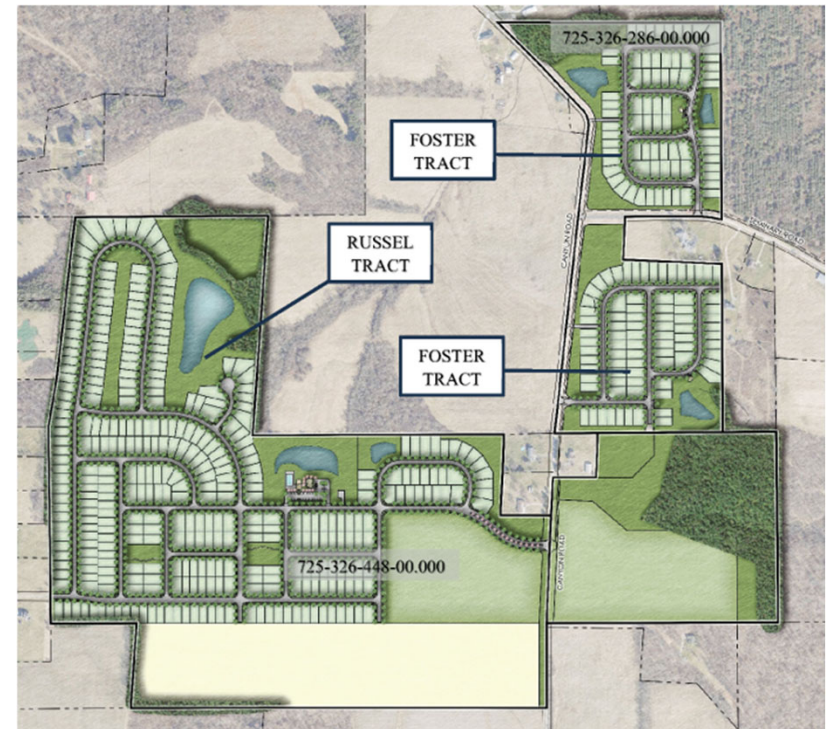




**M/I Homes —
Russell & Foster Parcels / Heath Hills**

Development Agreement Summary

City of Heath Community Development & Zoning Committee Meeting
July 13, 2026



Development site depiction from Exhibit A-1



Parties, purpose, and term

Core parties and the public-purpose framework.

Parties

City of Heath, Ohio and **M/I Homes of Central Ohio LLC**.

Overall purpose

Cooperation to facilitate land dedication, construction of certain Public Improvements, creation of financing incentives, and related purposes stated in the agreement.

Term

Agreement remains effective until the parties have satisfied their respective obligations, unless sooner terminated under the agreement.



Development program

Main residential development parameters.

Agreement controls

- Developer is under contract to purchase 212.61± acres identified as Subareas A and B.
- Development is expected to include approximately 504 single-family residential parcels, each with a minimum lot size of 7,145 sq. ft.
- Other development areas identified as Subareas C through F are anticipated to be owned and developed by others.
- The agreement caps homes on the site at 504 except as provided in the agreement.

max 504 homes

min 7,145 sq. ft. lots

212.61± acres

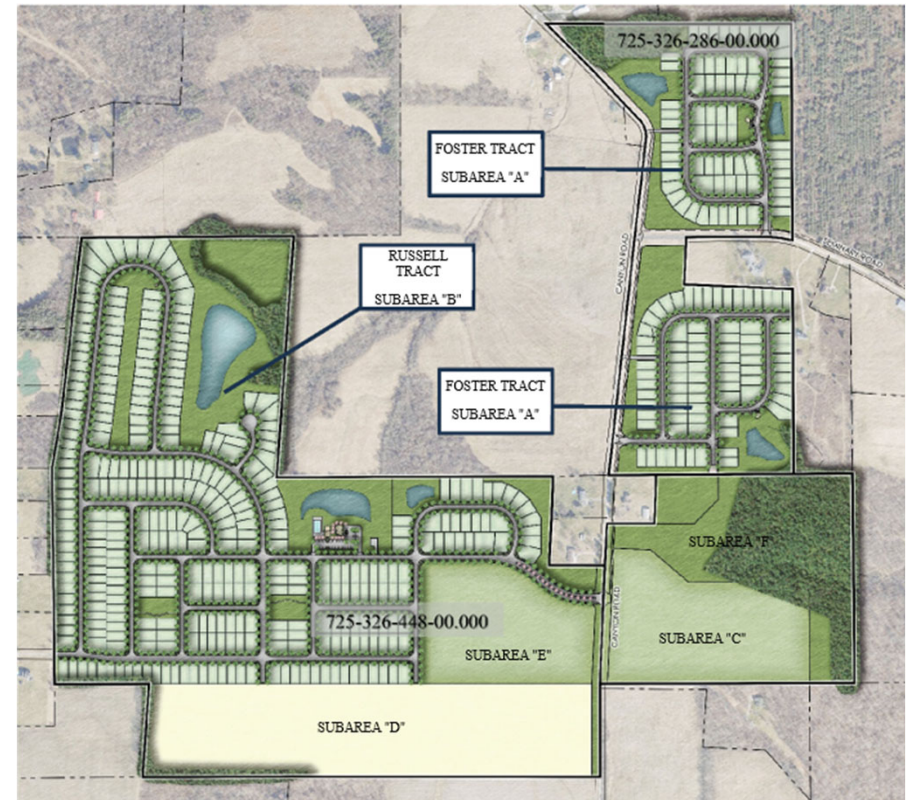
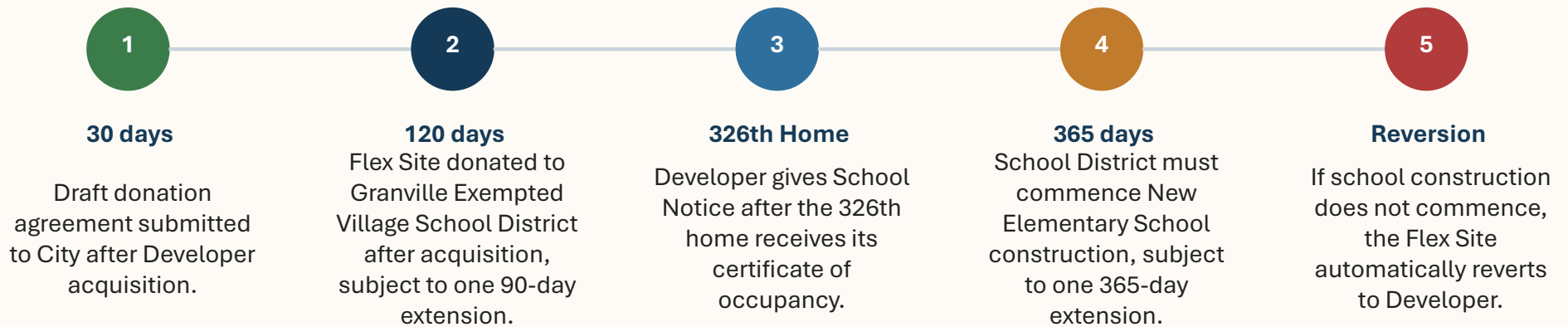


Exhibit A-1: Development Site Depiction



Flex Site: school donation path

17.1± acres may become an elementary school site or revert for residential development.



If school site is not used

The Flex Site may be developed for single-family residential uses under the same standards as the other residential property, with a maximum of 42 single-family dwellings.



Traffic, roadway and right-of-way commitments

Developer-built roadways; City accepts dedicated right-of-way/plats or deeds.



Exhibit D: Depiction of ROW

Roadway Improvements

- Traffic Study prepared by EMH&T addresses impacts on City roadways.
- Developer is responsible for widening and other improvements to Canyon Road and Seminary Road as described in the agreement.
- Intersection of Seminary Road and Canyon Road is improved with a three-way stop rather than turn lanes. Right-of-Way for potential roundabout conveyed to City.
- Initial Roadway Improvements due by the first anniversary of the first certificate of occupancy for any single-family home; Phase 3 triggers further Canyon Road widening to the northern corporate limit.
- Until completion and acceptance, Developer maintains existing City roads subject to those improvements.

Developer sole cost for
Roadway Improvements

City approval of
ROW transfer



Parkland Dedication and Public Improvements

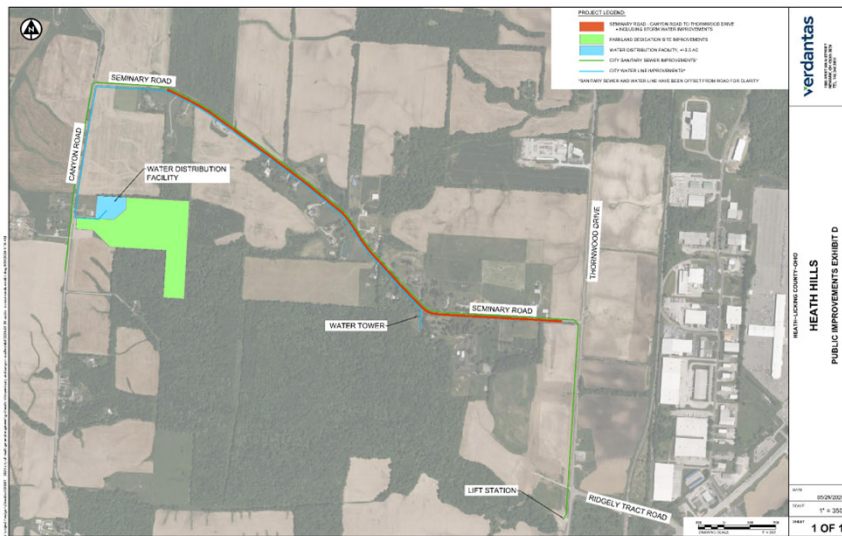


Exhibit E: Public Improvements

Parkland dedication

Developer conveys the Parkland Dedication Site to the City at no cost after required approvals, subject to Phase 1 ESA review and potential fee-in-lieu if environmental issues prevent acceptance.

Public Improvements

Water utility system improvements; sanitary sewer system improvements; Seminary Road improvements from Thornwood Drive to the eastern edge of the Development Site, including stormwater; and Parkland Dedication Site improvements.

City Constructs Public Improvements

City constructs, installs, and maintains listed Public Improvements. Design begins within 90 days of execution, with construction completion targeted within 18 months after commencement of each component, subject to delays and scope changes.



Utility capacity prepayment mechanics

Single-family lots prepay water and sanitary sewer capacity fees in installments.

Amount / base

\$11,120 per single-family residential lot; applies only to single-family lots approved in the Preliminary Plan.

1st installment

Monthly payment of third-party design/engineering invoices, capped at 25% of total water/sanitary capacity fees unless purchase contract terminates before construction contracts are executed.

2nd installment

Due within 15 days after City notice that construction contracts are executed; formula true-ups any underpayment below the first 25%.

Later installments

Two additional 25% installments due by the next two anniversaries of the second installment date.

Rate certainty / allocation

As long as Developer complies with the agreement, the Utility Capacity Prepayment is not increased. City allocates received amounts to water/wastewater system improvements benefiting the Development Site as determined by the Mayor and Public Utilities Director.



Financing incentives: TIF and NCA

Revenue framework to support infrastructure and school-related payments.

TIF Districts

City will create one or more TIF districts over the Development Site as a condition precedent. TIF exemption is 100% of Improvements for 30 years, with school compensation payments equal to 100% of school real property taxes.

NCA Addition

Developer petitions to add the Development Site to the Heath Community Authority and records a Declaration within 60 days after Council approval. Annual NCA Millage Charge may not exceed **7.5 mills**.

Service Payments

Developer and successors make service payments in lieu of taxes in the same amount as real property taxes that would have been due on Improvements, deposited into TIF Funds. Allocation of Service Payments for any lawful purpose.

Additional School Payments

Intent is for additional School District payments equal to **2.25 mills** for 20 years from each parcel's first NCA collection year, plus **1 mill** for 15 years if the New Elementary School opens within agreement timeframes.



Risk controls and enforcement

Default, cure, remedies, delay, and liability provisions.

Default triggers

- Developer failure to pay Service Payments within 30 days of due date, excluding homeowner/non-Developer successor failures.
- Materially false or misleading representations/warranties.
- Receiver/trustee petition, general assignment for creditors, insolvency proceeding, or material failure by either party to perform or observe obligations.

Cure and remedies

- 30-day cure period after written notice; if not curable within 30 days, defaulting party must explain and propose an alternative timeframe.
- Remedies include termination, specific performance, and other legal/equitable remedies to collect amounts due or enforce obligations.
- Unforeseeable delay extends performance but excludes lack of funds.

Indemnification

Developer indemnifies City officials/employees for liabilities caused by Developer actions/failures, failure to satisfy obligations, fraud/misapplication/illegal acts/willful misconduct, or bankruptcy/insolvency, subject to Excluded Liabilities.



Discussion