements or (b) in aid of industry, commerce,

distribution or research, including, but not limited to, any acquisition of land in connection with the City's taking title to any City Improvements.

EXHIBIT D

FORM OF WRITTEN REQUISITION

No.___

(For Costs of Developer Improvements)

To: City of Middleburg Heights, Ohio

Attention: _____, _____

Subject: Written Requisition for Developer Improvements pursuant to the terms of the Tax Increment Financing Agreement dated _____ __, 2026 (the "Agreement"), by and between the City of Middleburg Heights, Ohio, and _____ (the "*Developer*").

You are hereby requested to approve the amount of $_____as Costs of the Developer Improvements for the purposes set forth in Item I attached hereto. Unless otherwise defined herein, all capitalized terms set forth but not defined in this Written Requisition have the respective meanings assigned to them in the Agreement.

The undersigned authorized representative of the Developer does hereby certify on behalf of the Developer that:

(a) I have read the Agreement and definitions relating thereto and have reviewed appropriate records and documents relating to the matters covered by this Written Requisition;

(b) The disbursement herein requested is for an obligation properly incurred, is a proper charge as Costs of the Developer Improvements (as defined in the Agreement), and has not been the basis of any previous reimbursement request;

(c) The Developer is in material compliance with all provisions and requirements of the Agreement;

(d) The reimbursement requested hereby does not include any amount which is being retained under any holdbacks or retainages provided for in any applicable agreement;

(e) The Developer is either (i) not aware of any unpaid account claim from any subcontractor, material supplier or laborer who has performed labor or work or has furnished materials for the Developer for which reimbursement is requested pursuant to this Written Requisition; or (ii) has provided security discharging any known unpaid account claims.

EXECUTED this____day of_____, 20__.

By:_____

Printed:_____

Title:

ITEM I

Requisition No._____for the Developer Improvements

Pay to_____

Amount $_____

For Account of:
Account Number:
Wiring Instructions:

For the purpose of reimbursing the following payments previously paid by the Developer for the Developer Improvements:

Name of Vendor	Service Rendered	Time Period	Cost of Service Rendered
1.			
2.			