

EXHIBIT "A"

**JACKSON RIDGE**  
**PUBLIC IMPROVEMENT DISTRICT**  
**SERVICE AND ASSESSMENT PLAN**

NOVEMBER 17, 2015

## **JACKSON RIDGE PUBLIC IMPROVEMENT DISTRICT**

### **SERVICE AND ASSESSMENT PLAN**

#### **Table of Contents**

Section I	Plan Description and Defined Terms	1
Section II	Property Included in the PID	8
Section III	Description of Authorized Improvements	9
Section IV	Service Plan	15
Section V	Assessment Plan	22
Section VI	Terms of the Assessments	30
Section VII	Assessment Roll	35
Section VIII	Miscellaneous Provisions	37

#### **List of Appendix**

Appendix A	The PID Map
Appendix B	Estimated Costs of the Authorized Improvements
Appendix C	Diagrams of the Authorized Improvements
Appendix D	Lot Types and Equivalent Units
Appendix E	Allocation of Assessments
Appendix F	Phases #2–3 Major Improvement Assessment Roll
Appendix G	Phase #1 Assessment Roll

## **Section I**

### **PLAN DESCRIPTION AND DEFINED TERMS**

#### **A. Introduction**

On June 25, 2015 (the "Creation Date") the City Council of the City of Aubrey, Texas (the "City") passed and approved Resolution No. 709-15 approving and authorizing the creation of the Jackson Ridge Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in the PID (the "Authorized Improvements"), all of which is located within the City of Aubrey.

The property in the PID is proposed to be developed in approximately three phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on all property in the PID for the public improvements that benefit the entire PID and on the property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the "PID Act"), governs the creation and operation of public improvement districts within the State of Texas. The Jackson Ridge Public Improvement District Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan is described in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act requires that "an assessment plan must be included in the annual service plan." The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that "the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Rolls for the PID are included as Appendix F and G of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

## **B. Definitions**

Capitalized terms used herein shall have the meanings ascribed to them as follows:

**“Actual Cost(s)”** means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment or payments that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

**“Administrator”** means the employee or designee of the City, identified in any indenture of trust relating to the Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

**“Administrative Expenses”** mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include

payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

**“Annual Installment”** means, with respect to each Parcel, each annual payment of: (i) the Assessments, as shown on the Assessment Rolls attached hereto as Appendix F and Appendix G, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the prepayment reserve described in Section IV of this Service and Assessment Plan, and (iii) the delinquency reserve described in Section V of this Service and Assessment Plan.

**“Annual Service Plan Update”** has the meaning set forth in the second paragraph of Section IV of this Service and Assessment Plan.

**“Assessed Property”** means any property that benefits from the Authorized Improvements within the PID on which Assessments have been imposed as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

**“Assessment”** means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years and includes the Assessments including those collected to pay Administrative Expenses and interest on all Assessments.

**“Assessment Ordinance”** means an Assessment Ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

**“Assessment Revenues”** mean the revenues actually received by or on behalf of the City from the collection of Assessments.

**“Assessment Roll(s)”** means, as applicable, the Phases #2 – 3 Assessment Roll, the Phase #1 Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

**“Authorized Improvements”** mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

**“Authorized Improvement Costs”** mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements, as shown in Appendix B.

**“Bonds”** mean any bonds issued by the City in one or more series and secured in whole or in part by the Assessment Revenues.

**“Budgeted Cost(s)”** means the estimated costs to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

**“Certification for Payment”** means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements, which may be in segments or sections.

**“City”** means the City of Aubrey, Texas.

**“City Council”** means the duly elected governing body of the City.

**“County”** means Denton County, Texas.

**“Delinquent Collection Costs”** mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

**“Developer”** means CADG Comanche 248, LLC., a Texas limited liability company.

**“Development Agreement”** means that certain "Jackson Ridge Development Agreement," executed by and between CADG Comanche 248, L.L.C., Comanche Ridge 52 Partners, Ltd. and the City of Aubrey effective May 27, 2015 and recorded on July 15, 2015 in the Official Records of Denton County, Texas under assigned Instrument No. 2015-79355.

**“Equivalent Units”** mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix D attached hereto.

**“Future Phases”** means Phases that are fully developed after Phase #1, as such areas are generally depicted in Appendix A. The Future Phases are subject to adjustment and are shown for illustration purpose only.

**“Homeowner Association Property”** means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a home owners’ association established for the benefit of property owners within the PID.

**“Lot”** means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Denton County, Texas.

**“Lot Type”** means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated final average home value for each lot as of the date of the recorded subdivision plat, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the

Administrator and confirmed by the City Council.

**“Lot type 1”** means lots identified as such on the Assessment Roll, being lots with approximately 7,200 square feet size and a lot width of 60 feet, which may be referred to as such in the development standards included as Exhibit F to the Development Agreement dates as of May 27, 2015.

**“Lot type 2”** means lots identified as such on the Assessment Roll, being lots with approximately 6,000 square feet size and a lot width of 50 feet, which may be referred to as such in development standards included as Exhibit F to the Development Agreement dates as of May 27, 2015..

**“Major Improvements” or “MI”** mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

**“Non-Benefited Property”** means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI. E. 1.

**“Parcel” or “Parcels”** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Denton Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the official public records for real property in Denton County.

**“Phase”** means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

**“Phase #1”** means the initial Phase to be developed within the PID, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

**“Phase #1 Assessed Property”** means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Improvements is levied.

**“Phases #1 Assessment Revenues”** mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

**“Phase #1 Assessment Roll”** means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

**"Phase #1 Bonds"** mean collectively the Phase #1A Bonds and the Phase #1B Bonds, if any, to be issued by the City to finance the Phase #1 Improvements.

**"Phase #1 Improvements"** mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Authorized Improvements which only benefit Phase #1 Assessed Property and are described in Section III.C.

**"Phased PID Bonds"** mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels located within the Phase in question.

**"Phases #2 - 3"** mean the property within the PID, excluding Phase #1, which is to be developed subsequent to Phase #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

**"Phases #2 - 3 Assessed Property"** means, for any year, all Parcels within the PID other than (a) Non-Benefited Property, and (b) Parcels within Phase #1.

**"Phases #2 - 3 Major Improvements"** mean (i) the pro rata portion of the Major Improvements allocable to Phases #2 - 3 and are described in Section III.C.

**"Phases #2 - 3 Major Improvement Assessment Revenues"** mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Phases #2 - 3 Assessed Property, or the Annual Installments thereof, for the Major Improvements.

**"Phases #2 - 3 Major Improvement Assessment Roll"** means the document included in this Service and Assessment Plan as Appendix F, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

**"Phases #2 - 3 Major Improvement Bonds"** mean those certain "City of Aubrey, Texas, Special Assessment Revenue Bonds, Series 2015 (Jackson Ridge Public Improvement District Phases #2 - 3 Major Improvement Project)" that are secured primarily by Phases #2 - 3 Major Improvement Assessment Revenues.

**"PID"** has the meaning set forth in Section I.A of this Service and Assessment Plan.

**"PID Act"** means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

**"Prepayment Costs"** mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

**"Public Property"** means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

**“Reimbursement Agreement”** means each Reimbursement Agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Authorized Improvements and the City agrees to reimburse the Developer for the Actual Costs of those Authorized Improvements funded by the Developer with interest as permitted by the Act.

**“Service and Assessment Plan”** means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

**“TIRZ No. ”** means the Tax Increment Reinvestment Zone No. 1, City of Aubrey, Texas.

**“TIRZ Credit”** means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to Section VI (B) of this Service and Assessment Plan.

**“TIRZ Ordinance”** means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. Project Plan and Financing Plan (including amendments or supplements thereto).

**“TIRZ Revenues”** mean, for each year, the amounts paid by the City from the TIRZ No. tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI.B of this Service and Assessment Plan.

**“Trust Indenture”** means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

**“Trustee”** means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

## **Section II**

### **PROPERTY INCLUDED IN THE PID**

#### **A. Property Included in the PID**

The PID is presently located within the City and contains approximately 421.7 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,395 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (1,395) and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

**Table II-A**  
**Proposed Development**

<b>Proposed Development Type</b>	<b>Quantity</b>	<b>Measurement</b>
Single Family Residential – 60 Feet	269	units
Single Family Residential – 50 Feet	1,126	units
<b>Total</b>	<b>1,395</b>	<b>units</b>

#### **B. Property Included in Phase #1 and Phases #2 - 3**

Phase #1 consists of approximately 107.7 acres and is projected to consist of 459 single family residential units, to be developed as Phase #1, as further described in Section III. Phases # 2 - 3 consist of approximately 314 acres and are projected to consist of approximately 936 residential units. A map of the property within Phase #1 and Phases #2 – 3 and depicting the boundaries of each proposed Phase is shown in Appendix A.

#### **C. Property Included in Future Phases**

As Phases are developed, additional Bonds will be issued for each new phase. In connection with the issuance of each new Phased PID Bonds, this Service and Assessment Plan will be updated to add additional details of each new Phase(s) as shown for Phase #1 in Section II.B. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix F and Appendix G.

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

### **Section III**

#### **DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS**

##### **A. Authorized Improvement Overview**

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

##### **372.003. Authorized Improvements**

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement may include:
  - (i) landscaping;
  - (ii) erection of fountains, distinctive lighting, and signs;
  - (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
  - (iv) construction or improvement of pedestrian malls;
  - (v) acquisition and installation of pieces of art;
  - (vi) acquisition, construction, or improvement of libraries;
  - (vii) acquisition, construction, or improvement of off-street parking facilities;
  - (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
  - (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
  - (x) the establishment or improvement of parks;
  - (xi) projects similar to those listed in Subdivisions (i)-(x);
  - (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
  - (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and

- (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

After analyzing the public improvement projects authorized by the PID Act, the City has determined that the Authorized Improvements as described in Appendix B and shown on the diagram included as Appendix C should be undertaken by the City for the benefit of the property within the PID.

## **B. Description of Estimated Costs of Major Improvements**

The Major Improvements, which benefit the entire PID, include Major Improvements that will be designed by the City ("City Major Improvements") and Major Improvements that will be designed and constructed by the Developer ("Other Major Improvements"). The costs of the City Major Improvements and Other Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the Equivalent Units as calculated and shown in Appendix D using the planned lot types and anticipated number of lots.

The descriptions of the City Major Improvements and the Other Major Improvements are presented below as provided by the project engineer. The costs of the City Major Improvements and Other Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

### **1 – City Major Improvements:**

The City Major Improvements include water distribution system improvements and sanitary sewer collection system improvements.

#### ***City Major Improvements - Water Distribution System Improvements:***

Water Treatment System - This project is proposed to be annexed to the City. The City will be a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wholesale treated water through a major transmission line from the UTRWD Tom Harpool water treatment plant. Therefore, there are no water treatment plant upgrades required.

There is an existing 36-inch water transmission line located along the eastern boundary of the project. The proposed off-site improvements will consist of constructing a new delivery point/meter station, a 0.5 MG Elevated Storage Tank, a 0.25 MG Ground Storage Tank, a 1.0 MGD Pump Station and approximately 3,700 linear feet of 12' water line. All of the proposed improvements will be located within the development.

Additional waterline improvements will include connection to the existing water-main, installation of associated 12" valves, fire hydrants, ductile iron fittings, erosion control, trench safety and testing. All water improvements will be constructed to City standards and specifications and all improvements will be owned and operated by the City. These improvements will benefit the entire project.

### ***City Major Improvements - Sanitary Sewer Improvements:***

Wastewater Treatment System - This project is proposed to be annexed to the City. The City will be a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a 15-inch wastewater interceptor line or other necessary wastewater facilities to receive and wastewater treatment services from the UTRWD Riverbend wastewater treatment plant. UTRWD operates the Riverbend wastewater treatment plant that has a TCEQ permit to treat up to 5 million gallons per day (MGD). The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Jackson Ridge development. UTRWD is in the process of expanding the wastewater treatment plant to up to 4 MGD.

This project consist of approximately 10,570 linear feet of 15-inch sanitary sewer gravity line generally flowing southwesterly along the Little Elm Creek or other necessary wastewater and connecting to the Riverbend WWTP.

Cutoff valves, air release valves will be constructed in accordance with City and TCEQ regulations. The 15-inch gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These improvements will benefit the entire project.

## **2 – Other Major Improvements**

The Other Major Improvements include road improvements, water distribution system improvements and sanitary sewer collection system improvements.

### ***Other Major Improvements - Road Improvements:***

The roadway portion of the project consists of approximately 5,545 linear feet of a 3-lane collector road from connecting FM 1385 to Byran Road. This will provide access off of FM 1385 into the Jackson Ridge development. In addition, left and right turn lanes will be constructed within FM 1385 to enhance traffic turning movement in and out of the development. Byran Road will also be improved for the section adjacent to the development. These improvements will be constructed to TxDOT, Denton County and City standards. These Improvements will benefit the entire project.

### ***Other Major Improvements - Water Distribution System Improvements:***

The other major waterline improvements consist of constructing approximately 4,920 linear feet of 12' water line, including associated 12' gate valves. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines.

### ***Other Major Improvements – Sanitary sewer Collection System Improvements***

This project consists of constructing approximately 6,250 linear feet of 12" gravity sewer trunk line flowing to proposed collection point located at the southwest corner of the development. This project will consist of constructing manholes, associated erosion control, trench safety and sewer line testing.

**Table III-A**  
**Estimated Major Improvement Costs**

<b>Authorized Improvements</b>	<b>Estimated City Major Improvements Costs</b>	<b>Estimated Other Major Improvements Costs</b>	<b>Total Estimated Major Improvement Costs</b>
Road improvements	\$0	\$2,963,770	\$2,963,770
Water distribution system improvements	\$3,692,625	\$237,356	\$3,929,981
Sanitary sewer collection system improvements	\$4,055,122	\$368,275	\$4,423,397
Storm sewer collection system improvements	\$0	\$0	\$0
Other soft and miscellaneous costs	\$968,016	\$591,772	\$1,559,788
Total Estimated Major Improvement Costs	\$8,715,763	\$4,161,173	\$12,876,936
Less: Proportional Share of Phase #1 (33.09%)	(\$2,884,375)	(\$1,377,089)	(\$4,261,464)
<b>Estimated Net Major Improvement Costs</b>	<b>\$5,831,388</b>	<b>\$2,784,084</b>	<b>\$8,615,472</b>

The costs shown in Table III-A are current estimates and may be revised in Annual Service Plan Updates.

### **C. Description of Estimated Costs of Phase #1 Improvements**

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #1 Improvements are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

#### ***Phase #1 - Road Improvements:***

*Residential Streets* - The roadway improvements within Phase 1 include construction of approximately 1,220 linear feet of 8" thick, 37-foot wide, concrete pavement with bar ditches (bio-swales) and 18,557 linear feet of 6" thick, 31-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. Unclassified excavation for the project will consists of 204,255 cubic yards of cut and fill. 74,304 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that will provide street access to each lot within Phase #1. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These projects will provide access to community roadways and state highways.

ROADWAY IMPROVEMENTS - PHASE 1

Phase	Unclassified Excavation (cy)	6" Concrete Pavement 31' B-B (lf)	8" Concrete Pavement 37' (lf)	Lime Stabilization (sy)
1	204,255	18,557	1,220	74,304

***Phase #1 - Water Distribution System Improvements:***

8" Water Lines – the Phase #1 waterline improvements consists of constructing approximately 17,882 linear feet of 8" water line, including associated 8" gate valves. One-inch diameter water services will be provided to each of the 459 lots within Phase #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Phase #1 and all lots within Phase #1.

WATER DISTRIBUTION SYSTEM IMPROVEMENTS - PHASE 1

Phase	8" water (lf)	Fire Hydrants	Services (ea)
1	17,882	60	459

**Sanitary Sewer Improvements:**

8" Wastewater Lines - The Phase #1 wastewater collection system improvements also include construction of 17,140 linear feet of 8" gravity sanitary sewer line that connects to the 12" gravity sewer trunk line flowing to proposed collection point located at the southwest corner of the development. Construction includes connection at multiple points through 57 concrete manholes. Services to individual lots are by 4" gravity sewer services. All lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Phase #1 and each of the 459 lots within Phase #1.

SANITARY SEWER - IMPROVEMENT AREA PHASE 1

Phase	8" SS line (lf)	Manholes	Services (ea)
1	17,140	57	459

**Storm Drainage Improvements**

The drainage portion of the Phase #1 Improvements consists of underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Phase #1 is within roadways bio-swales and underground storm drain pipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Phase #1. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of

discharge. All of the drainage areas within Phase #1 flow to the Little Elm creek which is a tributary of Lake Lewisville. This project will be constructed to City standards and specifications and will be owned and operated by the City.

**Table III-B**  
**Estimated Phase #1 Improvement Costs**

<b>Authorized Improvements</b>	<b>Phase #1 Share of Estimated City Major Improvements Costs</b>	<b>Phase #1 Share of Estimated Other Major Improvements Costs</b>	<b>Estimated Phase #1 Improvements</b>	<b>Total Estimated Phase #1 Improvement Costs</b>
Road improvements	\$0	\$980,823	\$3,859,604	\$4,840,427
Water distribution system improvements	\$1,222,029	\$78,550	\$980,992	\$2,281,570
Sanitary sewer collection system improvements	\$1,341,993	\$121,876	\$948,137	\$2,412,006
Storm sewer collection system improvements	\$0	\$0	\$688,500	\$688,500
Other soft and miscellaneous costs	\$320,353	\$195,840	\$886,662	\$1,402,854
<b>Total</b>	<b>\$2,884,375</b>	<b>\$1,377,089</b>	<b>\$7,363,894</b>	<b>\$11,625,357</b>

1 - See Section V(C) for allocation of Major Improvement costs to Phase #1. The Phase #1 share of the City Major Improvements and Other Major Improvements are calculated using the 33.09% allocation share shown in Section V (C).

Additional details of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V (C).

The costs shown in Tables III-A and III-B are estimates and may be revised in Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

#### **D. Future Phase Authorized Improvements**

As Phases are developed, additional Phased Bonds will be issued to finance Authorized Improvements for each Future Phase. As Phased PID Bonds are issued for each Future Phase, this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit each Phase (e.g., a Table III-C will be added to show the estimated costs for Phase 2 Authorized Improvements, etc.).

## **Section IV SERVICE PLAN**

### **A. Sources and Uses of Funds**

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately 18 months to construct the Major Improvements to be financed with the Phases #2 - 3 Major Improvement Bonds and approximately 18 months for the Phase #1 Improvements to be constructed. At some point after all or a portion of the Major Improvements and Phase #1 Improvements are constructed, Phase #2 will begin development. After Phase #2 is developed, it is anticipated that Phase #3 will begin development, and so on, with each Future Phase to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The estimated Actual Costs for Major Improvements and Phase #1 Improvements plus costs related to the issuance of the Bonds, in one or more series, for the Major Improvements and Phase #1 Improvements and payment of expenses incurred in the establishment, administration and operation of the PID is \$27,892,144 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table IV-A summarizes the sources and uses of funds required to construct the City Major Improvements and Other Major Improvements to be financed with the Phases #2 - 3 Major Improvement Bonds and Phase #1 Improvements, establish the PID, and issue the Phase #1 PID Bonds and Phases #2 - 3 Major Improvement Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

As Future Phases are developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (e.g. Table IV-A will be amended to add Phase #2, etc.).

Bonds to finance the Major Improvements and Phase #1 Improvements are expected to be issued starting in 2015. Table IV-A shows the sources and uses of the Bonds.

**Table IV-A**  
**Estimated Sources and Uses**

<b>Sources of Funds</b>	<b>Major Improvement Area Bonds</b>	<b>Phase 1 Bonds</b>	<b>Total</b>
Bond par amounts	\$10,255,000	\$13,460,000	\$23,715,000
Phase #1 Reimbursement Agreement		\$540,000	\$540,000
Developer Contributions	\$2,037,269	\$1,599,875	\$3,637,144
<b>Total Sources</b>	<b>\$12,292,269</b>	<b>\$15,599,875</b>	<b>\$27,892,144</b>
<b>Uses of Funds</b>			
<i><u>Major Improvements</u></i>			
Road improvements	\$1,982,947	\$980,823	\$2,963,770
Water distribution system improvements	\$2,629,402	\$1,300,579	\$3,929,981
Sanitary sewer improvements	\$2,959,528	\$1,463,869	\$4,423,397
Storm drainage improvements	\$0	\$0	\$0
Other soft and miscellaneous costs	\$1,043,596	\$516,193	\$1,559,788
<b>Subtotal</b>	<b>\$8,615,472</b>	<b>\$4,261,464</b>	<b>\$12,876,936</b>
<i><u>Phase 1 Improvements</u></i>			
Road improvements	\$0	\$3,859,604	\$3,859,604
Water distribution system improvements	\$0	\$980,992	\$980,992
Sanitary sewer improvements	\$0	\$948,137	\$948,137
Storm drainage improvements	\$0	\$688,500	\$688,500
Other soft and miscellaneous costs	\$0	\$886,662	\$886,662
<b>Subtotal</b>	<b>\$0</b>	<b>\$7,363,894</b>	<b>\$7,363,894</b>
Estimated Bond issue costs			
Capitalized interest	\$1,464,115	\$1,688,763	\$3,152,878
Reserve fund	\$936,766	\$1,022,321	\$1,959,087
Administrative expenses fund	\$37,908	\$52,092	\$90,000
Other costs of issuance	\$1,238,008	\$1,211,342	\$2,449,350
<b>Subtotal</b>	<b>\$3,676,797</b>	<b>\$3,974,518</b>	<b>\$7,651,314</b>
<b>Total Uses</b>	<b>\$12,292,269</b>	<b>\$15,599,875</b>	<b>\$27,892,144</b>

Notes: The information provided above will be updated based on the final bond cash flows dated as of 11-17-15. Phase #1 Improvements include the Authorized Improvements listed under this heading plus the estimated \$4.261mm pro rata share of the City Major Improvements and Other Major Improvements allocated to Phase #1.

The Series 2015 Major Improvement Area Bonds are being issued to finance the City Major Improvements and a portion of the Other Major Improvements as shown in Table IV-B below. The balance of the Other Major Improvements for Phases #2-3, is being financed by the Developer and may be reimbursed to the Developer from future additional Bonds or Assessments as levied in this Service and Assessment Plan, as described in the reimbursement agreement dated as of November 17, 2015 (the "Phases #2-3 Reimbursement Agreement") as provided by law.

**Table IV-B**  
**Estimated Sources and Uses – Series 2015 Major Improvement Bonds**

Sources of Funds	Series 2015 Major Improvement Bonds		
	City Major Improvements	Other Major Improvements	Total
Bond par amount	\$9,090,763	\$1,164,237	\$10,255,000
Developer Contributions	\$0	\$2,037,269	\$2,037,269
<b>Total Sources</b>	<b>\$9,090,763</b>	<b>\$3,201,506</b>	<b>\$12,292,269</b>
<b>Uses of Funds</b>			
<u>Major Improvements</u>			
Road improvements	\$0	\$1,982,947	\$1,982,947
Water distribution system improvements	\$2,470,596	\$158,806	\$2,629,402
Sanitary sewer improvements	\$2,713,129	\$246,399	\$2,959,528
Storm drainage improvements	\$0	\$0	\$0
Other soft and miscellaneous costs	\$647,663	\$395,933	\$1,043,596
<b>Subtotal</b>	<b>\$5,831,388</b>	<b>\$2,784,084</b>	<b>\$8,615,472</b>
Estimated Bond issue costs			
Capitalized interest	\$1,297,896	\$166,219	\$1,464,115
Reserve fund	\$830,416	\$106,350	\$936,766
Administrative expenses fund	\$33,604	\$4,304	\$37,908
Other costs of issuance	\$1,097,458	\$140,549	\$1,238,008
<b>Subtotal</b>	<b>\$3,259,375</b>	<b>\$417,422</b>	<b>\$3,676,797</b>
<b>Total Uses</b>	<b>\$9,090,763</b>	<b>\$3,201,506</b>	<b>\$12,292,269</b>

See Table III-A for the total estimated costs of the City Major Improvements and Other Major Improvements.

The Series 2015 Phase #1 Bonds are being issued to finance the Phase #1 share of the City Major Improvements, Phase #1 share of the Other Major Improvements and a portion of the Phase #1 Improvements and estimated costs to issue the Phase #1 PID Bonds, as shown in Table IV-C below. The first series of Phase #1 Bonds ("Phase #1A Bonds") are anticipated to be issued in 2015 and will be used to construct or acquire Phase #1 Improvements or reimburse the Developer for a portion of the costs of Phase #1 Improvements. The remaining costs of Phase #1 Improvements will be financed through a Reimbursement Agreement dated as of November 17, 2015 (the "Phase #1 Reimbursement Agreement") and such reimbursement agreement obligation is anticipated to be fulfilled by the second series of Phase #1 Bonds ("Phase #1B Bonds"). The Phase #1B Bonds are anticipated to be issued in 2017 or 2018 after some or all of the Phase #1 Improvements are constructed and may be used to fulfill the Reimbursement Agreement or reimburse the Developer for the remaining portion of the costs of Phase #1 Improvements to the extent provided by law.

**Table IV-C**  
**Estimated Sources and Uses – Series 2015 Phase #1 Bonds and Phase #1**  
**Reimbursement Agreement**

Sources of Funds	Series 2015 Phase #1 Bonds			Phase #1 Reimbursement Agreement	Total
	Phase #1 Share of City Major Improvements	Phase #1 Share of Other Major Improvements	Phase #1 Improvements	Phase #1 Improvements	
Par amounts	\$4,092,958	\$1,954,104	\$7,412,938	\$540,000	\$14,000,000
Other funding sources	\$0	\$0	\$0	\$1,599,875	\$1,599,875
<b>Total Sources</b>	<b>\$4,092,958</b>	<b>\$1,954,104</b>	<b>\$7,412,938</b>	<b>\$2,139,875</b>	<b>\$15,599,875</b>
<b>Uses of Funds</b>					
<u>Major Improvements</u>					
Road improvements	\$0	\$980,823	\$0	\$0	\$980,823
Water distribution system improvements	\$1,222,029	\$78,550	(\$0)	\$0	\$1,300,579
Sanitary sewer improvements	\$1,341,993	\$121,876	\$0	\$0	\$1,463,869
Storm drainage improvements	\$0	\$0	\$0	\$0	\$0
Other soft and miscellaneous costs	\$320,353	\$195,840	\$0	\$0	\$516,193
<b>Subtotal</b>	<b>\$2,884,375</b>	<b>\$1,377,089</b>	<b>(\$0)</b>		<b>\$4,261,464</b>
<u>Phase 1 Improvements</u>					
Road improvements	\$0	\$0	\$2,738,041	\$1,121,563	\$3,859,604
Water distribution system improvements	\$0	\$0	\$695,925	\$285,067	\$980,992
Sanitary sewer improvements	\$0	\$0	\$672,618	\$275,519	\$948,137
Storm drainage improvements	\$0	\$0	\$488,429	\$200,071	\$688,500
Other soft and miscellaneous costs	\$0	\$0	\$629,006	\$257,655	\$886,662
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,224,018</b>	<b>\$2,139,875</b>	<b>\$7,363,894</b>
Estimated Bond issue costs					
Capitalized interest	\$513,524	\$245,172	\$930,066	\$0	\$1,688,763
Reserve fund	\$310,871	\$148,419	\$563,031	\$0	\$1,022,321
Administrative expenses fund	\$15,840	\$7,563	\$28,689	\$0	\$52,092
Other costs of issuance	\$368,349	\$175,861	\$667,133	\$0	\$1,211,342
<b>Subtotal</b>	<b>\$1,208,584</b>	<b>\$577,015</b>	<b>\$2,188,919</b>	<b>\$0</b>	<b>\$3,974,518</b>
<b>Total Uses</b>	<b>\$4,092,958</b>	<b>\$1,954,104</b>	<b>\$7,412,938</b>	<b>\$2,139,875</b>	<b>\$15,599,875</b>

See Table III-B for the Phase #1 share of the estimated costs of the City Major Improvements and Other Major Improvements.

The prorated Bond Par amounts for the Phase #1 share of City Major Improvements, Phase #1 share of Other Major Improvements and the Phase #1 Improvements are calculated using the ratio of project proceeds (estimated improvement costs net of the estimated Developer contribution amounts) and estimated total Bond Par shown in Table IV-A as applied to the estimated costs shown in Table III-B for each category.

The estimated Bond issuance costs shown in Table IV-A are allocated between each category based on the prorated amount of Bond Par amounts calculated.

As shown in Table IV-B and IV-C, a portion of the Series 2015 Major Improvement Bonds and Phase #1 Bonds are being issued to finance the estimated costs of the City Major Improvements. Table IV-D shows a combined sources and uses of the Bonds related to the City Major Improvements.

**Table IV-D**  
**Estimated Sources and Uses**  
**Series 2015 Major Improvements Bonds and Phase #1 Bonds**  
**City Major Improvements' Portion**

Sources of Funds	Series 2015 Bonds		Total
	Major Improvement Area Bonds	Phase 1 Bonds	
Bond par amounts	\$9,090,763	\$4,092,958	\$13,183,721
Other funding sources	\$0	\$0	\$0
<b>Total Sources</b>	<b>\$9,090,763</b>	<b>\$4,092,958</b>	<b>\$13,183,721</b>
<b>Uses of Funds</b>			
<u>Major Improvements</u>			
Road improvements	\$0	\$0	\$0
Water distribution system improvements	\$2,470,596	\$1,222,029	\$3,692,625
Sanitary sewer improvements	\$2,713,129	\$1,341,993	\$4,055,122
Storm drainage improvements	\$0	\$0	\$0
Other soft and miscellaneous costs	\$647,663	\$320,353	\$968,016
<b>Subtotal</b>	<b>\$5,831,388</b>	<b>\$2,884,375</b>	<b>\$8,715,763</b>
Estimated Bond issue costs			
Capitalized interest	\$1,297,896	\$513,524	\$1,811,420
Reserve fund	\$830,416	\$310,871	\$1,141,286
Administrative expenses fund	\$33,604	\$15,840	\$49,445
Other costs of issuance	\$1,097,458	\$368,349	\$1,465,807
<b>Subtotal</b>	<b>\$3,259,375</b>	<b>\$1,208,584</b>	<b>\$4,467,958</b>
<b>Total Uses</b>	<b>\$9,090,763</b>	<b>\$4,092,958</b>	<b>\$13,183,721</b>

The Phases #2 - 3 Major Improvement Bonds shown in Table IV-A are anticipated to be issued in 2015. The Phases #2 - 3 Major Improvement Bonds to be issued in 2015 will be used to pay and/or reimburse the Developer for a portion of the costs of Phases #2 - 3 Major Improvements.

As Future Phases are developed, additional Bonds will be issued for each new future phase improvements. Phase #2 Bonds will be issued to finance the Authorized Improvements required for Phase #2 and Phase #3 Bonds will be issued to finance the Authorized Improvements required for Phase #3 as each future phase is developed. Each Future Phase Bond may also be issued in one or more series of Bonds. The projected chronology of the Bonds is presented

below.

**Series 2015 - Phase #1 Bonds** to finance (i) the pro-rata costs of the Major Improvements allocable to Phase #1 and, (ii) a portion of the Authorized Improvements that benefit only Phase #1. It is likely that this and the subsequent 'A' financings for each phase will only be able to fund a part of the internal public infrastructure (to maintain a prudent VtL) and the balance will be funded by a subsequent 'B' financing for each phase once the development within each phase is substantially complete as is contemplated with the issuance of the Phase #1B Bonds.

**Phases #2-3 Major Improvement Bonds** to finance the pro-rata costs of the Major Improvements allocable to Phases #2-3 that benefit only Phases #2-3. It is possible the balance will be funded by a subsequent 'B' financing for the Phases #2-3 Major Improvements once the development within Phases #2-3 is commenced.

**Series 2017-18 Phase #1B parity bonds**, if any, to complete the Developer reimbursements for a portion of the Authorized Improvements that benefit Phase #1.

**Phase #2A Bonds** to finance a portion of the Authorized Improvements that benefit Phase #2 and the remaining pro-rata costs of the Major Improvements allocable to Phases #2-3. It is possible that this and the subsequent 'A' financings for each phase will only be able to fund a part of the internal public infrastructure (to maintain a prudent VtL) and the balance of the Phases #2-3 Major Improvements will be funded by a subsequent 'B' financing once the development within Phases #2-3 is commenced.

**Series 2020-21 Phase #3A Bonds** to finance a portion of the Authorized Improvements that benefit Phase #3, and

**Phase #2B parity bonds** to complete the Developer reimbursements for a portion of the Authorized Improvements that benefit Phase #2.

**Series 2021-22 Phase #3B parity bonds** to complete the Developer reimbursements for the internal subdivision Authorized Improvements that benefit Phase #3.

The annual projected costs and annual projected indebtedness is shown by Table IV-E. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

**Table IV-E**  
**Annual Projected Costs and Annual Projected Indebtedness**

<b>Year</b>	<b>Annual Projected Cost</b>	<b>Annual Projected Indebtedness</b>	<b>Sources other than PID Bonds</b>
2015	\$27,892,144	\$24,255,000	\$3,637,144
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$8,100,000	\$8,100,000	\$0
2019	\$0	\$0	\$0
<b>Total</b>	<b>\$35,992,144</b>	<b>\$32,355,000</b>	<b>\$3,637,144</b>

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Major Improvements shown in Table III-A, the Phase #1 Improvements shown in Table III-B, the costs associated with setting up the PID and costs of issuance including reserves shown in Table V-A and the estimated bonds to be issued for Phase #2A. The Phase #2A Bonds are currently estimated to be issued in the amount of \$8,100,000 representing approximately 60% of the estimated total Phase #2 Bonds of \$13,500,000. These estimates will be updated in the Annual Service Plan Updates as the applicable cost estimates become available at the beginning of Phase #2 development. The difference between the total projected cost and the total projected indebtedness, if any, is the amount funded by the Developer, which may be reimbursed with future bond proceeds. As Future Phases are developed, in association with issuing Phased PID Bonds, this Table IV-B will be updated to identify the Authorized Improvements to be financed by each new series of the Phased PID Bonds and the projected indebtedness resulting from each additional series of the Phased PID Bonds.

## **Section V**

### **ASSESSMENT PLAN**

#### **A. Introduction**

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Phase #1A Bonds and the Phases #2 – 3 Major Improvement Bonds to be issued in 2015 and the Phase #1B Bonds, subsequent financings are to be issued over the upcoming decade as the two subsequent phases (Phases #2 and #3) of the development are gradually constructed.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") within the financing program. In order to maintain a prudent VtL, the initial issuance of bonds for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements can be reimbursed by a subsequent parity lien bond financing, secured by the same special assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion. For example, the Phase #1A Bonds to be issued to finance a portion of the Phase #1 Improvements, including the pro-rata costs of the Major Improvements allocable to Phase #1 Assessed Property, followed by a second parity lien issuance of bonds (the Phase #1B Bonds) demonstrates this analysis.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvements and Phase #1 Improvements shall be allocated as described below:

1. The Major Improvement and Phase #1 Improvement costs shall be allocated on the

basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.
3. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Major Improvement costs are proportionally allocated to the Phases #2 – 3 Assessed Property and the Phase #1 Assessed Property based on the ratio of total Equivalent Units estimated for the Phases #2 - 3 Assessed Property and the Phase #1 Assessed Property.
6. The Phases #2 - 3 Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Phases #2 – 3 Assessed Property based on the total Equivalent Units estimated for each Parcel.
7. The Phase #1 Improvement costs (including Phase #1 Assessed Property's proportional share of the costs of the Major Improvements) are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements and Phase #1 Improvements.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from the Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Major Improvements and Phase #1 Improvements.

In connection with the issuance of Phased PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds issued with respect to that Future Phase. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and Phase #1 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Phase #1 Assessed Property and Phases #2 – 3 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the

Major Improvements and Phase #1 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Phases are developed, in connection with the issuance of Phased PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

**B. Special Benefit**

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act. These improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of the these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as "the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (*Dictionary of Real Estate Appraisal, Third Edition.*) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax-exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve; (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Assessments result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

**C. Allocation of Costs to Assessed Property**

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the estimated Major Improvement costs must be allocated throughout all Assessed Property in the District. Table V-A summarizes the allocation of estimated costs for each Major Improvement. The costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 is projected to contain 459 residential units. As shown in Appendix D, the total

Equivalent Units for Phase #1 is calculated as 398.31. Phases #2 – 3 are projected to contain 936 residential units resulting in a total of 805.27 Equivalent Units as shown in Appendix D. The Total projected Equivalent Units in the PID is, therefore, calculated to be 1,203.58 (i.e.,  $398.31 + 805.27 = 1,203.58$ ). As a result, 33.09 percent of the estimated costs of Major Improvements (i.e.  $398.31 \div 1,203.58 = 33.09\%$ ) are allocated to the Phase #1 Assessed Property and 66.91 percent of the estimated costs Major Improvements (i.e.,  $805.27 \div 1,203.58 = 66.91\%$ ) are allocated to the Phases #2 - 3 Assessed Property. The Phases #2 – 3 Major Improvement Bonds will fund the proportionate share of the estimated costs of the Major Improvement allocated to Phases #2 – 3; and, Phase #1 Bonds will fund Phase #1's proportionate share of the estimated costs of the Major Improvements.

**Table V-A**  
**Allocation of Major Improvement Costs**

<b>Major Improvement Estimated Costs</b>	
<b>Authorized Improvement</b>	<b>Estimated Costs</b>
Road Improvements	\$2,963,770
Water Improvements	\$3,929,981
Sanitary Sewer Improvements	\$4,423,397
Storm Drainage Improvements	\$0
Other soft and miscellaneous costs	\$1,559,788
<b>Total Major Improvements</b>	<b>\$12,876,936</b>
<b>Phase #1</b>	
Projected total Equivalent Units <sup>1</sup>	398.31
% of total Equivalent units	33.09%
Proportionate Share of Costs	\$4,261,464
<b>Phases #2 - 3</b>	
Projected total Equivalent Units	805.27
% of total Equivalent units	66.91%
Proportionate Share of Costs	\$8,615,472
Notes: 1 - See Appendix D for the detailed calculation of Equivalent Units	

#### **D. Assessment Methodology**

The Actual Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. *Assessment Methodology for the Major Improvements for Phases #2 - 3*

For purpose of this Service and Assessment Plan, the City Council determined that the portion of Actual Costs of the Major Improvement costs to be allocated to Phases #2 - 3 shall be allocated to the Phases #2 - 3 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types, number and average home value of Lots anticipated to be developed on each Parcel. Having taken into consideration the matters described under Sections V (A) and (B) above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the Lot Types. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest residential value to Lot Type 2 (50 Ft Lot) representing the lowest value. Assessments are allocated to each land use class on the basis of the average value for each Lot Type. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each Lot Type, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phases #2 - 3 is shown on the Phases #2 – 3 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

## *2. Assessment Methodology for Phase #1*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements, including the portion of the Major Improvements to be financed with the Phase #1 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the estimates of the costs of the Phase #1 Improvements and the portion of the Major Improvements that benefit Phase #1 provided by Petite Barraza, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 property of the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot type.

### *3. Assessment Methodology for Future Phases*

When any given Future Phase is developed, and Phased PID Bonds for that Future Phase are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

#### **E. Assessments**

The Assessments for the Phase #1 Bonds and the Phases #2 – 3 Major Improvement Bonds will be levied on each Parcel according to the Phases #2 – 3 Major Improvement Assessment Roll and the Phase #1 Assessment Roll, attached hereto as Appendix F and Appendix G, respectively. The Annual Installments for the Phases #2 – 3 Major Improvement Bonds and the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phases #2 – 3 Major Improvement Assessment Roll and the Phase #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

#### **F. Administrative Expenses**

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

### **G. Prepayment Reserve**

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%), (the "Excess Interest Rate"). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with up to 0.20% allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% allocated to fund a delinquency reserve account as described below. The prepayment reserve shall be funded until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. The Prepayment Reserve amounts collected in the first two years will be used to fund the Debt Service Reserve Funds. Once the prepayment reserve is funded in full, any additional interest collected shall be allocated to fund delinquent payments as described in H below.

### **H. Delinquency Reserve**

The City has allocated up to 0.30% of the interest rate component of the Annual Installments to offset any possible delinquent payments. The additional reserve shall be funded up to 4% of the outstanding Bonds, but in no event will the annual collection, together with the Prepayment reserve, be more than 0.50% of the outstanding Bonds. The Delinquency Reserve amounts collected in the first two years will be used to fund the Debt Service Reserve Funds. The City may allocate up to 0.50% of the interest rate component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

### **I. TIRZ Credit**

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Credit") and to reimburse the Developer for any accrued liability for Assessments or Annual Installments paid by the Developer on non-completed lots within the PID. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit applicable to each Parcel shall be calculated as described under Section VI (B) of this Service and Assessment Plan.

## **Section VI**

### **TERMS OF THE ASSESSMENTS**

#### **A. Amount of Assessments and Annual Installments for Parcels Located within Phases #2 - 3**

The Assessment and Annual Installments for each Assessed Property located within Phases #2 - 3 are shown on the Phases #2 – 3 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act, which includes any annual updates to this Service and Assessment Plan.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phases #2 – 3 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, and to cover Administrative Expenses of Phases #2 - 3.

#### **B. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1**

The Assessment and Annual Installments for each Assessed Property located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, and to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel shall be calculated using the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the TIRZ Credit amount for a Parcel
- B = the total TIRZ Revenues collected for the preceding year
- C = the total Equivalent Unit of the Parcel
- D = the total Equivalent Units of all Parcels

The TIRZ Revenues collected in any given year shall be used to calculate the TIRZ Credit in the following year (i.e., TIRZ Revenues collected in 2015 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2016). TIRZ Credits shall be calculated for those Parcels that are subject to Assessments by the PID. The total TIRZ Revenues collected from all Parcels in each Phase shall be used to calculate the TIRZ Credit applicable to each Parcel within the Phase based on the above formula. The total TIRZ increment amount generated by all Phase #1 Assessed Property will be divided by the total Equivalent Units in Phase #1 to determine the TIRZ credit applicable to each Phase #1 Assessed Property. The total TIRZ increment amount generated by all Phases #2 - 3 Assessed Property will be divided by the total Equivalent Units in Phases #2 - 3 Assessed Property to determine the TIRZ credit applicable to each Phases #2 - 3 Assessed Property. The Equivalent Units to be used for the calculation of the TIRZ Credit shall be determined by the Administrator based on the information available to the

Administrator at the time of such calculations.

**C. Amount of Assessments and Annual Installments for Parcels Located Within Future Phases**

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Phases (e.g., an Appendix will be added as the Assessment Roll for Phase 2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

**D. Reallocation of Assessments**

**1. Subdivision**

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

**2. Consolidation**

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update

approved by the City Council.

**E. Mandatory Prepayment of Assessments**

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

3. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

**F. Reduction of Assessments**

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Authorized Improvement Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Credits or other funds available to the City, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.

3. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the Bonds is equal to the outstanding principal amount of the Bonds.

## **G. Payment of Assessments**

### **1. Payment in Full**

(a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

### **2. Payment in Annual Installments**

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Reserve and Delinquency Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) 9.13 percent per annum. The Phases #2 - 3 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 8.25% for the Phases #2 - 3 Bonds, and additional interest at the rate of 0.5% for administrative expenses, Prepayment Reserve and Delinquency Reserve. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 7.25% for the Phase #1 Bonds, an interest rate of 6.13% for the Phase #1 Reimbursement Agreement and additional interest at the rate of 0.5% for administrative expenses, Prepayment Reserve and Delinquency Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Rolls, shown as Appendix F and Appendix G, have been updated with the actual interest rates on the Bonds.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

**F. Collection of Annual Installments**

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for a prepayment reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of Assessed Property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

## **Section VII THE ASSESSMENT ROLL**

### **A. Major Improvement Area Assessment Roll**

Each Parcel within Phases #2 - 3 has been evaluated by the City Council (based on the concept plan, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the Assessed Property within each Parcel.

Phases #2 – 3 Major Improvement Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Major Improvements. Table IV-A summarizes the \$12,292,269 in special benefit received by Phases #2 - 3 from a portion of the Major Improvements, the pro rata costs of the PID formation, and issuance costs for the proposed Phases #2 – 3 Major Improvement Bonds. The amount of Phases #2 – 3 Major Improvement Bonds is \$10,255,000, which is equal to the benefit received by Phases #2 – 3 Major Improvement Assessed Property, and as such the total Assessment for all Assessed Property within Phases #2 - 3 is \$10,255,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phases #2 - 3 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phases #2 – 3 Major Improvement Assessment Roll is attached hereto as Appendix F.

### **B. Phase #1 Assessment Roll**

Phase #1 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #1 Improvements that benefit Phase #1, which include a proportionate share of the Major Improvements allocable to Phase #1. Table IV-A summarizes the \$15,599,875 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements that benefit Phase #1, including the proportionate share of the Major Improvements allocable to Phase #1, the pro rata costs of the PID formation, and Bond issuance costs. The amount of Phase #1 Bonds is \$14,000,000, which is less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1 is \$14,000,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix G.

### **C. Future Phase Assessment Roll**

As Future Phases are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within Future Phases (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.).

### **D. Annual Assessment Roll Updates**

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phases #2 – 3 Major Improvement Assessment Roll and Phase #1 Assessment Roll

in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

**Section VIII**  
**MISCELLANEOUS PROVISIONS**

**A. Administrative Review**

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

**B. Termination of Assessments**

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination".

**C. Amendments**

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan.

**D. Administration and Interpretation of Provisions**

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

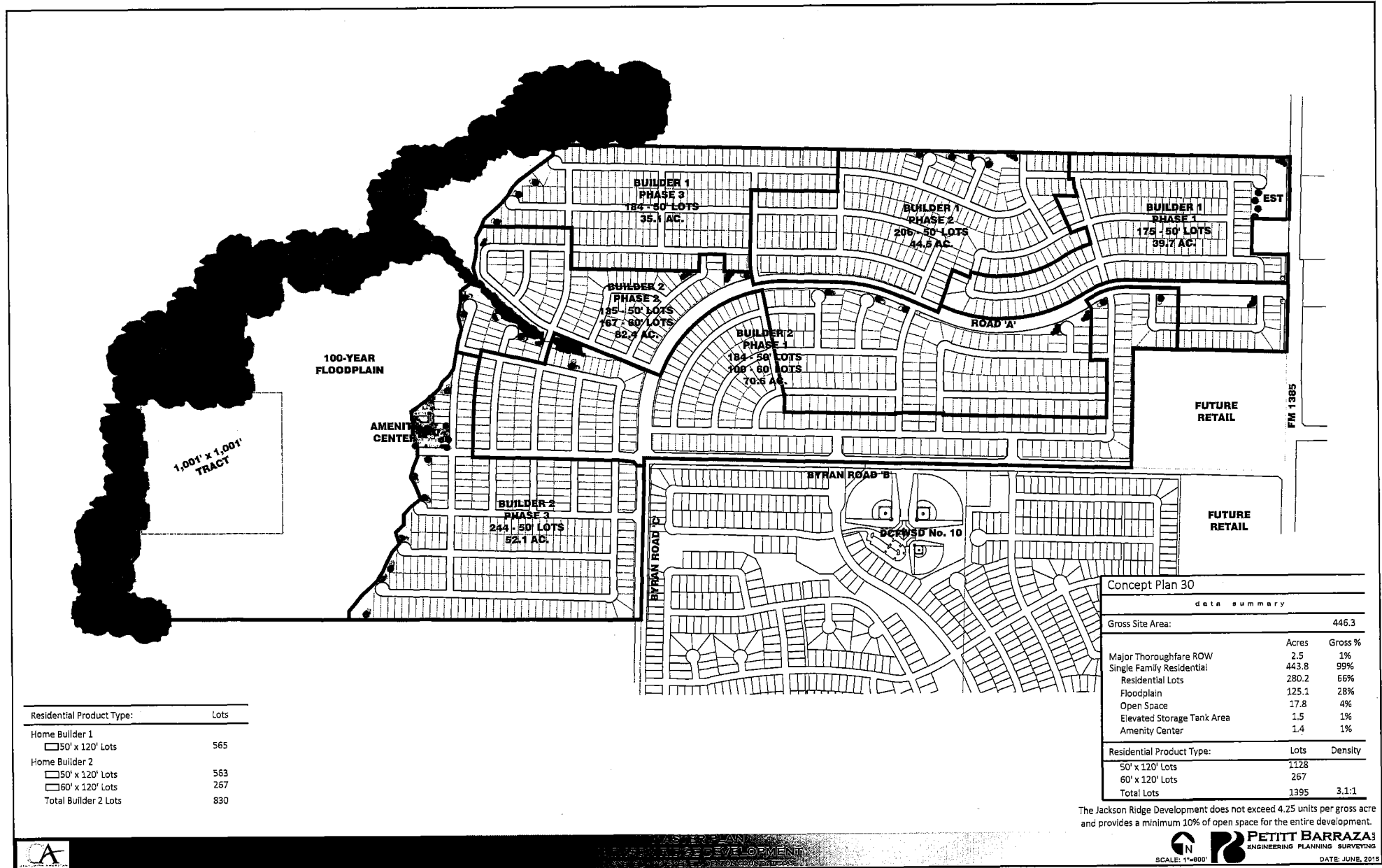
**E. Severability**

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

## **Appendix A**

### **The PID MAP**



**Appendix B**

**ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS**

Authorized Improvement	Estimated Costs				
	Total Estimated Authorized Improvement Cost	City Major Improvements to be funded with Series 2015 Major Improvement Bond	Other Major Improvements to be funded with Series 2015 Major Improvement Bond	Phase 1 Improvements to be funded with Series 2015 Phase #1 Improvement Bond	Future Phase Improvements to be funded with Future Bonds (For information purposes only)
<b>Road Improvements</b>					
Paving, excavation & erosion control	\$ 14,039,410	\$0	\$2,963,770	\$3,859,604	\$7,216,037
<b>Water Improvements</b>					
Water distribution system improvements	\$ 6,860,088	\$3,692,625	\$237,356	\$980,992	\$1,949,116
<b>Sanitary Sewer Improvements</b>					
Sewer collection system improvements	\$ 7,245,705	\$4,055,122	\$368,275	\$948,137	\$1,874,171
<b>Storm Drainage Improvements</b>					
Storm drainage collection system improvements	\$ 2,092,500	\$0		\$688,500	\$1,404,000
<b>Other Improvements</b>					
Screening, trail system & amenity improvements	\$ 3,155,030	\$0		\$0	\$3,155,030
<b>Subtotal Construction Cost</b>	<b>\$33,392,734</b>	<b>\$7,747,747</b>	<b>\$3,569,401</b>	<b>\$6,477,232</b>	<b>\$15,598,353</b>
<b>Soft Costs</b>					
Engineering, Design & Surveying fees	\$2,985,213	\$822,492	\$422,722	\$572,800	\$1,167,200
Inspection Fees	\$763,446	\$94,399	\$101,430	\$194,317	\$373,300
Geotechnical and Materials Testing	\$497,156	\$51,125	\$67,620	\$129,545	\$248,866
<b>Subtotal Soft Cost</b>	<b>\$4,245,815</b>	<b>\$968,015</b>	<b>\$591,772</b>	<b>\$896,662</b>	<b>\$1,789,366</b>
<b>Grand Total Constuction + Soft Costs</b>	<b>\$37,638,549</b>	<b>\$8,715,762</b>	<b>\$4,161,173</b>	<b>\$7,373,894</b>	<b>\$17,387,720</b>
<b>Estimated Bond issuance related costs</b>					
Deposits to Debt Service Reserve Fund					
Deposits to Capitalized Interest					
Other costs of issuance					
<b>Total estimated Bond issuance related costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL AUTHORIZED IMPROVEMENT COSTS</b>	<b>\$37,638,549</b>	<b>\$8,715,762</b>	<b>\$4,161,173</b>	<b>\$7,373,894</b>	<b>\$17,387,720</b>

Improvement	Developer Funded Estimated Costs				
	Total Estimated Improvement Cost	City Major Improvements to be funded by Developer	Other Major Improvements to be funded by Developer	Phase 1 Improvements to be funded by Developer	Future Phase Improvements to be funded by Developer (For information purposes only)
<b>Developer Funded Improvements</b>					
Lot preparation, retaining walls & franchise utilities	\$ 8,732,700	\$0	\$0	\$2,873,340	\$5,859,360
<b>Soft Costs</b>					
Engineering, Design & Surveying fees	\$460,500	\$ -	\$ -	\$ 151,700	\$ 308,800
Inspection Fees (3%)	\$178,281	\$ -	\$ -	\$ 58,660	\$ 119,621
Geotechnical and Materials Testing (2%)	\$118,854	\$ -	\$ -	\$ 39,107	\$ 79,747
<b>Subtotal Soft Costs</b>	<b>\$757,635</b>	<b>\$0</b>	<b>\$0</b>	<b>\$249,467</b>	<b>\$508,168</b>
<b>TOTAL DEVELOPER FUNDED IMPROVEMENTS</b>	<b>\$ 9,490,335</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,122,807</b>	<b>\$ 6,367,528</b>
<b>TOTAL ESTIMATED IMPROVEMENT COSTS</b>	<b>\$ 47,128,884</b>	<b>\$ 8,715,762</b>	<b>\$ 4,161,173</b>	<b>\$ 10,496,701</b>	<b>\$ 23,755,248</b>

BOND ISSUANCE COSTS	Total	Series 2015 Major Improvement Bonds	Series 2015 Phase #1 Bonds	
Capitalized Interest Fund	\$3,152,878	\$1,464,115	\$1,688,763	
Debt Service Reserve Fund	\$1,959,087	\$936,766	\$1,022,321	
Developer Startup Costs	\$711,450	\$307,650	\$403,800	
Underwriter's discount	\$569,300	\$245,114	\$324,186	
Other costs of issuance	\$1,258,600	\$723,152	\$535,448	
<b>TOTAL BOND ISSUANCE COSTS</b>	<b>\$7,651,314</b>	<b>\$3,676,797</b>	<b>\$3,974,518</b>	
<b>TOTAL ESTIMATED IMPROVEMENT COSTS</b>	<b>\$54,780,198</b>	<b>\$16,553,732</b>	<b>\$14,471,219</b>	<b>\$23,755,248</b>

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED  
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS  
ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME: <b>JACKSON RIDGE</b>	ACREAGE: 320.9	NO. OF LOTS: 1395
MAJOR IMPROVEMENTS: CITY	CREATED: 6/15/2015	BY CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: NA
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>A. PHASE 1 CITY WATER SYSTEM IMPROVEMENTS</b>				
UTRWD DELIVER POINT (12-INCH WATER & METER	LS	1	\$ 431,525.00	\$ 431,525
0.25 MG GROUND STORAGE RESIVOR	LS	1	\$ 402,500.00	\$ 402,500
1.0 MGD PUMP STATION	LS	1	\$ 765,000.00	\$ 765,000
0.50 MG ELEVATED STORAGE TANK	LS	1	\$ 1,487,500.00	\$ 1,487,500
EQUITY FEE	MGD	1	\$ 200,000.00	\$ 200,000
DEMAND CHARGE (\$388K/1MGD FOR 5 YEARS)	MGD	0.30	\$ 388,000.00	\$ 116,400
CITY SEWER & WATER CCN ACQUISITION	EA	1	\$ 579,400.00	\$ 289,700

**SUB - TOTAL** **\$ 3,692,625**

<b>B. PROFESSIONAL &amp; MISCELLANEOUS FEES</b>				
ENGINEERING, DESIGN & SURVEYING FEES	%	18%	\$ 3,086,525	\$ 569,250
GEOTECHNICAL AND MATERIALS TESTING	%	1%	\$ 3,086,525	\$ 30,865
INSPECTION FEES	%	2%	\$ 3,086,525	\$ 64,010

**SUB - TOTAL** **\$ 664,125**

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PROJECT NAME: <b>JACKSON RIDGE</b>	ACREAGE: 320.9	NO. OF LOTS: 1395
MAJOR IMPROVEMENTS: CITY	CREATED: 6/15/2015	BY CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: NA
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>C. PHASE 1 CITY SEWER SYSTEM IMPROVEMENTS</b>				
12INCH OFFSITE SANITARY SEWER	LF	10,570	\$ 95.83	\$ 1,012,966
LAND RIGHTS	LS	1	\$ 182,500.00	\$ 182,500
15INCH OFFSITE SANITARY SEWER OVERSIZE COST	LS	1	\$ 489,956.00	\$ 489,956
UTRWD RIVERBEND EXPANSION COST SHARE	MGD	0.320	\$ 6,500,000.00	\$ 2,080,000
CITY SEWER & WATER CCN ACQUISITION	EA	1	\$ 579,400.00	\$ 289,700

**SUB - TOTAL** **\$ 4,055,122**

**D. PROFESSIONAL & MISCELLANEOUS FEES**

ENGINEERING, DESIGN & SURVEYING FEES	%	25%	\$ 1,012,966	\$ 253,242
GEOTECHNICAL AND MATERIALS TESTING	%	2%	\$ 1,012,966	\$ 20,259
INSPECTION FEES	%	3%	\$ 1,012,966	\$ 30,389

**SUB - TOTAL** **\$ 303,890**

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PROJECT NAME: JACKSON RIDGE	ACREAGE: 324.1	NO. OF LOTS: 1395
MAJOR IMPROVEMENTS: OTHER	CREATED: 6/15/2015	BY CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: 9,005
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>A. PAVING - ROAD 'A' - 5,545 LF</b>				
CONNECT TO EX. PAVEMENT	EA	2	\$ 350.00	\$ 700
6" LIME STABILIZED SUBGRADE PREPARATION	SY	25,877	\$ 3.50	\$ 90,568
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	470	\$ 150.00	\$ 70,500
100' ROW, 3 LANE UNDIVIDED (8-INCH, 3,600 PSI)	SY	24,645	\$ 40.00	\$ 985,780
BARRIER FREE RAMPS	EA	22	\$ 2,100.00	\$ 46,200
5" - 4' REINFORCED CONCRETE SIDEWALK	SY	4,929	\$ 55.00	\$ 271,089
4' WIDE CURLEX EROSION CONTROL MATTING	LF	11,090	\$ 0.75	\$ 8,318
COMBO STREET NAME & STOP SIGN	EA	2	\$ 1,300.00	\$ 2,600
STORM SEWER SYSTEM	LF	5,545	\$ 50.00	\$ 277,250

**SUB - TOTAL**

**\$ 1,753,005**

<b>B. PAVING - 1/2 ROAD 'B' - 3,460 LF</b>				
CONNECT TO EX. PAVEMENT	EA	2	\$ 350.00	\$ 700
6" LIME STABILIZED SUBGRADE PREPARATION	SY	10,188	\$ 3.50	\$ 35,657
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	190	\$ 150.00	\$ 28,500
1/2 OF 80' ROW, 4 LANE UNDIVIDED (8-INCH, 3,600 PSI)	SY	9,611	\$ 40.00	\$ 384,448
BARRIER FREE RAMPS	EA	5	\$ 2,100.00	\$ 10,500
5" - 4' REINFORCED CONCRETE SIDEWALK	SY	1,538	\$ 55.00	\$ 84,578
4' WIDE CURLEX EROSION CONTROL MATTING	LF	3,460	\$ 0.75	\$ 2,595
COMBO STREET NAME & STOP SIGN	EA	3	\$ 1,300.00	\$ 3,900
STORM SEWER SYSTEM	LF	3,460	\$ 25.00	\$ 86,500

**SUB - TOTAL**

**\$ 637,378**

<b>C. PAVING - 1/2 ROAD 'C' - 1,150 LF</b>				
CONNECT TO EX. PAVEMENT	EA	2	\$ 350.00	\$ 700
6" LIME STABILIZED SUBGRADE PREPARATION	SY	2,811	\$ 3.50	\$ 9,839
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	60	\$ 150.00	\$ 9,000
1/2 OF 100' ROW, 3 LANE UNDIVIDED (8-INCH, 3,600 PSI)	SY	2,556	\$ 40.00	\$ 102,224
BARRIER FREE RAMPS	EA	3	\$ 2,100.00	\$ 6,300
5" - 4' REINFORCED CONCRETE SIDEWALK	SY	511	\$ 55.00	\$ 28,111
4' WIDE CURLEX EROSION CONTROL MATTING	LF	1,150	\$ 0.75	\$ 863
COMBO STREET NAME & STOP SIGN	EA	2	\$ 1,300.00	\$ 2,600
STORM SEWER SYSTEM	LF	1,150	\$ 25.00	\$ 28,750

**SUB - TOTAL**

**\$ 188,387**

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PROJECT NAME: JACKSON RIDGE	ACREAGE: 324.1	NO. OF LOTS: 1395
MAJOR IMPROVEMENTS: OTHER	CREATED: 6/15/2015	BY: CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: 9,005
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>D. PAVING - FM 1385 TURN LANES</b>				
FM 1385 LEFT TURN LANES	EA	1	\$ 385,000.00	\$ 385,000
<b>SUB - TOTAL</b>				<b>\$ 385,000</b>

<b>E. WATER SYSTEM</b>				
CONNECT TO EXIST. WATER LINE (Remove Plug & Connect)	EA	1	\$ 900.00	\$ 900
12" P.V.C. WATERLINE	LF	4,920	\$ 40.00	\$ 196,800
12" GATE VALVE & BOX	EA	14	\$ 2,200.00	\$ 30,800
TRENCH SAFETY	LF	4,920	\$ 0.80	\$ 3,936
TESTING (EXCLUDING GEOTECH)	LF	4,920	\$ 1.00	\$ 4,920
<b>SUB - TOTAL</b>				<b>\$ 237,356</b>

<b>F. SANITARY SEWER SYSTEM</b>				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 500.00	\$ 500
12" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	EA	6,250	\$ 40.00	\$ 250,000
5' DIAMETER DROP MANHOLE W/RAIN PANS	EA	22	\$ 4,700.00	\$ 103,400
TESTING (EXCLUDING GEOTECH)	LF	6,250	\$ 1.50	\$ 9,375
TRENCH SAFETY	LF	6,250	\$ 0.80	\$ 5,000
<b>SUB - TOTAL</b>				<b>\$ 368,275</b>

<b>G. PROFESSIONAL &amp; MISCELLANEOUS FEES</b>				
ENGINEERING, SURVEYING & TESTING	%	12%	\$ 3,381,014	\$ 405,722
BIDDING and LETTING	EA	1	\$ 10,000	\$ 10,000
SWPPP ADMINISTRATION	LS	1	\$ 7,000	\$ 7,000
CONSTRUCTION INSPECTION	%	3%	\$ 3,381,014	\$ 101,430
MATERIAL TESTING	%	2%	\$ 3,381,014	\$ 67,620
<b>SUB - TOTAL</b>				<b>\$ 591,772</b>

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PROJECT NAME: JACKSON RIDGE	ACREAGE: 110.3	NO. OF LOTS: 459
ON-SITE FACILITIES: PHASE 1	CREATED: 6/15/2015	BY: CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: 19,777
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>A. ROADWAY IMPROVEMENTS</b>				
R.O.W. CLEARING & GRUBBING (1/4 Area Heavily Treed)	ACRE	110	\$ 2,000.00	\$ 220,600
CONSTRUCTION ENTRANCE	EA	1	\$ 2,000.00	\$ 2,000
SILT FENCE	LF	22,316	\$ 1.50	\$ 33,474
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	204,255	\$ 2.20	\$ 449,361
OVER SEEDING DISTURBED AREAS	ACRE	66	\$ 500.00	\$ 33,000
STREET PREPARATION (3' MOISTURE CONDITIONING)	CY	92,120	\$ 2.75	\$ 253,330
6" LIME STABILIZED SUBGRADE PREPARATION	SY	74,304	\$ 3.50	\$ 260,064
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	1,350	\$ 150.00	\$ 202,500
31' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	64,835	\$ 30.00	\$ 1,945,050
37' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	5,016	\$ 40.00	\$ 200,640
BARRIER FREE RAMPS	EA	53	\$ 1,200.00	\$ 63,600
4' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	444	\$ 55.00	\$ 24,420
4' WIDE CURLEX EROSION CONTROL MATTING	LF	40,086	\$ 0.75	\$ 30,065
COMBO STREET NAME & STOP SIGN	EA	30	\$ 1,300.00	\$ 39,000
STREET LIGHTS (Standard Lights)	EA	41	\$ 2,500.00	\$ 102,500

**SUB - TOTAL** **\$ 3,859,604**

<b>B. WATER SYSTEM</b>				
CONNECT TO EXIST. WATER LINE (Remove Plug & Connect)	EA	1	\$ 900.00	\$ 900
8" P.V.C. WATERLINE	LF	17,882	\$ 22.00	\$ 393,404
8" GATE VALVE & BOX	EA	53	\$ 1,400.00	\$ 74,200
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VALVE)	EA	60	\$ 4,000.00	\$ 240,000
1" SINGLE WATER SERVICE	EA	459	\$ 500.00	\$ 229,500
TRENCH SAFETY	LF	17,882	\$ 0.80	\$ 14,306
TESTING (EXCLUDING GEOTECH)	LF	17,882	\$ 1.00	\$ 17,882
1" IRRIGATION WATER SERVICE (To Green Space)	EA	12	\$ 900.00	\$ 10,800

**SUB - TOTAL** **\$ 980,992**

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PROJECT NAME: JACKSON RIDGE	ACREAGE: 110.3	NO. OF LOTS: 459
ON-SITE FACILITIES: PHASE 1	CREATED: 6/15/2015	BY: CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: 19,777
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>C. SANITARY SEWER SYSTEM</b>				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 500.00	\$ 500
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	17,140	\$ 25.00	\$ 428,500
4' DIAMETER MANHOLE W/RAIN PANS	EA	48	\$ 2,700.00	\$ 129,600
5' DIAMETER MANHOLE W/RAIN PANS	EA	9	\$ 3,800.00	\$ 34,200
STANDARD CLEANOUTS	EA	1	\$ 875.00	\$ 875
4" SINGLE SEWER SERVICE	EA	459	\$ 600.00	\$ 275,400
WATER CROSSING PER TCEQ REQUIREMENTS	EA	30	\$ 750.00	\$ 22,500
TESTING (EXCLUDING GEOTECH)	LF	17,140	\$ 1.50	\$ 25,710
ADDITIONAL TESTING AFTER DRY UTIL INSTALL	LF	17,140	\$ 1.00	\$ 17,140
TRENCH SAFETY	LF	17,140	\$ 0.80	\$ 13,712

**SUB - TOTAL** **\$ 948,137**

**D. STORM DRAINAGE SYSTEM**

BASED ON AVERAGE COST PER LOT	EA	459	\$ 1,500.00	\$ 688,500
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**SUB - TOTAL** **\$ 688,500**

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PROJECT NAME: JACKSON RIDGE	ACREAGE: 110.3	NO. OF LOTS: 459
ON-SITE FACILITIES: PHASE 1	CREATED: 6/15/2015	BY: CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 9/8/2015	ROADWAY LF: 19,777
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>E. LOT PREPARATION</b>				
LOT GRADING (ROUGH)	LOT	459	\$ 200.00	\$ 91,800
LOT GRADING (FINAL)	LOT	459	\$ 100.00	\$ 45,900
MOISTURE CONDITIONING LOTS 8' BELOW FINAL GRADE	LOT	459	\$ 2,500.00	\$ 1,147,500
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	459	\$ 460.00	\$ 211,140

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 1,496,340</b>
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<b>F. RETAINING WALLS</b>				
RETAINING WALL (4' Top of Wall to Bottom of Wall)	LOT	459	\$ 1,000.00	\$ 459,000

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 459,000</b>
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<b>G. FRANCHISE UTILITIES</b>				
ELECTRIC SERVICE	LOT	459	\$ 1,000.00	\$ 459,000
GAS SERVICE	LOT	459	\$ 1,000.00	\$ 459,000

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 918,000</b>
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NOTES FUNDED DEVELOPER ITEMS

<b>H. PROFESSIONAL &amp; MISCELLANEOUS FEES</b>				
ENGINEERING & SURVEYING	LOT	459	\$ 1,500	\$ 688,500
BIDDING and LETTING	EA	3	\$ 10,000	\$ 30,000
SWPPP ADMINISTRATION	LS	1	\$ 6,000	\$ 6,000
CONSTRUCTION INSPECTION	%	3%	\$ 8,432,572	\$ 252,977
MATERIAL TESTING	%	2%	\$ 8,432,572	\$ 168,651

**SUB - TOTAL** **\$ 1,146,129**

<b>I. PID DIRECT PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	459	\$ 1,200	\$ 550,800
BIDDING and LETTING	EA	2	\$ 10,000	\$ 20,000
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000
CONSTRUCTION INSPECTION	%	3%	\$ 6,477,232	\$ 194,317
MATERIAL TESTING	%	2%	\$ 6,477,232	\$ 129,545

**SUB - TOTAL** **\$ 896,662**

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME:	JACKSON RIDGE	ACREAGE:	324.1	NO. OF LOTS:	1395
ON-SITE FACILITIES:	FUTURE PHASES	CREATED:	6/15/2015	BY:	CDH
CITY:	AUBREY	REVISED:	8/18/2015	CHECKED:	AB
JOB NUMBER:	12031-00	REVISED:	8/26/2015	ROADWAY LF:	57,133
UTIL. PROVIDER:	AUBREY	REVISED:	10/16/2015	FILE NAME:	Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>A. ROADWAY IMPROVEMENTS</b>				
R.O.W. CLEARING & GRUBBING (1/4 Area Heavily Treed)	ACRE	213.8	\$ 2,000.00	\$ 427,600
CONSTRUCTION ENTRANCE	EA	2	\$ 2,000.00	\$ 4,000
SILT FENCE	LF	41,209	\$ 1.50	\$ 61,814
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	416,520	\$ 2.20	\$ 916,344
OVER SEEDING DISTURBED AREAS	ACRE	134	\$ 500.00	\$ 67,000
STREET PREPARATION (3' MOISTURE CONDITIONING)	CY	169,229	\$ 2.75	\$ 465,380
6" LIME STABILIZED SUBGRADE PREPARATION	SY	136,260	\$ 3.50	\$ 476,910
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	2,470	\$ 150.00	\$ 370,500
31' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	126,394	\$ 30.00	\$ 3,791,820
37' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	1,624	\$ 40.00	\$ 64,960
BARRIER FREE RAMPS	EA	121	\$ 1,200.00	\$ 145,200
4' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	1,785	\$ 55.00	\$ 98,175
4' WIDE CURLEX EROSION CONTROL MATTING	LF	74,180	\$ 0.75	\$ 55,635
COMBO STREET NAME & STOP SIGN	EA	64	\$ 1,300.00	\$ 83,200
STREET LIGHTS (Standard Lights)	EA	75	\$ 2,500.00	\$ 187,500
<b>SUB - TOTAL</b>				<b>\$ 7,216,037</b>

<b>B. WATER SYSTEM</b>				
CONNECT TO EXIST. WATER LINE (Remove Plug & Connect)	EA	2	\$ 900.00	\$ 1,800
8" P.V.C. WATERLINE	LF	34,862	\$ 22.00	\$ 766,964
8" GATE VALVE & BOX	EA	121	\$ 1,400.00	\$ 169,400
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VALVE)	EA	116	\$ 4,000.00	\$ 464,000
1" SINGLE WATER SERVICE	EA	936	\$ 500.00	\$ 468,000
TRENCH SAFETY	LF	34,862	\$ 0.80	\$ 27,890
TESTING (EXCLUDING GEOTECH)	LF	34,862	\$ 1.00	\$ 34,862
1" IRRIGATION WATER SERVICE (To Green Space)	EA	18	\$ 900.00	\$ 16,200
<b>SUB - TOTAL</b>				<b>\$ 1,949,116</b>

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED  
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS  
ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME:	JACKSON RIDGE	ACREAGE:	324.1	NO. OF LOTS:	1395
ON-SITE FACILITIES:	FUTURE PHASES	CREATED:	6/15/2015	BY:	CDH
CITY:	AUBREY	REVISED:	8/18/2015	CHECKED:	AB
JOB NUMBER:	12031-00	REVISED:	8/26/2015	ROADWAY LF:	57,133
UTIL. PROVIDER:	AUBREY	REVISED:	10/16/2015	FILE NAME:	Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>C. SANITARY SEWER SYSTEM</b>				
CONNECT TO EXIST. SEWER LINE	EA	2	\$ 500.00	\$ 1,000
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	33,135	\$ 25.00	\$ 828,375
4' DIAMETER MANHOLE W/RAIN PANS	EA	77	\$ 2,700.00	\$ 207,900
5' DIAMETER MANHOLE W/RAIN PANS	EA	34	\$ 3,800.00	\$ 129,200
STANDARD CLEANOUTS	EA	12	\$ 875.00	\$ 10,500
4" SINGLE SEWER SERVICE	EA	936	\$ 600.00	\$ 561,600
WATER CROSSING PER TCEQ REQUIREMENTS	EA	35	\$ 750.00	\$ 26,250
TESTING (EXCLUDING GEOTECH)	LF	33,135	\$ 1.50	\$ 49,703
ADDITIONAL TESTING AFTER DRY UTIL INSTALL	LF	33,135	\$ 1.00	\$ 33,135
TRENCH SAFETY	LF	33,135	\$ 0.80	\$ 26,508

**SUB - TOTAL** **\$ 1,874,171**

**D. STORM DRAINAGE SYSTEM**

BASED ON AVERAGE COST PER LOT	EA	936	\$ 1,500.00	\$ 1,404,000
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**SUB - TOTAL** **\$ 1,404,000**

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME: JACKSON RIDGE	ACREAGE: 324.1	NO. OF LOTS: 1395
ON-SITE FACILITIES: FUTURE PHASES	CREATED: 6/15/2015	BY: CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/26/2015	ROADWAY LF: 57,133
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>E. LOT PREPARATION</b>				
LOT GRADING (ROUGH)	LOT	936	\$ 200.00	\$ 187,200
LOT GRADING (FINAL)	LOT	936	\$ 100.00	\$ 93,600
MOISTURE CONDITIONING LOTS 8' BELOW FINAL GRADE	LOT	936	\$ 2,500.00	\$ 2,340,000
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	936	\$ 460.00	\$ 430,560

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 3,051,360</b>
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<b>F. RETAINING WALLS</b>				
RETAINING WALL (4' Top of Wall to Bottom of Wall)	LOT	936	\$ 1,000.00	\$ 936,000

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 936,000</b>
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<b>G. FRANCHISE UTILITIES</b>				
ELECTRIC SERVICE	LOT	936	\$ 1,000.00	\$ 936,000
GAS SERVICE	LOT	936	\$ 1,000.00	\$ 936,000

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 1,872,000</b>
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NOTES FUNDED DEVELOPER ITEMS

<b>H. PROFESSIONAL &amp; MISCELLANEOUS FEES</b>				
ENGINEERING & SURVEYING	LOT	936	\$ 1,500	\$ 1,404,000
BIDDING and LETTING	EA	6	\$ 10,000	\$ 60,000
SWPPP ADMINISTRATION	LS	2	\$ 6,000	\$ 12,000
CONSTRUCTION INSPECTION	%	3%	\$ 16,430,683	\$ 492,921
MATERIAL TESTING	%	2%	\$ 16,430,683	\$ 328,614

**SUB - TOTAL** **\$ 2,297,534**

<b>I. PID DIRECT PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	936	\$ 1,200	\$ 1,123,200
BIDDING and LETTING	EA	4	\$ 10,000	\$ 40,000
SWPPP ADMINISTRATION	LS	2	\$ 2,000	\$ 4,000
CONSTRUCTION INSPECTION	%	3%	\$ 12,443,323	\$ 373,300
MATERIAL TESTING	%	2%	\$ 12,443,323	\$ 248,866

**SUB - TOTAL** **\$ 1,789,366**

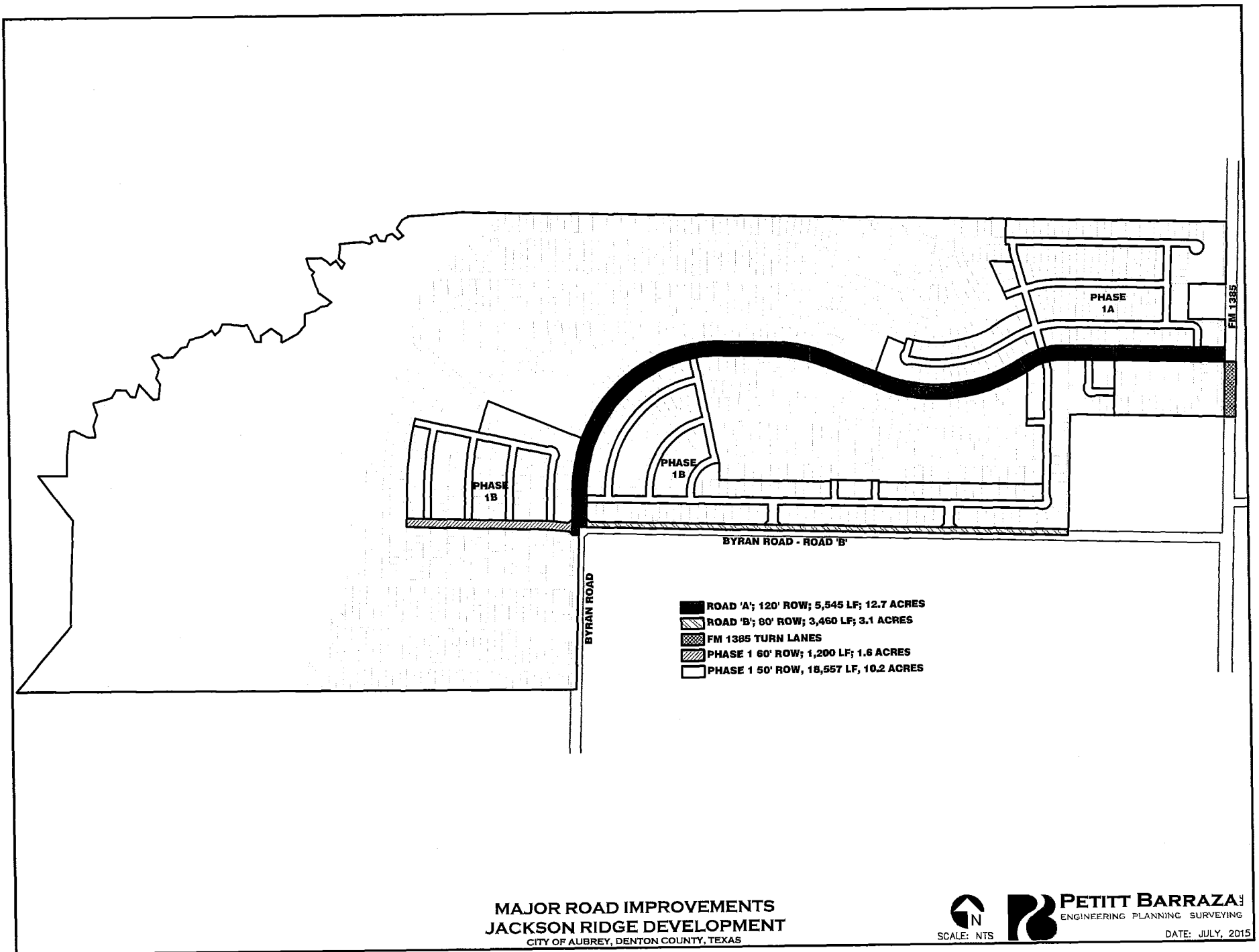
THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.

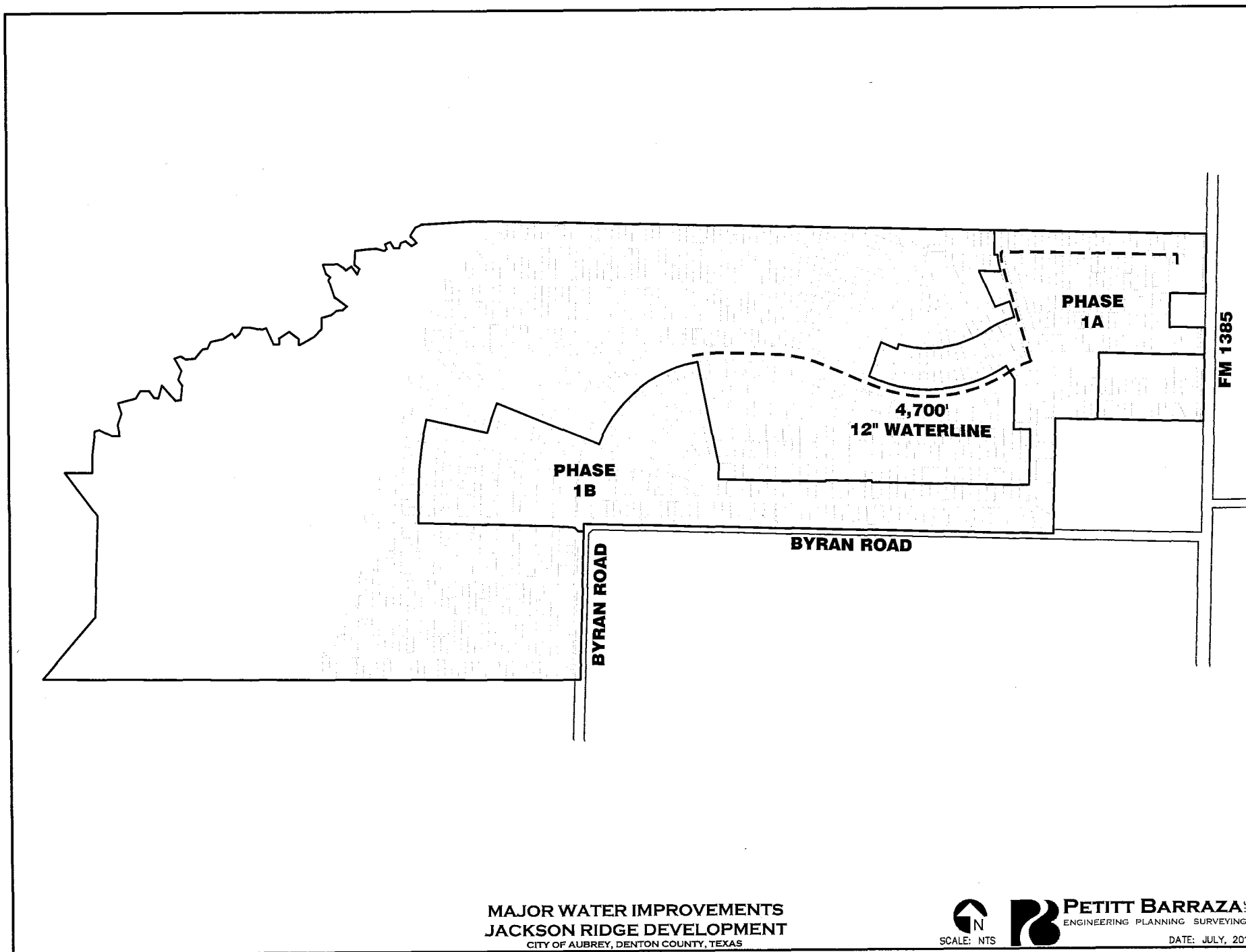
PROJECT NAME: JACKSON RIDGE	ACREAGE: 324.1	NO. OF LOTS: 1395
IMPROVEMENTS: COMMON AREA AMENITIES	CREATED: 6/15/2015	BY CDH
CITY: AUBREY	REVISED: 8/18/2015	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/26/2015	
UTIL. PROVIDER: AUBREY	REVISED: 10/16/2015	FILE NAME: Concept 33

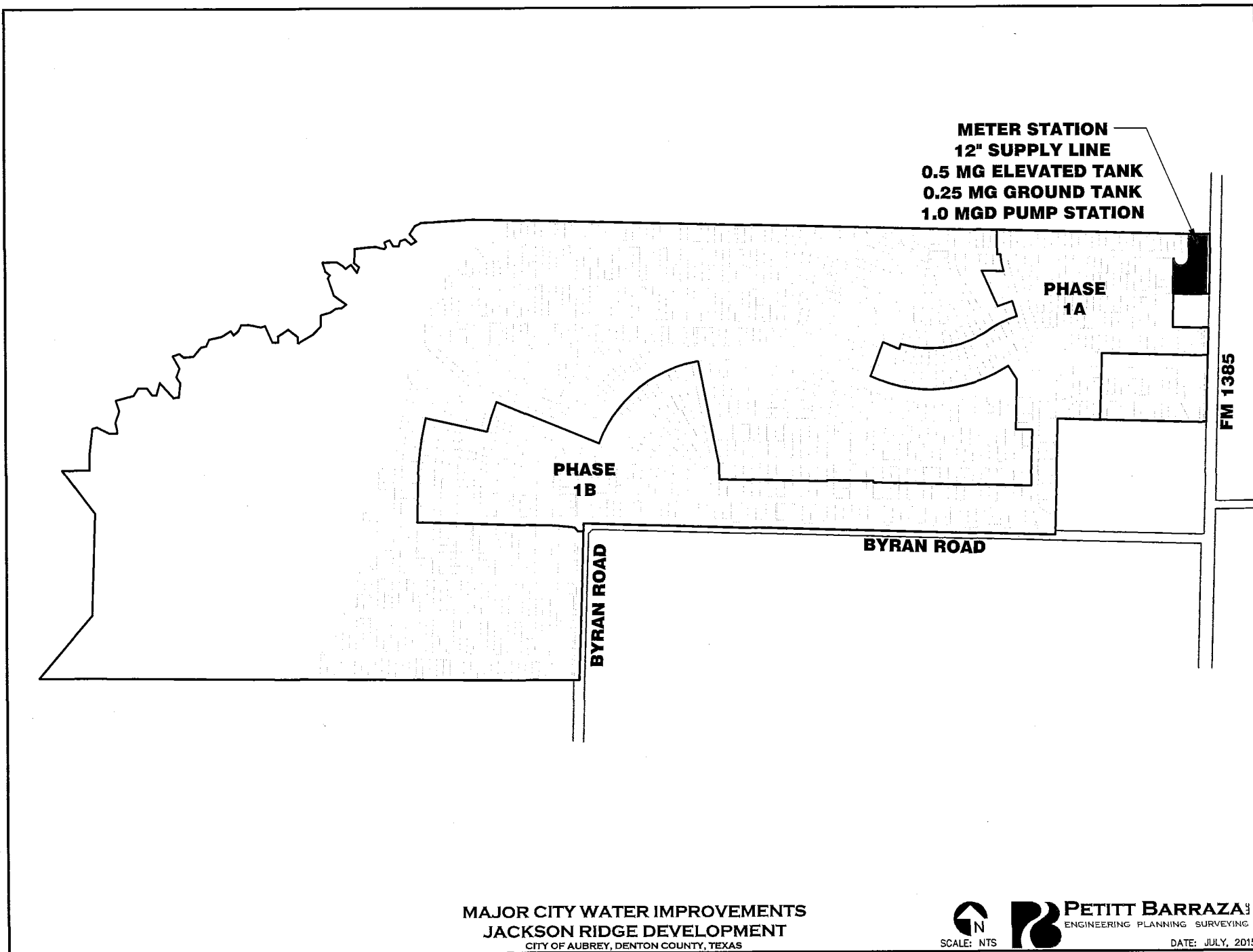
DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
<b>A. COMMON AREA AMENITIES</b>				
AMENITY CENTER	EA	1	\$ 850,000.00	\$ 850,000
SOCCER FIELDS	EA	4	\$ 35,000.00	\$ 140,000
ENTRY	EA	1	\$ 150,000.00	\$ 150,000
TRAIL SYSTEM	LF	8,520	\$ 39.00	\$ 332,280
PERIMETER SCREENING WALL	LF	7,090	\$ 100.00	\$ 709,000
BOULEVARD ORNAMENTAL FENCE	LF	8,280	\$ 100.00	\$ 828,000
TUBULAR STEEL FENCE	LF	2,915	\$ 50.00	\$ 145,750
<b>SUB - TOTAL</b>				<b>\$ 3,155,030</b>

**Appendix C**

**DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS**





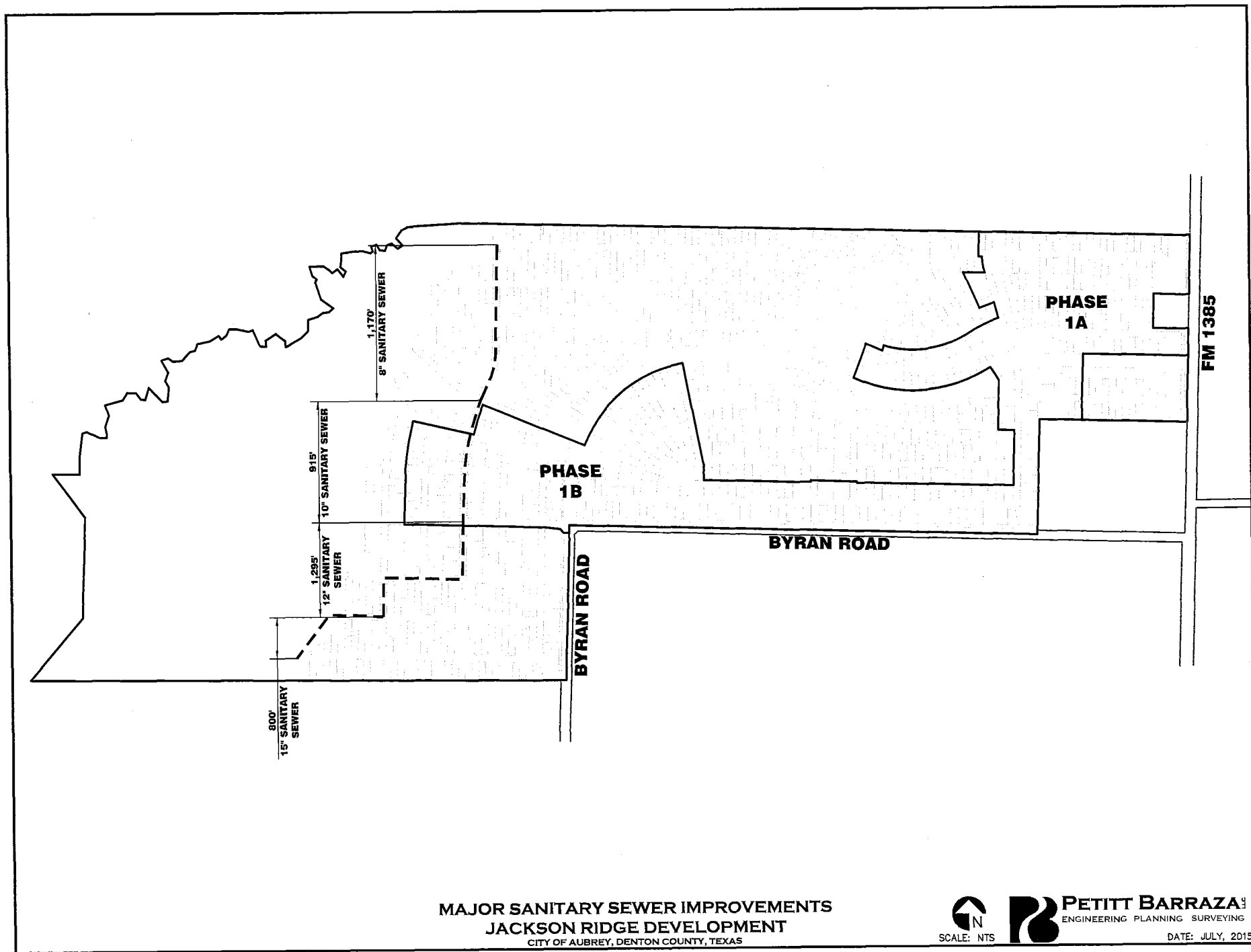


**MAJOR CITY WATER IMPROVEMENTS**  
**JACKSON RIDGE DEVELOPMENT**  
CITY OF AUBREY, DENTON COUNTY, TEXAS



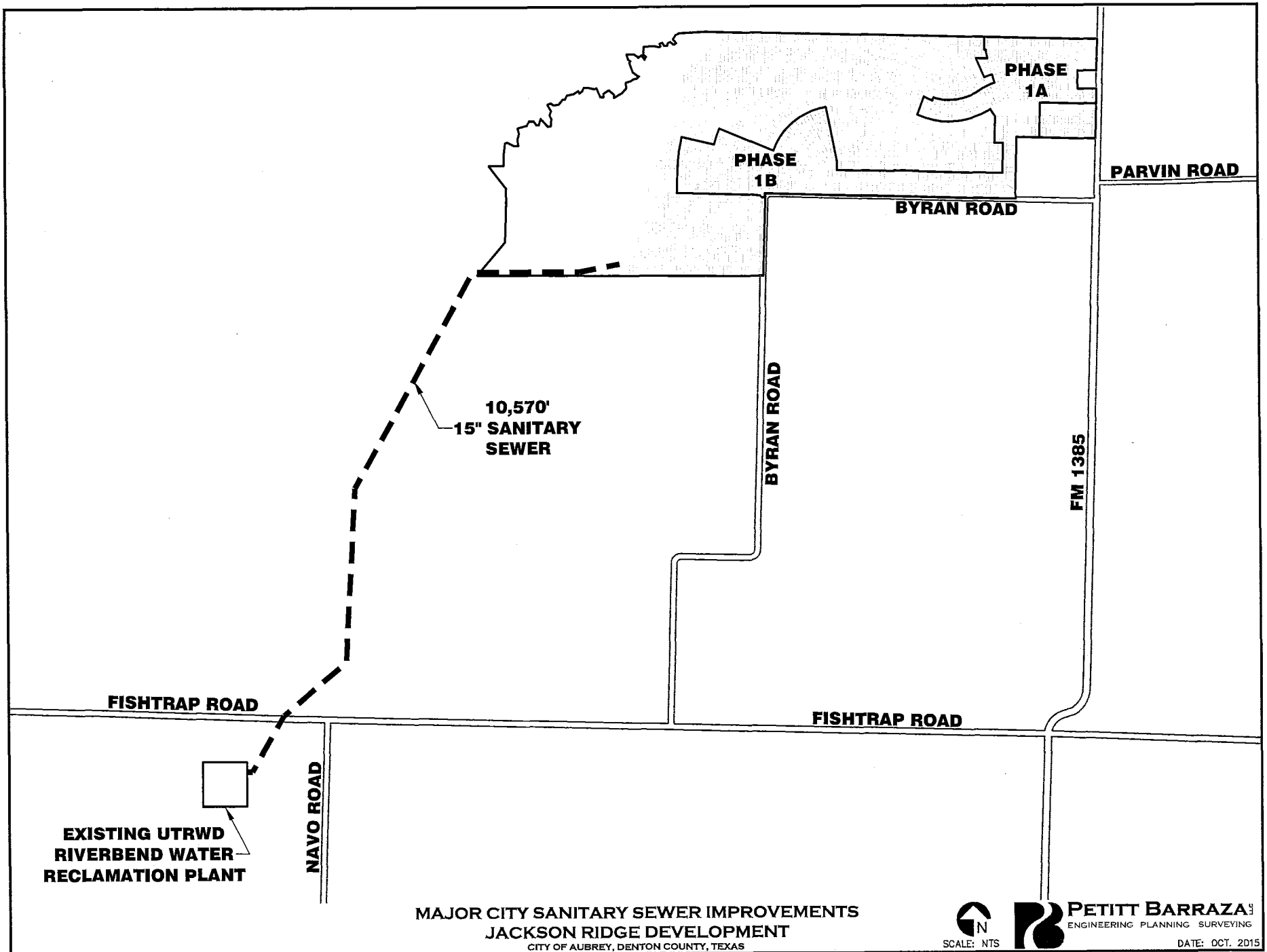
**PETITT BARRAZA**  
ENGINEERING PLANNING SURVEYING

DATE: JULY, 2015



**MAJOR SANITARY SEWER IMPROVEMENTS  
JACKSON RIDGE DEVELOPMENT**  
CITY OF AUBREY, DENTON COUNTY, TEXAS

**PETITT BARRAZA**  
ENGINEERING PLANNING SURVEYING  
SCALE: NTS  
DATE: JULY, 2015



## **Appendix D**

### **LOT TYPES AND EQUIVALENT UNITS**

**Appendix D**  
**Lot Types and Equivalent Units**

For purposes of allocating the Assessments, the Assessed Property has been classified in one of two Lot Types. The following table shows the proposed residential Lot Types within the PID.

**Table D-1**  
**Proposed Development within the PID**

<b>Lot Type</b>	<b>Description</b>	<b>Proposed Development</b>
<b><u>Residential</u></b>		
Lot Type 1	60 Ft Lots	269 units
Lot Type 2	50 Ft Lots	1,126 units
<b>Total</b>		<b>1,395 units</b>

Table D-2 below shows the proposed residential Lot Types within Phase #1.

**Table D-2**  
**Proposed Development – Phase #1**

<b>Type</b>	<b>Description</b>	<b>Proposed Development</b>
<b><u>Residential</u></b>		
Lot Type 1	60 Ft Lots	102 units
Lot Type 2	50 Ft Lots	357 units
<b>Total</b>		<b>459 units</b>

Table D-3 below shows the proposed residential Lot Types within Phases #2 - 3.

**Table D-3**  
**Proposed Development - Phases #2 - 3**

<b>Type</b>	<b>Description</b>	<b>Proposed Development</b>
<b><u>Residential</u></b>		
Lot Type 1	60 Ft Lots	167 units
Lot Type 2	50 Ft Lots	769 units
<b>Total</b>		<b>936 units</b>

As explained under Section IV-D, For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Major Improvements to be financed with the Phases #2 – 3 Major Improvement Bonds shall be allocated to the Phases #2 - 3 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #2 - 3 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 50 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest value to Lot Type 2 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table D-4 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

**Table D-4**  
**Equivalent Unit Factors**

<b>Lot Type</b>	<b>Estimated Average Unit Value</b>	<b>Equivalent Unit Factor</b>
Lot Type 1 (60 Ft Lot)	\$285,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$237,500	0.83 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-5 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase 1.

**Table D-5**  
**Estimated Equivalent Units - Phase #1**

<b>Lot Type</b>	<b>Planned No. of units</b>	<b>Equivalent Unit Factor</b>	<b>Total Equivalent Units</b>
Lot Type 1 (60 Ft Lot)	102	1.00	102.00
Lot Type 2 (50 Ft Lot)	357	0.83	296.31
<b>Total Equivalent Units</b>	<b>459</b>		<b>398.31</b>

The total estimated Equivalent Units for Phases #2 - 3 are shown in Table D-6 below as calculated based on the Equivalent Unit factors shown in Table D-4, estimated Lot Types and number of units estimated to be built within Phases #2 - 3.

**Table D-6**  
**Estimated Equivalent Units - Phases #2 -3**

<b>Lot Type</b>	<b>Planned No. of units</b>	<b>Equivalent Unit Factor</b>	<b>Total Equivalent Units</b>
Lot Type 1 (60 Ft Lot)	167	1.00	167.00
Lot Type 2 (50 Ft Lot)	769	0.83	638.27
<b>Total Equivalent Units</b>	<b>936</b>		<b>805.27</b>

**Appendix E**

**ALLOCATION OF ASSESSMENTS**

## Appendix E Allocation of Assessments

### A) Allocation of Assessments to Lot Types in Phases #2 - 3

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phases #2 – 3 Major Improvement Bonds, which represents the total Assessment to be allocated to all Parcels in the Phases #2 – 3 Assessed Property, is \$10,255,000. As shown in Appendix D, there are a total of 805.27 estimated Equivalent Units in Phases #2 - 3, resulting in an Assessment per Equivalent Unit of \$12,734.86.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$12,734.86 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$12,734.86 (i.e.  $\$12,734.86 \times 1.00$ ). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$10,569.93 (i.e.  $\$12,734.86 \times 0.83$ ). Table E-1 sets forth the Assessment per dwelling unit for each of the three Lot Types in Phases #2 - 3.

**Table E-1  
Assessment per Unit - Phases #2 - 3**

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
<b><u>Residential</u></b>					
Lot Type 1	167	\$12,734.86	1.00	\$12,734.86 per dwelling unit	\$2,126,721
Lot Type 2	769	\$12,734.86	0.83	\$10,569.93 per dwelling unit	\$8,128,279
<b>Total</b>	<b>936</b>				<b>\$10,255,000</b>

### B) Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$14,000,000. As shown in Appendix D, there are a total of 398.31 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$35,148.50.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$35,148.50 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$35,148.50 (i.e.  $\$35,148.50 \times 1.00$ ). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$29,173.26 (i.e.  $\$35,148.50 \times 0.83$ ). Table E-2 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

**Table E-2**  
**Assessment per Unit - Phase #1**

<b>Type</b>	<b>Planned No. of Units</b>	<b>Assessment per Equivalent Unit</b>	<b>Equivalent Unit Factor</b>	<b>Assessment per Unit</b>	<b>Total Assessments</b>
<b>Residential</b>					
Lot Type 1	102	\$35,148.50	1.00	\$35,148.50 per dwelling unit	\$3,585,147
Lot Type 2	357	\$35,148.50	0.83	\$29,173.26 per dwelling unit	\$10,414,853
<b>Total</b>	<b>459</b>				<b>\$14,000,000</b>

**Appendix F**

**ASSESSMENT ROLL –Phases #2-3 Assessed Property**

**Appendix F**  
**Phases #2 - 3 Major Improvement Assessment Roll**

<b>Parcel</b>	All Parcels
<b>Assessment</b>	\$10,255,000
<b>Total Equivalent Units</b>	805.27

<b>Year</b>	<b>Principal<sup>1</sup></b>	<b>Interest<sup>1</sup></b>	<b>Administrative Expenses<sup>2</sup></b>	<b>Total Annual Installment</b>
1	\$0	\$655,537	\$20,000	\$675,537
2	\$0	\$897,313	\$20,400	\$917,713
3	\$0	\$897,313	\$20,808	\$918,121
4	\$180,000	\$897,313	\$21,224	\$1,098,537
5	\$195,000	\$881,563	\$21,649	\$1,098,211
6	\$210,000	\$864,500	\$22,082	\$1,096,582
7	\$230,000	\$846,125	\$22,523	\$1,098,648
8	\$245,000	\$826,000	\$22,974	\$1,093,974
9	\$265,000	\$804,563	\$23,433	\$1,092,996
10	\$290,000	\$781,375	\$23,902	\$1,095,277
11	\$310,000	\$756,000	\$24,380	\$1,090,380
12	\$340,000	\$728,875	\$24,867	\$1,093,742
13	\$365,000	\$699,125	\$25,365	\$1,089,490
14	\$395,000	\$667,188	\$25,872	\$1,088,060
15	\$430,000	\$632,625	\$26,390	\$1,089,015
16	\$465,000	\$595,000	\$26,917	\$1,086,917
17	\$500,000	\$554,313	\$27,456	\$1,081,768
18	\$545,000	\$510,563	\$28,005	\$1,083,567
19	\$590,000	\$462,875	\$28,565	\$1,081,440
20	\$635,000	\$411,250	\$29,136	\$1,075,386
21	\$690,000	\$355,688	\$29,719	\$1,075,406
22	\$745,000	\$295,313	\$30,313	\$1,070,626
23	\$810,000	\$230,125	\$30,920	\$1,071,045
24	\$875,000	\$159,250	\$31,538	\$1,065,788
25	\$945,000	\$82,688	\$32,169	\$1,059,856
26	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$10,255,000</b>	<b>\$15,492,474</b>	<b>\$640,606</b>	<b>\$26,388,080</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-17-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Appendix F**  
**Phases #2 - 5 Major Improvement Assessment Roll**

<b>Parcel</b>	R637957
<b>Assessment</b>	\$3,818,548
<b>Total Equivalent Units</b>	299.85

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Administrative	Total Annual Installment
			Expenses <sup>2</sup>	
1	\$0	\$244,095	\$7,447	\$251,543
2	\$0	\$334,123	\$7,596	\$341,719
3	\$0	\$334,123	\$7,748	\$341,871
4	\$67,025	\$334,123	\$7,903	\$409,051
5	\$72,610	\$328,258	\$8,061	\$408,929
6	\$78,196	\$321,905	\$8,222	\$408,323
7	\$85,643	\$315,063	\$8,387	\$409,092
8	\$91,228	\$307,569	\$8,554	\$407,352
9	\$98,675	\$299,587	\$8,726	\$406,987
10	\$107,984	\$290,952	\$8,900	\$407,837
11	\$115,431	\$281,504	\$9,078	\$406,013
12	\$126,602	\$271,404	\$9,260	\$407,265
13	\$135,911	\$260,326	\$9,445	\$405,682
14	\$147,082	\$248,434	\$9,634	\$405,149
15	\$160,115	\$235,564	\$9,826	\$405,505
16	\$173,147	\$221,554	\$10,023	\$404,724
17	\$186,180	\$206,404	\$10,223	\$402,807
18	\$202,936	\$190,113	\$10,428	\$403,477
19	\$219,692	\$172,356	\$10,636	\$402,685
20	\$236,448	\$153,133	\$10,849	\$400,430
21	\$256,928	\$132,444	\$11,066	\$400,438
22	\$277,408	\$109,962	\$11,287	\$398,658
23	\$301,611	\$85,689	\$11,513	\$398,814
24	\$325,815	\$59,298	\$11,743	\$396,856
25	\$351,880	\$30,789	\$11,978	\$394,648
26	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$3,818,548</b>	<b>\$5,768,771</b>	<b>\$238,536</b>	<b>\$9,825,854</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-17-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Appendix F**  
**Phases #2 - 5 Major Improvement Assessment Roll**

<b>Parcel</b>	R38566
<b>Assessment</b>	\$3,952,518
<b>Total Equivalent Units</b>	310.37

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Administrative	Total Annual Installment
			Expenses <sup>2</sup>	
1	\$0	\$252,659	\$7,708	\$260,368
2	\$0	\$345,845	\$7,863	\$353,708
3	\$0	\$345,845	\$8,020	\$353,865
4	\$69,376	\$345,845	\$8,180	\$423,402
5	\$75,158	\$339,775	\$8,344	\$423,276
6	\$80,939	\$333,199	\$8,511	\$422,648
7	\$88,647	\$326,116	\$8,681	\$423,445
8	\$94,429	\$318,360	\$8,855	\$421,643
9	\$102,137	\$310,097	\$9,032	\$421,266
10	\$111,773	\$301,160	\$9,212	\$422,145
11	\$119,481	\$291,380	\$9,397	\$420,258
12	\$131,044	\$280,926	\$9,585	\$421,554
13	\$140,680	\$269,459	\$9,776	\$419,915
14	\$152,242	\$257,150	\$9,972	\$419,364
15	\$165,732	\$243,829	\$10,171	\$419,732
16	\$179,222	\$229,327	\$10,375	\$418,924
17	\$192,712	\$213,645	\$10,582	\$416,939
18	\$210,056	\$196,783	\$10,794	\$417,632
19	\$227,400	\$178,403	\$11,010	\$416,812
20	\$244,744	\$158,505	\$11,230	\$414,479
21	\$265,942	\$137,090	\$11,454	\$414,487
22	\$287,141	\$113,820	\$11,683	\$412,644
23	\$312,193	\$88,696	\$11,917	\$412,806
24	\$337,246	\$61,379	\$12,155	\$410,780
25	\$364,225	\$31,870	\$12,399	\$408,494
26	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$3,952,518</b>	<b>\$5,971,164</b>	<b>\$246,905</b>	<b>\$10,170,587</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-17-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Appendix F**  
**Phases #2 - 5 Major Improvement Assessment Roll**

<b>Parcel</b>	R38571
<b>Assessment</b>	\$1,099,273
<b>Total Equivalent Units</b>	86.32

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Administrative	Total Annual Installment
			Expenses <sup>2</sup>	
1	\$0	\$70,270	\$2,144	\$72,413
2	\$0	\$96,186	\$2,187	\$98,373
3	\$0	\$96,186	\$2,230	\$98,417
4	\$19,295	\$96,186	\$2,275	\$117,756
5	\$20,903	\$94,498	\$2,321	\$117,721
6	\$22,511	\$92,669	\$2,367	\$117,547
7	\$24,655	\$90,699	\$2,414	\$117,768
8	\$26,262	\$88,542	\$2,463	\$117,267
9	\$28,406	\$86,244	\$2,512	\$117,162
10	\$31,086	\$83,759	\$2,562	\$117,407
11	\$33,230	\$81,039	\$2,613	\$116,882
12	\$36,446	\$78,131	\$2,666	\$117,242
13	\$39,126	\$74,942	\$2,719	\$116,787
14	\$42,342	\$71,518	\$2,773	\$116,633
15	\$46,093	\$67,814	\$2,829	\$116,736
16	\$49,845	\$63,780	\$2,885	\$116,511
17	\$53,597	\$59,419	\$2,943	\$115,959
18	\$58,421	\$54,729	\$3,002	\$116,152
19	\$63,244	\$49,617	\$3,062	\$115,924
20	\$68,068	\$44,083	\$3,123	\$115,275
21	\$73,964	\$38,128	\$3,186	\$115,277
22	\$79,859	\$31,656	\$3,249	\$114,765
23	\$86,827	\$24,668	\$3,314	\$114,809
24	\$93,795	\$17,071	\$3,381	\$114,246
25	\$101,298	\$8,864	\$3,448	\$113,610
26	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,099,273</b>	<b>\$1,660,698</b>	<b>\$68,669</b>	<b>\$2,828,640</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-17-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Appendix F**  
**Phases #2 - 5 Major Improvement Assessment Roll**

<b>Parcel</b>	R147923
<b>Assessment</b>	\$1,384,661
<b>Total Equivalent Units</b>	108.73

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Administrative	Total Annual Installment
			Expenses <sup>2</sup>	
1	\$0	\$88,513	\$2,700	\$91,213
2	\$0	\$121,158	\$2,754	\$123,912
3	\$0	\$121,158	\$2,810	\$123,967
4	\$24,304	\$121,158	\$2,866	\$148,328
5	\$26,329	\$119,031	\$2,923	\$148,284
6	\$28,355	\$116,727	\$2,982	\$148,064
7	\$31,055	\$114,246	\$3,041	\$148,343
8	\$33,081	\$111,529	\$3,102	\$147,712
9	\$35,781	\$108,634	\$3,164	\$147,580
10	\$39,157	\$105,504	\$3,227	\$147,888
11	\$41,857	\$102,077	\$3,292	\$147,226
12	\$45,908	\$98,415	\$3,358	\$147,680
13	\$49,283	\$94,398	\$3,425	\$147,106
14	\$53,334	\$90,086	\$3,493	\$146,913
15	\$58,060	\$85,419	\$3,563	\$147,042
16	\$62,786	\$80,339	\$3,634	\$146,759
17	\$67,512	\$74,845	\$3,707	\$146,064
18	\$73,588	\$68,938	\$3,781	\$146,307
19	\$79,664	\$62,499	\$3,857	\$146,019
20	\$85,740	\$55,528	\$3,934	\$145,202
21	\$93,166	\$48,026	\$4,013	\$145,205
22	\$100,592	\$39,874	\$4,093	\$144,559
23	\$109,369	\$31,072	\$4,175	\$144,616
24	\$118,145	\$21,502	\$4,258	\$143,906
25	\$127,597	\$11,165	\$4,344	\$143,105
26	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,384,661</b>	<b>\$2,091,841</b>	<b>\$86,497</b>	<b>\$3,562,999</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-17-15. The interest amounts shown include the 0.5%

additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts

shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Breakdown of Estimated Bond Debt Service Payments**  
**Phases #2-3 Major Improvement Area**

v1.7

Parcel

All Parcels

Year	City Major Improvements		Other Major Improvements		Total Debt Service
	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	
1	\$0	\$581,114	\$0	\$74,422	\$655,537
2	\$0	\$795,442	\$0	\$101,871	\$897,313
3	\$0	\$795,442	\$0	\$101,871	\$897,313
4	\$159,565	\$795,442	\$20,435	\$101,871	\$1,077,313
5	\$172,862	\$781,480	\$22,138	\$100,083	\$1,076,563
6	\$186,159	\$766,354	\$23,841	\$98,146	\$1,074,500
7	\$203,888	\$750,066	\$26,112	\$96,059	\$1,076,125
8	\$217,185	\$732,225	\$27,815	\$93,775	\$1,071,000
9	\$234,915	\$713,222	\$30,085	\$91,341	\$1,069,563
10	\$257,077	\$692,666	\$32,923	\$88,709	\$1,071,375
11	\$274,806	\$670,172	\$35,194	\$85,828	\$1,066,000
12	\$301,400	\$646,127	\$38,600	\$82,748	\$1,068,875
13	\$323,562	\$619,754	\$41,438	\$79,371	\$1,064,125
14	\$350,156	\$591,443	\$44,844	\$75,745	\$1,062,188
15	\$381,183	\$560,804	\$48,817	\$71,821	\$1,062,625
16	\$412,209	\$527,450	\$52,791	\$67,550	\$1,060,000
17	\$443,236	\$491,382	\$56,764	\$62,930	\$1,054,313
18	\$483,127	\$452,599	\$61,873	\$57,964	\$1,055,563
19	\$523,018	\$410,325	\$66,982	\$52,550	\$1,052,875
20	\$562,909	\$364,561	\$72,091	\$46,689	\$1,046,250
21	\$611,665	\$315,307	\$78,335	\$40,381	\$1,045,688
22	\$660,421	\$261,786	\$84,579	\$33,526	\$1,040,313
23	\$718,042	\$203,999	\$91,958	\$26,126	\$1,040,125
24	\$775,662	\$141,171	\$99,338	\$18,079	\$1,034,250
25	\$837,715	\$73,300	\$107,285	\$9,387	\$1,027,688
26	\$0	\$0	\$0	\$0	\$0
27	\$0	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$9,090,763</b>	<b>\$13,733,633</b>	<b>\$1,164,237</b>	<b>\$1,758,841</b>	<b>\$25,747,474</b>

1 - The principal and interest shares of the City Major Improvements are calculated as 88.59%

based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-A.

The principal and interest amounts are based on the underwriter's final cashflows dated as of 11-16-15.

The interest amounts include the 0.5% additional interest amount for prepayment and delinquency reserves.

2 - The principal and interest shares of the Other Major Improvements are calculated as 11.41%

based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-A.

The principal and interest amounts are based on the underwriter's final cashflows dated as of 11-16-15.

The interest amounts include the 0.5% additional interest amount for prepayment and delinquency reserves.

**Appendix G**

**ASSESSMENT ROLL – Phase #1 Assessed Property**

**Appendix G**  
**Phase #1 Assessment Roll**

**Parcel**  
**Assessment**  
**Total Equivalent Units**

All Parcels  
\$14,000,000  
398.31

<b>Year</b>	<b>Principal<sup>1</sup></b>	<b>Interest<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Total Annual Installment<sup>4</sup></b>
1	\$0	\$762,079	\$0	\$35,802	\$20,000	\$817,881
2	\$0	\$1,043,150	\$0	\$35,802	\$20,400	\$1,099,352
3	\$160,000	\$1,043,150	\$0	\$35,802	\$20,808	\$1,259,760
4	\$170,000	\$1,030,750	\$0	\$35,802	\$21,224	\$1,257,776
5	\$185,000	\$1,017,575	\$0	\$35,802	\$21,649	\$1,260,026
6	\$200,000	\$1,003,238	\$0	\$35,802	\$22,082	\$1,261,121
7	\$210,000	\$987,738	\$5,000	\$35,802	\$22,523	\$1,261,063
8	\$230,000	\$971,463	\$6,000	\$35,471	\$22,974	\$1,265,907
9	\$245,000	\$953,638	\$7,000	\$35,073	\$23,433	\$1,264,143
10	\$260,000	\$934,650	\$8,000	\$34,609	\$23,902	\$1,261,160
11	\$280,000	\$914,500	\$9,000	\$34,078	\$24,380	\$1,261,958
12	\$300,000	\$892,800	\$10,000	\$33,482	\$24,867	\$1,261,149
13	\$325,000	\$869,550	\$12,000	\$32,819	\$25,365	\$1,264,733
14	\$345,000	\$844,363	\$13,000	\$32,023	\$25,872	\$1,260,258
15	\$370,000	\$817,625	\$14,000	\$31,161	\$26,390	\$1,259,176
16	\$400,000	\$788,950	\$16,000	\$30,233	\$26,917	\$1,262,100
17	\$425,000	\$757,950	\$17,000	\$29,172	\$27,456	\$1,256,578
18	\$455,000	\$725,013	\$19,000	\$28,045	\$28,005	\$1,255,062
19	\$490,000	\$689,750	\$20,000	\$26,785	\$28,565	\$1,255,100
20	\$525,000	\$651,775	\$22,000	\$25,459	\$29,136	\$1,253,370
21	\$565,000	\$611,088	\$24,000	\$24,001	\$29,719	\$1,253,807
22	\$605,000	\$567,300	\$26,000	\$22,409	\$30,313	\$1,251,023
23	\$650,000	\$520,413	\$29,000	\$20,686	\$30,920	\$1,251,018
24	\$695,000	\$470,038	\$31,000	\$18,763	\$31,538	\$1,246,338
25	\$745,000	\$416,175	\$34,000	\$16,708	\$32,169	\$1,244,051
26	\$800,000	\$358,438	\$36,000	\$14,453	\$32,812	\$1,241,703
27	\$860,000	\$296,438	\$39,000	\$12,067	\$33,468	\$1,240,972
28	\$920,000	\$229,788	\$42,000	\$9,481	\$34,138	\$1,235,406
29	\$985,000	\$158,488	\$45,000	\$6,696	\$34,820	\$1,230,004
30	\$1,060,000	\$82,150	\$56,000	\$3,713	\$35,517	\$1,237,380
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>13,460,000</b>	<b>\$21,410,017</b>	<b>\$540,000</b>	<b>\$807,998</b>	<b>\$811,362</b>	<b>\$37,029,376</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**Appendix G**  
**Phase 1 Assessment Roll**

**Parcel**  
**Assessment**  
**Equivalent Units**

R637957  
\$8,419,824  
239.55

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Total Annual Installment <sup>4</sup>
1	\$0	\$458,327	\$0	\$21,532	\$12,028	\$491,887
2	\$0	\$627,367	\$0	\$21,532	\$12,269	\$661,168
3	\$96,227	\$627,367	\$0	\$21,532	\$12,514	\$757,640
4	\$102,241	\$619,910	\$0	\$21,532	\$12,765	\$756,447
5	\$111,262	\$611,986	\$0	\$21,532	\$13,020	\$757,800
6	\$120,283	\$603,363	\$0	\$21,532	\$13,280	\$758,458
7	\$126,297	\$594,041	\$3,007	\$21,532	\$13,546	\$758,423
8	\$138,326	\$584,253	\$3,608	\$21,333	\$13,817	\$761,337
9	\$147,347	\$573,533	\$4,210	\$21,093	\$14,093	\$760,276
10	\$156,368	\$562,113	\$4,811	\$20,814	\$14,375	\$758,482
11	\$168,396	\$549,995	\$5,413	\$20,495	\$14,662	\$758,962
12	\$180,425	\$536,944	\$6,014	\$20,136	\$14,956	\$758,475
13	\$195,460	\$522,961	\$7,217	\$19,738	\$15,255	\$760,631
14	\$207,489	\$507,813	\$7,818	\$19,259	\$15,560	\$757,939
15	\$222,524	\$491,733	\$8,420	\$18,741	\$15,871	\$757,288
16	\$240,566	\$474,487	\$9,623	\$18,182	\$16,189	\$759,047
17	\$255,602	\$455,843	\$10,224	\$17,545	\$16,512	\$755,726
18	\$273,644	\$436,034	\$11,427	\$16,867	\$16,843	\$754,814
19	\$294,694	\$414,827	\$12,028	\$16,109	\$17,179	\$754,837
20	\$315,743	\$391,988	\$13,231	\$15,312	\$17,523	\$753,797
21	\$339,800	\$367,518	\$14,434	\$14,434	\$17,873	\$754,060
22	\$363,857	\$341,183	\$15,637	\$13,477	\$18,231	\$752,385
23	\$390,920	\$312,984	\$17,441	\$12,441	\$18,596	\$752,382
24	\$417,984	\$282,688	\$18,644	\$11,284	\$18,967	\$749,568
25	\$448,055	\$250,294	\$20,448	\$10,048	\$19,347	\$748,192
26	\$481,133	\$215,570	\$21,651	\$8,693	\$19,734	\$746,780
27	\$517,218	\$178,282	\$23,455	\$7,257	\$20,128	\$746,341
28	\$553,303	\$138,198	\$25,259	\$5,702	\$20,531	\$742,993
29	\$592,395	\$95,317	\$27,064	\$4,027	\$20,942	\$739,744
30	\$637,501	\$49,406	\$33,679	\$2,233	\$21,360	\$744,180
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$8,095,059</b>	<b>\$12,876,326</b>	<b>\$324,765</b>	<b>\$485,943</b>	<b>\$487,966</b>	<b>\$22,270,059</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**Appendix G**  
**Phase 1 Assessment Roll**

**Parcel**  
**Assessment**  
**Equivalent Units**

R38566  
\$4,179,860  
118.92

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Total Annual Installment <sup>4</sup>
1	\$0	\$227,527	\$0	\$10,689	\$5,971	\$244,188
2	\$0	\$311,444	\$0	\$10,689	\$6,091	\$328,224
3	\$47,770	\$311,444	\$0	\$10,689	\$6,212	\$376,116
4	\$50,755	\$307,742	\$0	\$10,689	\$6,337	\$375,523
5	\$55,234	\$303,809	\$0	\$10,689	\$6,463	\$376,195
6	\$59,712	\$299,528	\$0	\$10,689	\$6,593	\$376,522
7	\$62,698	\$294,900	\$1,493	\$10,689	\$6,725	\$376,505
8	\$68,669	\$290,041	\$1,791	\$10,590	\$6,859	\$377,951
9	\$73,148	\$284,719	\$2,090	\$10,471	\$6,996	\$377,424
10	\$77,626	\$279,050	\$2,388	\$10,333	\$7,136	\$376,534
11	\$83,597	\$273,034	\$2,687	\$10,174	\$7,279	\$376,772
12	\$89,568	\$266,556	\$2,986	\$9,996	\$7,424	\$376,530
13	\$97,032	\$259,614	\$3,583	\$9,798	\$7,573	\$377,601
14	\$103,004	\$252,094	\$3,881	\$9,561	\$7,724	\$376,264
15	\$110,468	\$244,111	\$4,180	\$9,303	\$7,879	\$375,941
16	\$119,425	\$235,550	\$4,777	\$9,026	\$8,036	\$376,814
17	\$126,889	\$226,295	\$5,076	\$8,710	\$8,197	\$375,166
18	\$135,845	\$216,461	\$5,673	\$8,373	\$8,361	\$374,713
19	\$146,295	\$205,933	\$5,971	\$7,997	\$8,528	\$374,724
20	\$156,745	\$194,595	\$6,568	\$7,601	\$8,699	\$374,208
21	\$168,687	\$182,447	\$7,165	\$7,166	\$8,873	\$374,338
22	\$180,630	\$169,374	\$7,763	\$6,691	\$9,050	\$373,507
23	\$194,065	\$155,375	\$8,658	\$6,176	\$9,231	\$373,506
24	\$207,500	\$140,335	\$9,255	\$5,602	\$9,416	\$372,109
25	\$222,428	\$124,254	\$10,151	\$4,988	\$9,604	\$371,426
26	\$238,849	\$107,016	\$10,748	\$4,315	\$9,796	\$370,725
27	\$256,763	\$88,505	\$11,644	\$3,603	\$9,992	\$370,507
28	\$274,677	\$68,606	\$12,540	\$2,831	\$10,192	\$368,845
29	\$294,083	\$47,318	\$13,435	\$1,999	\$10,396	\$367,232
30	\$316,475	\$24,527	\$16,719	\$1,108	\$10,604	\$369,434
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>4,018,637</b>	<b>\$6,392,205</b>	<b>\$161,223</b>	<b>\$241,237</b>	<b>\$242,241</b>	<b>\$11,055,543</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**Appendix G**  
**Phase 1 Assessment Roll**

**Parcel**  
**Assessment**  
**Equivalent Units**

R38571  
\$1,400,316  
39.84

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Total Annual Installment <sup>4</sup>
1	\$0	\$76,225	\$0	\$3,581	\$2,000	\$81,807
2	\$0	\$104,339	\$0	\$3,581	\$2,040	\$109,960
3	\$16,004	\$104,339	\$0	\$3,581	\$2,081	\$126,004
4	\$17,004	\$103,098	\$0	\$3,581	\$2,123	\$125,806
5	\$18,504	\$101,780	\$0	\$3,581	\$2,165	\$126,031
6	\$20,005	\$100,346	\$0	\$3,581	\$2,209	\$126,141
7	\$21,005	\$98,796	\$500	\$3,581	\$2,253	\$126,135
8	\$23,005	\$97,168	\$600	\$3,548	\$2,298	\$126,619
9	\$24,506	\$95,385	\$700	\$3,508	\$2,344	\$126,443
10	\$26,006	\$93,486	\$800	\$3,462	\$2,391	\$126,145
11	\$28,006	\$91,471	\$900	\$3,409	\$2,439	\$126,224
12	\$30,007	\$89,300	\$1,000	\$3,349	\$2,487	\$126,143
13	\$32,507	\$86,975	\$1,200	\$3,283	\$2,537	\$126,502
14	\$34,508	\$84,455	\$1,300	\$3,203	\$2,588	\$126,054
15	\$37,008	\$81,781	\$1,400	\$3,117	\$2,640	\$125,946
16	\$40,009	\$78,913	\$1,600	\$3,024	\$2,692	\$126,239
17	\$42,510	\$75,812	\$1,700	\$2,918	\$2,746	\$125,686
18	\$45,510	\$72,518	\$1,900	\$2,805	\$2,801	\$125,535
19	\$49,011	\$68,991	\$2,000	\$2,679	\$2,857	\$125,538
20	\$52,512	\$65,192	\$2,200	\$2,546	\$2,914	\$125,365
21	\$56,513	\$61,123	\$2,401	\$2,401	\$2,973	\$125,409
22	\$60,514	\$56,743	\$2,601	\$2,241	\$3,032	\$125,131
23	\$65,015	\$52,053	\$2,901	\$2,069	\$3,093	\$125,130
24	\$69,516	\$47,014	\$3,101	\$1,877	\$3,155	\$124,662
25	\$74,517	\$41,627	\$3,401	\$1,671	\$3,218	\$124,433
26	\$80,018	\$35,852	\$3,601	\$1,446	\$3,282	\$124,198
27	\$86,019	\$29,650	\$3,901	\$1,207	\$3,348	\$124,125
28	\$92,021	\$22,984	\$4,201	\$948	\$3,415	\$123,569
29	\$98,522	\$15,852	\$4,501	\$670	\$3,483	\$123,028
30	\$106,024	\$8,217	\$5,601	\$371	\$3,552	\$123,766
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>1,346,304</b>	<b>\$2,141,485</b>	<b>\$54,012</b>	<b>\$80,818</b>	<b>\$81,154</b>	<b>\$3,703,774</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**Breakdown of Estimated Bond Debt Service Payments**  
**Phase#1**

v1.6

Parcel

All Parcels

30.41%

Year	City Major Improvements		Other Major Improvements		Phase #1 Improvements		Total Debt Service
	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Principal <sup>3</sup>	Interest <sup>3</sup>	
1	\$0	\$231,735	\$0	\$110,638	\$0	\$419,706	\$762,079
2	\$0	\$317,204	\$0	\$151,443	\$0	\$574,503	\$1,043,150
3	\$48,653	\$317,204	\$23,229	\$151,443	\$88,118	\$574,503	\$1,203,150
4	\$51,694	\$313,434	\$24,680	\$149,643	\$93,626	\$567,674	\$1,200,750
5	\$56,255	\$309,427	\$26,858	\$147,730	\$101,887	\$560,418	\$1,202,575
6	\$60,817	\$305,068	\$29,036	\$145,649	\$110,148	\$552,521	\$1,203,238
7	\$63,857	\$300,354	\$30,488	\$143,398	\$115,655	\$543,985	\$1,197,738
8	\$69,939	\$295,405	\$33,391	\$141,036	\$126,670	\$535,022	\$1,201,463
9	\$74,500	\$289,985	\$35,569	\$138,448	\$134,931	\$525,205	\$1,198,638
10	\$79,062	\$284,211	\$37,746	\$135,691	\$143,192	\$514,748	\$1,194,650
11	\$85,143	\$278,084	\$40,650	\$132,766	\$154,207	\$503,650	\$1,194,500
12	\$91,225	\$271,485	\$43,554	\$129,615	\$165,221	\$491,699	\$1,192,800
13	\$98,827	\$264,415	\$47,183	\$126,240	\$178,990	\$478,895	\$1,194,550
14	\$104,909	\$256,756	\$50,087	\$122,583	\$190,005	\$465,023	\$1,189,363
15	\$112,511	\$248,626	\$53,716	\$118,702	\$203,773	\$450,297	\$1,187,625
16	\$121,633	\$239,906	\$58,071	\$114,539	\$220,295	\$434,505	\$1,188,950
17	\$129,235	\$230,480	\$61,701	\$110,038	\$234,064	\$417,432	\$1,182,950
18	\$138,358	\$220,464	\$66,056	\$105,256	\$250,586	\$399,292	\$1,180,013
19	\$149,001	\$209,741	\$71,138	\$100,137	\$269,862	\$379,872	\$1,179,750
20	\$159,644	\$198,194	\$76,219	\$94,624	\$289,138	\$358,957	\$1,176,775
21	\$171,807	\$185,821	\$82,026	\$88,717	\$311,167	\$336,549	\$1,176,088
22	\$183,970	\$172,506	\$87,833	\$82,360	\$333,197	\$312,434	\$1,172,300
23	\$197,654	\$158,249	\$94,366	\$75,553	\$357,980	\$286,611	\$1,170,413
24	\$211,338	\$142,930	\$100,899	\$68,239	\$382,763	\$258,868	\$1,165,038
25	\$226,542	\$126,552	\$108,158	\$60,420	\$410,300	\$229,204	\$1,161,175
26	\$243,266	\$108,995	\$116,143	\$52,037	\$440,591	\$197,405	\$1,158,438
27	\$261,511	\$90,142	\$124,854	\$43,036	\$473,635	\$163,259	\$1,156,438
28	\$279,756	\$69,874	\$133,564	\$33,360	\$506,679	\$126,553	\$1,149,788
29	\$299,522	\$48,193	\$143,001	\$23,009	\$542,477	\$87,285	\$1,143,488
30	\$322,328	\$24,980	\$153,889	\$11,926	\$583,783	\$45,243	\$1,142,150
31	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$4,092,958</b>	<b>\$6,510,424</b>	<b>\$1,954,104</b>	<b>\$3,108,276</b>	<b>\$7,412,938</b>	<b>\$11,791,316</b>	<b>\$34,870,017</b>

1 - The principal and interest shares of the City Major Improvements are calculated as 30.41% based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-C. The principal and interest amounts are based on the underwriter's final bond cashflows dated as of 11-16-15. The interest amounts include 0.5% for prepayment and delinquency reserves.

2 - The principal and interest shares of the Other Major Improvements are calculated as 14.52% based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-C. The principal and interest amounts are based on the underwriter's final bond cashflows dated as of 11-16-15. The interest amounts include 0.5% for prepayment and delinquency reserves.

3 - The principal and interest shares of the Phase #1 Improvements are calculated as 55.07% based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-C. The principal and interest amounts are based on the underwriter's final bond cashflows dated as of 11-16-15. The interest amounts include 0.5% for prepayment and delinquency reserves.

**Appendix G**  
**Phase 1 Assessment Roll**

**Lot Type**  
**Assessment**  
**Equivalent Units**

Lot Type 1 (60' Lot)  
\$35,149  
1.00

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Total Annual Installment <sup>4</sup>
1	\$0	\$1,913	\$0	\$90	\$50	\$2,053
2	\$0	\$2,619	\$0	\$90	\$51	\$2,760
3	\$402	\$2,619	\$0	\$90	\$52	\$3,163
4	\$427	\$2,588	\$0	\$90	\$53	\$3,158
5	\$464	\$2,555	\$0	\$90	\$54	\$3,163
6	\$502	\$2,519	\$0	\$90	\$55	\$3,166
7	\$527	\$2,480	\$13	\$90	\$57	\$3,166
8	\$577	\$2,439	\$15	\$89	\$58	\$3,178
9	\$615	\$2,394	\$18	\$88	\$59	\$3,174
10	\$653	\$2,347	\$20	\$87	\$60	\$3,166
11	\$703	\$2,296	\$23	\$86	\$61	\$3,168
12	\$753	\$2,241	\$25	\$84	\$62	\$3,166
13	\$816	\$2,183	\$30	\$82	\$64	\$3,175
14	\$866	\$2,120	\$33	\$80	\$65	\$3,164
15	\$929	\$2,053	\$35	\$78	\$66	\$3,161
16	\$1,004	\$1,981	\$40	\$76	\$68	\$3,169
17	\$1,067	\$1,903	\$43	\$73	\$69	\$3,155
18	\$1,142	\$1,820	\$48	\$70	\$70	\$3,151
19	\$1,230	\$1,732	\$50	\$67	\$72	\$3,151
20	\$1,318	\$1,636	\$55	\$64	\$73	\$3,147
21	\$1,418	\$1,534	\$60	\$60	\$75	\$3,148
22	\$1,519	\$1,424	\$65	\$56	\$76	\$3,141
23	\$1,632	\$1,307	\$73	\$52	\$78	\$3,141
24	\$1,745	\$1,180	\$78	\$47	\$79	\$3,129
25	\$1,870	\$1,045	\$85	\$42	\$81	\$3,123
26	\$2,008	\$900	\$90	\$36	\$82	\$3,117
27	\$2,159	\$744	\$98	\$30	\$84	\$3,116
28	\$2,310	\$577	\$105	\$24	\$86	\$3,102
29	\$2,473	\$398	\$113	\$17	\$87	\$3,088
30	\$2,661	\$206	\$141	\$9	\$89	\$3,107
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$33,793</b>	<b>\$53,752</b>	<b>\$1,356</b>	<b>\$2,029</b>	<b>\$2,037</b>	<b>\$92,966</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**Appendix G**  
**Phase 1 Assessment Roll**

**Lot Type**  
**Assessment**  
**Equivalent Units**

Lot Type 2 (50' Lot)  
\$29,173  
0.83

Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Total Annual Installment <sup>4</sup>
1	\$0	\$1,588	\$0	\$75	\$42	\$1,704
2	\$0	\$2,174	\$0	\$75	\$43	\$2,291
3	\$333	\$2,174	\$0	\$75	\$43	\$2,625
4	\$354	\$2,148	\$0	\$75	\$44	\$2,621
5	\$386	\$2,120	\$0	\$75	\$45	\$2,626
6	\$417	\$2,091	\$0	\$75	\$46	\$2,628
7	\$438	\$2,058	\$10	\$75	\$47	\$2,628
8	\$479	\$2,024	\$13	\$74	\$48	\$2,638
9	\$511	\$1,987	\$15	\$73	\$49	\$2,634
10	\$542	\$1,948	\$17	\$72	\$50	\$2,628
11	\$583	\$1,906	\$19	\$71	\$51	\$2,630
12	\$625	\$1,860	\$21	\$70	\$52	\$2,628
13	\$677	\$1,812	\$25	\$68	\$53	\$2,635
14	\$719	\$1,759	\$27	\$67	\$54	\$2,626
15	\$771	\$1,704	\$29	\$65	\$55	\$2,624
16	\$834	\$1,644	\$33	\$63	\$56	\$2,630
17	\$886	\$1,579	\$35	\$61	\$57	\$2,618
18	\$948	\$1,511	\$40	\$58	\$58	\$2,615
19	\$1,021	\$1,437	\$42	\$56	\$60	\$2,615
20	\$1,094	\$1,358	\$46	\$53	\$61	\$2,612
21	\$1,177	\$1,273	\$50	\$50	\$62	\$2,613
22	\$1,261	\$1,182	\$54	\$47	\$63	\$2,607
23	\$1,354	\$1,084	\$60	\$43	\$64	\$2,607
24	\$1,448	\$979	\$65	\$39	\$66	\$2,597
25	\$1,552	\$867	\$71	\$35	\$67	\$2,592
26	\$1,667	\$747	\$75	\$30	\$68	\$2,587
27	\$1,792	\$618	\$81	\$25	\$70	\$2,586
28	\$1,917	\$479	\$88	\$20	\$71	\$2,574
29	\$2,053	\$330	\$94	\$14	\$73	\$2,563
30	\$2,209	\$171	\$117	\$8	\$74	\$2,578
31	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>28,048</b>	<b>\$44,614</b>	<b>\$1,125</b>	<b>\$1,684</b>	<b>\$1,691</b>	<b>\$77,162</b>

1 - The principal and interest amounts are based final bond cash flows from the underwriter dated 11-16-15. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves. The first two years of such amount will be used to fund Debt Service Reserve Fund.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$540,000. The interest amounts shown are calculated at 6.63% including the additional 0.5% interest amount to be collected for prepayment and delinquency reserves.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any TIRZ Credit.

**JACKSON RIDGE PUBLIC IMPROVEMENT DISTRICT**  
**Summary of Leverage and Tax Equivalent Rates - Phase 1**

**A) Leverage - Residential Units**

<b>Lot Type</b>	<b>Planned No. of Units</b>	<b>Phase 1 Assessment per Unit</b>	<b>Average Estimated Lot Value</b>	<b>Average Estimated Home Value</b>	<b>Leverage (Lot Value)</b>	<b>Leverage (Home Value)</b>
Lot Type 1 (60' Lot)	102	\$35,149	\$57,000	\$328,660	1.62	9.35
Lot Type 2 (50' Lot)	357	\$29,173	\$47,500	\$272,788	1.63	9.35

(1)

(3)

**B) Tax Equivalent Rate - Residential Units**

<b>Lot Type</b>	<b>Planned No. of Units</b>	<b>Phase 1 Average Annual Assessment per Unit</b>	<b>Average Estimated Lot Value</b>	<b>Average Estimated Home Value</b>	<b>Tax Equivalent Rate (per \$100 Lot Value)</b>	<b>Tax Equivalent Rate (per \$100 Home Value)</b>
Lot Type 1 (60' Lot)	102	\$2,246.79	\$57,000	\$328,660	3.94	0.68
Lot Type 2 (50' Lot)	357	\$1,864.83	\$47,500	\$272,788	3.93	0.68

(2)

(1)

(3)

**Notes**

(1) - The average estimated lot values and average estimated home values were provided by the developer.

(2) - The Phase 1 average annual assessments are calculated based on the estimated annual assessments per lot type net of the projected TIRZ credit.  
The projected TIRZ credit amount is calculated using the prorata debt service share of City Major Improvements as shown in the TIRZ Plan.

(3) - The Phase 1 average home prices are calculated based on the estimated projected home values shown in the TIRZ Plan as calculated using  
an estimated 1.7 annual growth rate for the years 2017 through 2026.