

PRE-ANNEXATION AGREEMENT

THIS PRE-ANNEXATION AGREEMENT (the "Agreement") is made and entered into this 14th day of September, 2026, by and between, the Village of Batavia, an Ohio municipal corporation (the "Village"), Wedge Development, Inc., an Ohio corporation (the "Owner") and Hal Homes, Inc., an Ohio corporation ("Hal Homes"), under the following circumstances:

WHEREAS, Hal Homes has entered into a contract to acquire fee title to approximately 101.9 acres of land located in Batavia Township, Clermont County, Ohio, bearing the Clermont County Auditor Parcel Identification numbers 012011B090, 012011B024, 012011B105 and 012011B088 as more particularly described on Exhibit A attached hereto and made a part hereof (the "Property"); and

WHEREAS, Hal Homes intends to develop the property as a residential housing development, multi-family housing development, and commercial development (the "Project") as depicted on Exhibit B attached hereto and made a part hereof; and

WHEREAS, Hal Homes, with the consent of the owner of the Property, Wedge Development Inc., (the "Owner") as provided herein, desires to annex the Property into the Village in order to obtain the Village's assistance in the development of the Property and the provision of municipal services; and

WHEREAS, Hal Homes and the Village desire to cooperate on the successful installation of certain public infrastructure improvements necessary for the development of the Property and Project; and

WHEREAS, execution of this Agreement has been authorized by Ordinance No. 1579-26 passed by the Village Council on 9/14/26.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Hal Homes and the Village hereby agree as follows:

1. Annexation.

- (a) Keating Muething & Klekamp PLL ("Agent"), shall be named as agent for the petitioners (in accordance with the requirements of Ohio Revised Code ("ORC") Section 709.021), and will prepare and file the necessary annexation petition executed by the Owner, with accompanying map or plat, with the Clermont County Board of County Commissioners ("Commissioners") within 90 days after the execution of this Agreement. The Owner agrees to sign the annexation petition prepared by Agent and approved by Hal Homes. Hal Homes shall be responsible for the costs related to the preparation, filing, and prosecution of the annexation petition and annexation proceedings.
- (b) The annexation petition shall be filed as an "Expedited Type 2" annexation as provided in ORC Section 709.023. Hal Homes and Owner will cooperate

and provide any information necessary to the Commissioners for their review of the annexation, as required by ORC 709.023.

- (c) The Village acknowledges its intent to pass a services resolution and any necessary supporting resolutions as required by ORC 709.023(C) within 20 days of the date of filing of the annexation petition with the Commissioners. Under the services resolution, the Village will make available to the Property all municipal services available to other parts of the Village, including fire and police protection, emergency medical services, municipal water supply, sanitary sewer, zoning, and street maintenance services, which services will be available to the Property, once annexed, and will include a statement of incompatible land uses and any zoning buffer as required by ORC 709.023(C).
- (d) Should the annexation petition be granted by the Commissioners, the Owner, Hal Homes, and the Village agree to further process and complete the annexation as provided by law, subject to the terms of this Agreement.
- (e) In the event that upon annexation of the Property, Wedge Development Inc., and Hal Homes have failed to close on the conveyance of the Property, the Village agrees to execute a petition to detach the Property from its jurisdiction, upon the written request of Wedge Development Inc., and to cooperate on other matters necessary to finalize such detachment in accordance with the procedures provided in Chapter 709 of the ORC.

2. Zoning.

- (a) Upon annexation the Property will be subject to the Village's zoning jurisdiction. The parties acknowledge that Hal Homes' proposed use will require a rezoning of the Property. Contemporaneous with the filing of the annexation petition, Hal Homes intends to apply for a rezoning of the Property to a classification, or classifications, as necessary for the Project (the "Zoning Application").
- (b) The Village hereby agrees to receive and process the Zoning Application, and other ancillary approvals, on a concurrent timeline with the annexation process, such that all zoning and other approvals shall be considered during the statutory wait period for the final annexation, in accordance with the applicable provisions of the Village's zoning ordinance.
- (c) The Village recognizes that if the Commissioners grant the annexation, once the annexation proceedings are placed before the Village Council, the Village has 120 days to accept or reject the annexation. The Village agrees that it will not accept the annexation of the Property unless and until it is prepared to contemporaneously rezone the Property through the requisite planning and zoning process in conformity with the Zoning Application. If the contemplated rezoning of the Property cannot be accomplished and/or

if such rezoning is submitted to referendum or otherwise defeated for any reason, or if the other conditions of this Agreement cannot be met as acceptable to Hal Homes, the Village agrees that, upon written request of Hal Homes, it will not proceed with the annexation of the Property. The Village further agrees, to the extent possible, to adopt the necessary ordinance(s) and/or resolutions to accept the annexation of the Property and to approve the contemplated rezoning of the Property concurrently, with the goal of deciding both issues at the same Village Council meeting. In the event that the Property is annexed, but the Property is then not rezoned in accordance with the Zoning Application, or if the proposed rezoning is rejected upon referendum, the Village agrees to execute a petition to detach the Property from its jurisdiction, upon written request of Hal Homes, and to cooperate on other matters necessary to finalize such detachment in accordance with the procedures provided in ORC Chapter 709. The determination with respect to reasonable and acceptable terms related to the sale and issuance of said bonds, including rate, costs, and conditions shall be made solely by the Village.

- (d) A provision from Hal Homes to establish a Home Owners' Association (an "HOA") or some similar mechanism to pay for the installation of at least one (1) Flock Camera (or other similar company as chosen by the Village) and pay for the continuing annual service fee, so long as the Village participates in a contract for Flock Camera or some other similar company.

3. Public Infrastructure Improvements. Following the submission of the annexation petition as described in Section 1 hereof, the parties will cooperate on the development of a plan of finance necessary for the financing of the installation of public infrastructure improvements for the Property, including, specifically, right-of-way improvements, as more particularly described on Exhibit C attached hereto and made a part hereof (the "Public Infrastructure Improvements"). The plan of finance agreed upon by the parties will be memorialized in a separate development agreement, or similar instrument (the "Development Agreement"). The Development Agreement shall include, among other customary terms, the following provisions:

- (a) A description of the Public Infrastructure Improvements to be installed by Hal Homes,
- (b) A budget and schedule of costs for the Public Infrastructure Improvements,
- (c) A timeline outlining the installation of the Public Infrastructure Improvements,
- (d) A provision for the financing of the costs associated with the installation of the Public Infrastructure Improvements by the Village through the use of Tax Increment Finance Service Payments generated from the Project, whether by reimbursement of Hal Homes or through the issuance of Tax Increment Financing Revenue bonds.

In the event that upon annexation of the Property, the parties have not agreed upon a plan of finance memorialized in a Development Agreement, the Village agrees to execute a petition to detach the Property from its jurisdiction, upon the written request of Hal Homes and to cooperate on other matters necessary to finalize such detachment in accordance with the procedures provided in Chapter 709 of the ORC.

4. Tax Increment Financing.

- (a) The Village acknowledges that the installation of the Public Infrastructure Improvements will directly or indirectly benefit the Property.
- (b) The Village agrees to establish a project-based tax increment financing relating to the parcel or parcels within the Property that will contain the commercial or buildings pursuant to Section 5709.40(B) of the Ohio Revised Code (the "Commercial TIF"). The Village will agree to partially pledge the resulting Service Payments In Lieu Of Taxes, as defined in ORC 5709.40(A), to the reimbursement of Hal Homes in accordance with the terms of a Development Agreement.
- (c) In the event that upon annexation of the Property, the Village fails to pass the requisite legislation to establish the Commercial TIF, the Village agrees to execute a petition to detach the Property from its jurisdiction, upon the written request of Hal Homes and to cooperate on other matters necessary to finalize such detachment in accordance with the procedures provided in Chapter 709 of the ORC.
- (d) In alignment with Section 9 of that certain Purchase Option for Real Estate by and between Hal Homes and Wedge Development, Inc., an Ohio corporation, the Owner, and in finalizing the plan of finance for public infrastructure improvements and the corresponding Commercial TIF, Hal Homes shall cooperate with the Village to negotiate a payment in lieu of taxes ("PILOT") agreement with Batavia Local Schools to compensate for lost future property tax revenue, which PILOT agreement Wedge Development, Inc., an Ohio corporation, the Owner, shall approve prior to its execution. Finalization, approval, and execution of the PILOT agreement is a necessary prerequisite to annexation.

5. Representations and Warranties of the Village. The Village hereby represents and warrants to Hal Homes that:

- (a) The Village is a duly established and validly existing statutory municipal corporation within the State of Ohio, with all requisite power and authority to enter into this Agreement and to perform its obligations hereunder;
- (b) The Village, acting by and through its agents, has taken all such action which is necessary or appropriate to authorize the execution of this

Agreement by the person executing same and for the performance of the obligations of the Village hereunder;

- (c) This Agreement is the valid and binding act of the Village, enforceable against the Village in accordance with its terms;
- (d) There are no known circumstances existing, and no known events have occurred, which with the lapse of time or action by a third-party could result in the Village being unable to perform its obligations hereunder (including any pending or threatened legal proceedings), other than a possible action to dissolve the Village pursuant to Ohio Revised Code Sections 703.33 and 703.331;
- (e) Subject to those matters for which approval by Village Council is required by law, no other administrative consents, approvals or other documents provided herein or otherwise to be given by the Village shall be unreasonably withheld, conditioned, or delayed; provided Hal Homes has complied with building code requirements and deadlines for said approval;
- (f) No fact or condition exists that would result in the termination or impairment of current or future access to the Property from adjoining public or private streets or ways that could result in discontinuation of necessary sewer, water, gas, electric, telephone, or other utility services.

6. Notice. All notices, requests, consents, approvals, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be deemed to have been duly given when (a) delivered personally or (b) three (3) business days after deposit in the United States Mail, postage prepaid, by certified mail, return receipt requested, or (c) delivered by e-mail or facsimile telephone transmission, if given below, or later provided, addressed as follows or to such other person or address as either party shall designate by notice to the other party given in accordance herewith:

Hal Homes, Inc.: Harold R. Silverman, President
9545 Kenwood Road
Suite 401
Cincinnati, OH 45242

with a copy to: Richard C. Spoor Esq.
One East Fourth Street
Suite 1400
Cincinnati, OH 45202
rcspoor@kmklaw.com

The Village: Village of Batavia, Ohio
389 East Main Street
Batavia, Ohio 45103
Attention: Administrator

administrator@bataviavillage.org

with a copy to: Christopher L. Moore
Schroeder, Maundril, Barbieri & Powers
5300 Socialville-Foster Road, Suite 200
Mason, Ohio 45040
cmoore@smbplaw.com

the Owner: Wedge Development, Inc.
934 ½ B State Route 28
Milford, OH 45150
ATTN: Carol J. Duval, President
Albert G. Jacobs
duval@windstream.net
albrjacobs1@aol.com

with a copy to: Keith & Associates, PLLC
ATTN: R. Frederick Keith, Esq. and
Patrick S. Reagan, Esq.
715 Bakewell Street
Covington, KY 41011
(859) 261-6800
rkeith@keithlawyers.com
preagan@keithlawyers.com

7. Waiver. The failure of any party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of any right hereunder, nor shall it deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be made in writing.

8. Execution. Neither this Agreement nor any subsequent agreement amending or supplementing this Agreement shall be binding on the parties unless and until it has been signed on their behalf by a duly authorized representative. Commencement of performance hereunder or under any subsequent agreement shall not constitute a waiver of this requirement. As used herein, the term "Agreement" shall mean this Agreement and any Exhibits hereto. This Agreement may be executed in one or more counterparts by either party hereto and by all parties hereto in separate counterparts, each of which, when so executed and delivered to the other parties, shall be deemed an original. All such counterparts together shall constitute one and the same instrument.

9. Severability. If any provision of this Agreement should be or become fully or partly invalid or unenforceable for any reason whatsoever or violate any applicable law, this Agreement is to be considered divisible as to such provision and such provision is to be deleted from this Agreement, and the remainder of this Agreement shall be deemed valid and binding as if such provision were not included herein. There shall be substituted for any such provision deemed to be deleted a suitable provision which, as far as is legally possible, comes nearest to what the parties

desired or would have desired according to the sense and purpose of this Agreement had this point been considered when concluding this Agreement.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. The parties hereto further agree that any action, suit or proceeding in respect of or arising out of this Agreement, its validity or performance shall be initiated and prosecuted as to all parties and their heirs, successors and assigns and consent to and submit to the exercise of jurisdiction over its person by any court situated therein having jurisdiction over the subject matter.

11. Relationship of the Parties. Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the parties hereto shall be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association between any of the parties to this Agreement.

12. No Third Party Beneficiary. Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the Village and Hal Homes, any lender providing financing to Hal Homes and its successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

13. Time is of the Essence. Time is of the essence for all matters in this Agreement and each party shall diligently pursue and complete its obligations hereunder.

14. Force Majeure. Neither party shall be in default in the performance of any obligation on such party's part to be performed under this Agreement, other than an obligation requiring payment of a sum of money, if and so long as the non-performance of such obligation shall be directly caused by labor disputes, lockouts, acts of God, enemy action, civil commotion, riot, and conditions that could not have been reasonably foreseen by the claiming party.

15. Approvals. Unless otherwise stated herein, whenever a party to this Agreement is required to consent to, or approve an action by the other party or to approve any such action taken by another party, such approval or consent shall be given or withheld within ten (10) business days and shall not be unreasonably withheld, conditioned or delayed.

16. Binding Effect. This Agreement and all of the provisions herein shall run with the land and shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

17. Entire Agreement, Modification. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter set forth herein and supersedes any and all other agreements, oral or written. No modification, amendment, or alteration of this Agreement shall be valid unless in writing and duly executed by all parties hereto.

18. Joinder of Owner. The Owner joins in the execution of this Agreement to signify Owner's consent to the terms and conditions hereof and to acknowledge the Owner's agreement

to sign the annexation petition and to perform the other actions and obligations of the Owner as contemplated by this Agreement.

19. Assignment. Hal Homes shall not assign this Agreement, nor assign or transfer any of its rights, duties, obligations, or privileges under this Agreement, to any other developer, person, or entity without the express written consent of the Village, which consent shall not be unreasonably withheld.

Remainder of Page Intentionally Left Blank.

Signature Page to Follow.

The foregoing instrument was executed on this 14TH day of SEPTEMBER
2026.

HAL HOMES, INC.,
an Ohio corporation

By: Harold R. Silverman 8/25/26
Harold R. Silverman, President

OWNER:
Wedge Development, Inc.,
an Ohio corporation

By: Carol J. Duval 9/3/26
Carol J. Duval, President

THE VILLAGE:

VILLAGE OF BATAVIA, OHIO,
an Ohio municipal corporation

By: Chip Stewart
Name: CHIP STEWART
Title: VILLAGE ADMINISTRATOR

Approved as to form:

[Signature]
Name: Chip Stewart
Title: Solicitor
Date: 9/14/26

Village Clerk:

F. Justin Russell
Name: F. JUSTIN RUSSELL
Title: FISCAL OFFICER
Date: 9/14/26

EXHIBIT A

**Description of the Property
to be Annexed**

Date: June 26, 2026
Description: 104.7036 Acres to be Annexed
Location: Batavia Township
Clermont County, Ohio



Situated in Gray's Military Survey No. 1242 & No. 1116, Batavia Township, Clermont County, Ohio and being part of Herold Road (RW Varies) and being part of Old State Route 32 (RW Varies) and being all of Wedge Development, Inc., as recorded in Official Record 220, Page 736, and being all of Wedge Development, Inc. as recorded in Official Record 220, Page 744, being all of Wedge Development, Inc. as recorded in Official Record 834, Page 408 and Official Record 494, Page 443, and being all of Wedge Development, Inc. as recorded in Official Record 233, Page 862 of the Clermont County Recorder's Office, containing 104.7036 acres of land and being further described as follows:

Beginning at a set iron pin at the intersection of the northerly corner of Carriage Run Subdivision as recorded in Plat Cabinet 7, page 144 and the southwesterly right of way of State Route 32 (RW Varies), said pin being the **True Point of Beginning**;

thence, from the **True Point of Beginning**, departing the southwesterly right of way of said State Route 32 and with the northwesterly line of said Carriage Run Subdivision the following two courses: South 49° 45' 06" West, 1901.33 feet to a set iron pin;

thence, South 34° 46' 37" West, passing a set iron pin at 563.03 feet, a total distance of 603.13 feet to the centerline of said Old State Route 32;

thence, departing said Carriage Run Subdivision and with the centerline of said Old State Route 32 the following six courses: North 59° 10' 18" West, 469.00 feet;

thence, North 63° 21' 20" West, 164.34 feet;

thence, North 63° 21' 20" West, 392.83 feet;

thence, North 63° 48' 19" West, 555.07 feet;

thence, North 63° 48' 20" West, 502.14 feet;

thence, North 66° 06' 20" West, 285.50 feet to the centerline of said Herold Road;

thence, departing the centerline of said Old State Route 32 and with the centerline of said Herold Road three courses: North 55° 06' 40" East, 588.96 feet;

thence, North 54° 38' 51" East, 124.95 feet;

thence, North 55° 30' 44" East, 1203.28 feet;

thence, departing the centerline of said Herold Road, South 34° 36' 10" East, 69.19 feet to a found 5/8" iron pin, flush with no cap on the easterly right of way of said Herold Road;

thence, with the westerly limited access right of way of said Herold Road the following three courses: North 59° 46' 41" East, 215.42 feet to a found 5/8" iron pin, 0.2 feet underground with no cap;

thence, North 83° 31' 02" East, 166.03 feet to a set iron pin;

thence, North 57° 25' 41" East, 240.20 feet to a set iron pin on the southwesterly limited access right of way of said State Route 32;

thence, departing the easterly limited access right of way of said Herold Road and with the southwesterly limited access right of way of State Route 32 the following two courses: South 70° 43' 35" East, 1251.23 feet to a set iron pin;

thence, South 67° 51' 50" East, 599.03 feet to the **True Point of Beginning**, containing 104.7036 acres of land, more or less, and being subject to all easements, legal highways, restrictions and rights of way of record.

Bearings are based upon NAD83 (2011) State Plane coordinates, Ohio South Zone 3402.

All set iron pins are 5/8" diameter x 30" long and capped 'BAYER BECKER'.

The above description is the result of a field survey by Bayer Becker under the direction of Thomas M. Edwards Professional Surveyor #8941 in the State of Ohio.

EXHIBIT B

Concept Plan

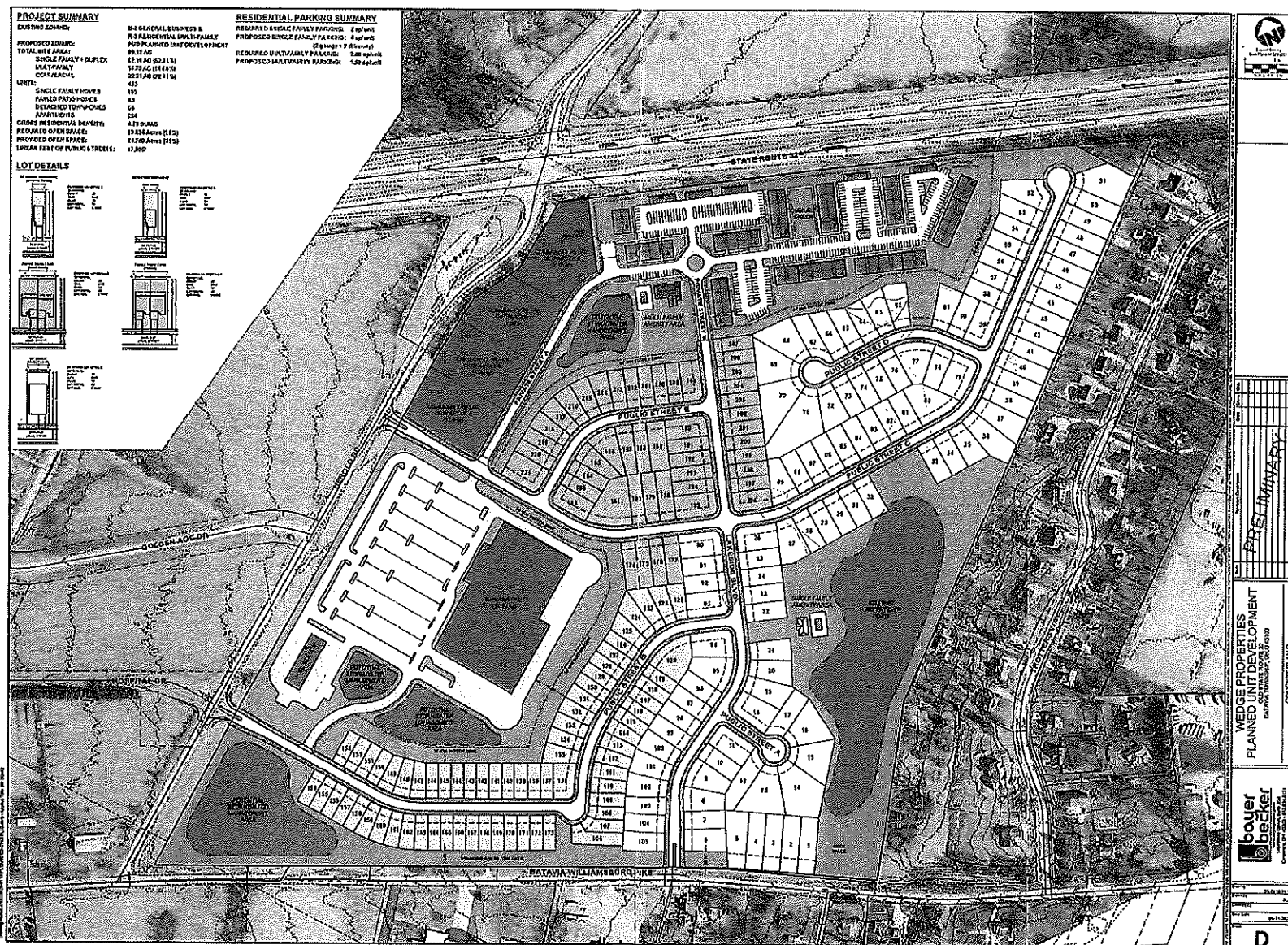


EXHIBIT C

Public Infrastructure Improvements

The Public Infrastructure Improvements are anticipated to cost approximately \$3,000,000 and consist generally of acquiring and constructing a combination of the infrastructure described below:

- Construction, reconstruction, maintenance, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, bridges (both roadway and pedestrian), traffic calming devices, sidewalks, bikeways, medians and viaducts accessible to and serving the public, and providing lighting systems, signalization, and traffic controls, and all other appurtenances thereto;
- Construction, reconstruction, installation, or maintenance of utility improvements (including any underground utilities), storm and sanitary sewers (including necessary site grading therefore), water lines, water and fire protection systems, and all other appurtenances thereto;
- Construction, reconstruction or installation of gas, electric, and communication service facilities, and all other appurtenances thereto;
- Construction or installation of streetscape and landscape improvements including trees and shrubs, landscaping mounds and fencing, tree grates, planting beds, signage, curbs, sidewalks, street and sidewalk lighting, irrigation, burial of overhead utility lines and related improvements, and all other appurtenances thereto;
- Construction of one or more public parking facilities, including public surface parking and public parking structures and related improvements, and all other appurtenances thereto;
- Acquisition of real estate or interests in real estate (including easements) necessary to accomplish the foregoing improvements;
- Environmental remediation;
- Any on-going administrative expenses relating to the Public Infrastructure Improvements and maintaining the TIF revenue, including but not limited to engineering, architectural, legal, TIF administration, permitting and public infrastructure construction management, and other consulting and professional services; and
- All inspection fees and other governmental fees related to the foregoing.

The Public Infrastructure Improvements specifically include the costs of financing the Public Infrastructure Improvements, including the items of "costs of permanent improvements" set forth in Ohio Revised Code Section 133.15(B).