

MOSAIC
PUBLIC IMPROVEMENT DISTRICT
CELINA, TEXAS

SERVICE AND ASSESSMENT PLAN

April 11, 2023

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

MOSAIC PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On November 9, 2021, the City Council of the City of Celina, Texas passed and approved Resolution No. 2021-104R approving and authorizing the creation of the Mosaic Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district, all of which was located within the extraterritorial jurisdiction of the City at the time the PID was created.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements as the property is developed. Assessments will be imposed on the property that receives a special benefit from the Authorized Improvements for the public improvements to be constructed.

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 Mosaic 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 (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; and (iii) include a copy of the notice form required by Section 5.014, Property Code.” The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

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 costs of the Authorized Improvements 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 Roll for the portion of the PID in Phase #1 is currently included as Appendix G of this Service and Assessment Plan and additional Assessment Rolls may be added to this Service and Assessment Plan in the future. The Assessments as shown on each 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 Certificate for Payment in a form 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 (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, City permit fees, development fees), insurance premiums, and miscellaneous 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 Certificate for Payment in a form that has been reviewed and approved by the City. 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.

“Additional Interest” means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

“Additional Interest Component” means the amount collected by application of the Additional Interest.

“Additional Interest Reserve” has the meaning set forth in Section V.G of this Service and Assessment Plan.

“Additional Major Improvements” mean the Authorized Improvements described in Section III.C that provide a special benefit to all of the property within the PID and that are constructed after the Initial Major Improvements. The Developer will be responsible for paying the Actual Costs of any Additional Major Improvements for which Assessments are not levied. Although subject to change, current plans anticipate that the Additional Major Improvements will be constructed within five years and in conjunction with the development of Phases #2 through Phase #3B.

“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) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable 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 in one year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

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

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Roll attached hereto as Appendix G, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Additional Interest Component designated for the Additional Interest Reserve described in Section V of this Service and Assessment Plan, if applicable, and (iii) the Administrative Expenses.

“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 the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes all 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means each 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 against the respective Assessed Property.

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

“Assessment Roll” means, as applicable, 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, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this Service and Assessment Plan and in the PID Act.

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

“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 amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“Certificate 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, substantially in the form attached as Exhibit A to the Reimbursement Agreement with such changes as may be required by the City.

“City” means the City of Celina, 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 Tellus Texas I, LLC, a Texas limited liability company.

“Development Agreement” means that certain Mosaic Development Agreement by and between the City and James H. Merritt, III., W. Keith Thornton, Margaret M. Thornton, Susanna Parker, and Merritt/Thornton Farm Partnership, L.P., effective on June 8, 2021 and recorded in the real property records of Denton County, Texas as Instrument No. 130140 on July 20, 2021, as assigned to the

Developer, and related to development of the property within the PID, and as the same may be amended from time to time.

“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 F attached hereto.

“Future Phase(s)” means Phases that are developed after Phase #1, as such areas are generally depicted and described in Appendix A.

“Future Phase Improvements” mean those Authorized Improvements associated with any Future Phase(s) that specially benefit only the property within such Future Phase.

“Homeowner Association” means a homeowner’s association or property owners’ association established for the benefit of property owners within the boundaries of the PID.

“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 Homeowner’s Association.

“Initial Major Improvements” mean the Authorized Improvements described in Section III.B that benefit all Assessed Property within the PID and that are constructed concurrently with Phase #1. The Developer will be responsible for paying the Actual Costs of any Initial Major Improvements for which Assessments are not levied.

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

“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 as shown in Appendix F. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of assessment levy, 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.

“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 to the extent they accrue no special benefit. 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.D.

“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 real property records of the 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 or in connection with an obligation for such Phase under the Reimbursement Agreement for Authorized Improvements (or the portion thereof) designated herein or 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 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.

“Phase #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 those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2023 (Mosaic Public Improvement District Phase #1 Project) that are secured primarily by Phase #1 Assessment Revenues. The term Phase #1 Bonds may also include any additional bonds issued in the future to construct or acquire the Phase #1 Improvements currently being constructed pursuant to the Reimbursement Agreement and which, if issued, will also be secured by the Phase #1 Assessment Revenues.

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property, which are described in Section III.D.

“Phase #1 Maximum Assessment Per Unit” means for Phase #1, an Assessment per unit related to the Phase #1 Improvements for each applicable Lot Type as follows:

Lot Type 1 (70 Ft)	\$69,172.22
Lot Type 2 (60 Ft)	\$58,076.92
Lot Type 3 (50 Ft)	\$54,869.69
Lot Type 4 (40 Ft)	\$40,567.16
Lot Type 5 (Townhomes)	\$32,419.06

“Phase #1 Projects” mean, collectively, the: (i) pro rata portion of the Initial Major Improvements allocable to Phase #1, (ii) pro rata portion of the Additional Major Improvements allocable to Phase #1, and (iii) Phase #1 Improvements.

“Phase #1 Reimbursement Agreement Obligation” means the reimbursement obligation related to the Actual Costs of the Phase #1 Improvements to be paid from Phase #1 Assessment Revenue not used to pay debt service on the Phase #1 Bonds under the terms of the Reimbursement Agreement.

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

“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, the County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Reimbursement Agreement” means that certain “PID Reimbursement Agreement Mosaic Public Improvement District”, effective as of April 11, 2023, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Authorized Improvements and the City agrees to reimburse the Developer with interest as permitted by the PID Act solely from Assessment Revenues and/or the net proceeds of Bonds for a portion of such Actual Costs funded by the Developer for Authorized Improvements constructed and accepted by the City for the benefit of Assessed Property.

“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.

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

“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.

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the extraterritorial jurisdiction of the City and contains approximately 684.752 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 1,470 single family residential units, 210 townhomes, 336 multi-family units, and 56,000 gross square feet of commercial, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

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

Table II-A
Proposed Development

Proposed Development	Quantity	Measurement
<i><u>Residential:</u></i>		
Single-Family - 70 Ft	161	Units
Single-Family - 60 Ft	488	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	356	Units
Townhomes	210	Units
Multi-Family	336	Units
Subtotal - Residential	2,016	Units
<i><u>Non-Residential:</u></i>		
Commercial ⁽¹⁾	56	1,000 GSF
Subtotal – Non-Residential	56	1,000 GSF

¹Developer is not the landowner of property within the portion of the Future Phase on which multi-family units and commercial development are anticipated to be built. Estimated number of multi-family units and commercial square footage has been provided by landowner of such portion of the Future Phase and is subject to change.

B. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 129.468 acres and is projected to consist of 367 single family residential units and 68 townhomes. A map of the property within Phase #1 is shown in Appendix A.

The property within Phase #1 is proposed to be developed as shown on Table II-B:

Table II-B
Proposed Development – Phase #1

Proposed Development	Quantity	Measurement
Single-Family - 70 Ft	62	Units
Single-Family - 60 Ft	109	Units
Single-Family - 50 Ft	110	Units
Single-Family - 40 Ft	86	Units
Townhomes	68	Units
Total	435	Units

C. PROPERTY INCLUDED IN THE FUTURE PHASES

The Future Phases consist of approximately 555.284 acres, which includes approximately 12.778 acres for a future school site. The Future Phases are projected to consist of approximately 1,103 single family residential units, 142 townhomes, 336 multi-family units, and 56,000 gross square feet of commercial. A map of the property within the Future Phases is shown in Appendix A.

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

Table II-C
Proposed Development – Future Phases

Proposed Development	Quantity	Measurement
<i><u>Residential:</u></i>		
Single-Family - 70 Ft	99	Units
Single-Family - 60 Ft	379	Units
Single-Family - 50 Ft	355	Units
Single-Family - 40 Ft	270	Units
Townhomes	142	Units
Multi-Family ⁽¹⁾	336	Units
Subtotal - Residential	1,581	Units
<i><u>Non-Residential:</u></i>		
Commercial ⁽¹⁾	56	1,000 GSF
Subtotal – Non-Residential	56	1,000 GSF

¹Developer is not the landowner of property within portion of the Future Phase on which multi-family units and commercial development are anticipated to be built. Estimated number of multi-family units and commercial square footage has been provided by landowner of such portion of the Future Phase and is subject to change.

As Future Phases are developed, additional Assessments may be levied and Phased PID Bonds may be issued and/or obligations may be created under the Reimbursement Agreement for each new Phase. In connection with the levy of Assessments against property within a Future Phase and/or issuance of each new Phased PID Bond, 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 Phase(s) are shown for illustrative purposes only and are subject to adjustment. The current Parcels within Phase #1 in the

PID are shown on the Phase #1 Assessment Roll included as Appendix G and additional Assessment Rolls may be added to this Service and Assessment Plan as the Future Phase(s) are developed.

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. The estimated number of units for the Future Phases is preliminary and is subject to change.

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B and III.D and shown in the opinion of probable costs shown in Appendix B and on the diagrams included as Appendix D for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will

require the approval of the City and an update to this Service and Assessment Plan. Tables included in this Section may be rounded to the nearest whole dollar.

B. DESCRIPTIONS AND COSTS OF INITIAL MAJOR IMPROVEMENTS

The Initial Major Improvements benefit the entire PID. The costs of the Initial 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 anticipated number of Equivalent Units. Each of Phase #1 and the Future Phases will be proportionally allocated the costs of the Initial Major Improvements, as shown on Table III-A.

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

A description of the Initial Major Improvements are as follows:

Roadway Improvements

The roadway portion of the Initial Major Improvements includes clearing, grubbing, excavation of streets and right-of-way, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, trails, retaining walls, median landscaping, signage and traffic control devices, and the acquisition of related right-of-way for such roadway improvements, for the benefit of the Assessed Property. The roadway improvements include an allocable share of perimeter road improvements. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Initial Major Improvements includes water mains of various diameters that are generally polyvinyl chloride (PVC) pipe, matching gate valves and boxes, fire hydrants, tapping sleeves, service lines, and other water line appurtenances, including trench safety, for the benefit of the Assessed Property. All water improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage collection system portion of the Initial Major Improvements includes pre-development erosion control, silt fences, rock check dams, drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention basins, detention structures and trench safety for the benefit of the Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Initial Major Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Initial Major Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Table III-A
Budgeted Costs - Initial Major Improvements

Authorized Improvements	Total Initial Major Improvement Costs	Phase #1 Allocated Amount	Future Phase Allocated Amount
Roadway improvements	\$891,594	\$217,626	\$673,969
Water improvements	\$1,427,248	\$348,371	\$1,078,877
Sanitary sewer improvements	\$3,127,932	\$763,484	\$2,364,448
Storm drainage improvements	\$779,169	\$190,184	\$588,985
Other soft and miscellaneous costs	\$929,248	\$226,816	\$702,432
Total Authorized Improvements	\$7,155,191	\$1,746,481	\$5,408,709

Note: Costs provided by the Developer. The figures shown in Table III-A are rounded and may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change. At this time, the City is not levying Assessments for the costs of the Initial Major Improvements, including the portion of the costs of the Initial Major Improvements allocable to Phase #1.

C. DESCRIPTIONS AND COSTS OF ADDITIONAL MAJOR IMPROVEMENTS

The Additional Major Improvements benefit the entire PID. The costs of the Additional Major Improvements are expected to be incurred within five years and are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated number of Equivalent Units. Each of Phase #1 and the Future Phases will be proportionally allocated the costs of the Additional Major Improvements, as shown on Table III-B.

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

A description of the Additional Major Improvements are as follows:

Roadway Improvements

The roadway portion of the Additional Major Improvements includes clearing, grubbing, excavation of streets and right-of-way, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, retaining walls,

median landscaping, signage and traffic control devices, and the acquisition of related right-of-way for such roadway improvements, for the benefit of the Assessed Property. The roadway improvements include an allocable share of perimeter road improvements. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Additional Major Improvements includes water mains of various diameters that are generally polyvinyl chloride (PVC) pipe, matching gate valves and boxes, fire hydrants, tapping sleeves, service lines, and other water line appurtenances, including trench safety, for the benefit of the Assessed Property. All water improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer collection system portion of the Additional Major Improvements includes sanitary sewer mains of various diameters, manholes, lift stations, service lines, clean-outs, and other sewer main appurtenances, including trench safety, for the benefit of the Assessed Property. All sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage collection system portion of the Additional Major Improvements includes pre-development erosion control, silt fences, rock check dams, drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention basins, detention structures and trench safety for the benefit of the Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Additional Major Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Additional Major Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

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Table III-B
Budgeted Costs - Additional Major Improvements

Authorized Improvements	Total Additional Major Improvement Costs	Phase #1 Allocated Amount	Future Phase Allocated Amount
Roadway improvements	\$1,039,000	\$253,605	\$785,395
Water improvements	\$163,000	\$39,786	\$123,214
Sanitary sewer improvements	\$51,000	\$12,448	\$38,552
Storm drainage improvements	\$355,000	\$86,651	\$268,349
Other soft and miscellaneous costs	\$446,863	\$109,073	\$337,790
Total Authorized Improvements	\$2,054,863	\$501,563	\$1,553,300

Note: Represents preliminary costs provided by the Developer. The figures shown in Table III-B represent the Budgeted Costs of the Additional Major Improvements anticipated to be constructed within the next five years, are rounded, may be revised on a rolling five-year basis in Annual Service Plan Updates and may be reallocated between line items. At this time, the City is not levying Assessments for the costs of the Additional Major Improvements, including the portion of the costs of the Additional Major Improvements allocable to Phase #1.

D. DESCRIPTIONS AND COSTS OF PHASE #1 IMPROVEMENTS

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

Roadway Improvements

The roadway portion of the Phase #1 Improvements includes clearing, grubbing, excavation of streets and right of ways, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, retaining walls, median landscaping, signage and traffic control devices, including an allocable share of perimeter road improvements, for the benefit of the Phase #1 Assessed Property. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Phase #1 Improvements include PVC waterlines, various gate valves and boxes, fire hydrants, and tapping sleeves, service lines and other water line appurtenances for the benefit of the Phase #1 Assessed Property. All water improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer collection system portion of the Phase #1 Improvements includes PVC pipes, manholes, service lines, clean-outs, concrete encasements, and other sewer line appurtenances and trench safety for the benefit of the Phase #1 Assessed Property. All sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage collection system portion of the Phase #1 Improvements includes pre and post development erosion control, silt fences, rock check dams, drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention and detention structures and trench safety for the benefit of the Phase #1 Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Phase #1 Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Phase #1 Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Table III-C
Budgeted Costs - Phase #1 Projects

Authorized Improvements	Phase #1's Proportional Share of Initial Major Improvements¹	Phase #1's Proportional Share of Additional Major Improvements²	Phase #1 Improvements	Total Phase #1 Projects³
Roadway improvements	\$217,626	\$253,605	\$7,934,786	\$8,406,017
Water improvements	\$348,371	\$39,786	\$2,501,791	\$2,889,948
Sanitary sewer improvements	\$763,484	\$12,448	\$2,265,405	\$3,041,337
Storm drainage improvements	\$190,184	\$86,651	\$4,908,145	\$5,184,980
Other soft and miscellaneous costs	\$226,816	\$109,073	\$3,905,516	\$4,241,405
Total Authorized Improvements	\$1,746,481	\$501,563	\$21,515,642	\$23,763,687

¹ See Table III-A. Allocation of Initial Major Improvements are based on the methodologies described in V.C and shown in Table V.A.

² See Table III-B. Allocation of Additional Major Improvements are based on the methodologies described in V.C and shown in Table V.A.

³ Costs provided by Developer. The figures shown in Table III-C may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Authorized Improvements amount does not change.

E. FUTURE PHASES

As Future Phases are developed, this SAP will be amended to identify the specific Authorized Improvements that confer a special benefit to the property inside each Future Phase (e.g. a Table III-D will be added to show the costs for the Future Phase Improvements financed within the specific Future Phase being developed) and to show such Future Phase's allocable share of the Actual Costs of the Initial Major Improvements and Additional Major Improvements.

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IV. SERVICE PLAN

A. PROJECTED 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. Construction of the Phase #1 Improvements and Initial Major Improvements began in January 2022, and it is anticipated that construction of the Phase #1 Improvements and Initial Major Improvements will be completed by June 2023. At some point after all or a portion of the Phase #1 Improvements and Initial Major Improvements are constructed, development in Future Phases will begin.

The Budgeted Costs for the Phase #1 Projects plus costs related to the issuance of the Phase #1 Bonds and the expenses incurred in the establishment, administration, and operation of the PID allocable to Phase #1 are \$27,284,965 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.”

If Assessments are levied and/or Phased PID Bonds are issued for the costs of Authorized Improvements to be constructed with development of each Future Phase or if additional Phase #1 Bonds are issued for the purposes of paying any unpaid portion of the Phase #1 Reimbursement Agreement Obligation, this Service and Assessment Plan will be updated or amended (e.g. Table IV-C may be included for Phase #2, etc.).

The first series of Phase #1 Bonds are being issued in 2023 and are being used to finance a portion of the costs of the Phase #1 Improvements. Portions of the Phase #1 Improvements will also be paid for and reimbursed pursuant to the terms of the Reimbursement Agreement. At this time, no Assessments are being levied for the Actual Costs of the Initial Major Improvements or the Additional Major Improvements; therefore, Phase #1's allocable share of the Initial Major Improvements is being funded by the Developer and it is anticipated that the Developer will fund Phase #1's allocable share of the Additional Major Improvements to be constructed. Phase #1's allocable share of the Initial Major Improvements and Additional Major Improvements will not be reimbursed from the proceeds for the Phase #1 Bonds or from Assessment Revenues generated from the Phase #1 Assessments. It is anticipated that the City may issue additional Phase #1 Bonds in the future to pay any unpaid portion of the Phase #1 Reimbursement Agreement Obligation related to the Phase #1 Improvements under the Reimbursement Agreement. Tables included in this Section may be rounded to the nearest whole dollar.

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Table IV-A
Projected Sources and Uses – Phase #1 Projects

Sources of Funds	Phase #1 Bonds	Phase #1 Reimbursement Agreement Obligation	Other Funding Sources	Total
Par amount	\$15,923,000	\$0	\$0	\$15,923,000
Original issue discount	(\$55,456)	\$0	\$0	(\$55,456)
Assessment	\$0	\$6,425,000	\$0	\$6,425,000
Other funding sources ¹	\$0	\$2,744,376	\$2,248,044	\$4,992,421
Total Sources	\$15,867,544	\$9,169,376	\$2,248,044	\$27,284,965
Uses of Funds				
<u>Phase #1 Improvements²:</u>				
Road Improvements	\$4,553,198	\$3,381,588	\$0	\$7,934,786
Water Improvements	\$1,435,596	\$1,066,195	\$0	\$2,501,791
Sanitary Sewer Improvements	\$1,299,951	\$965,453	\$0	\$2,265,405
Storm Drainage Improvements	\$2,816,428	\$2,091,717	\$0	\$4,908,145
Other Soft and Miscellaneous Costs	\$2,241,092	\$1,664,424	\$0	\$3,905,516
<i>Subtotal</i>	<i>\$12,346,266</i>	<i>\$9,169,376</i>	<i>\$0</i>	<i>\$21,515,642</i>
<u>Initial Major Improvements²:</u>				
Road Improvements	\$0	\$0	\$217,626	\$217,626
Water Improvements	\$0	\$0	\$348,371	\$348,371
Sanitary Sewer Improvements	\$0	\$0	\$763,484	\$763,484
Storm Drainage Improvements	\$0	\$0	\$190,184	\$190,184
Other Soft and Miscellaneous Costs	\$0	\$0	\$226,816	\$226,816
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,746,481</i>	<i>\$1,746,481</i>
<u>Additional Major Improvements²:</u>				
Road Improvements	\$0	\$0	\$253,605	\$253,605
Water Improvements	\$0	\$0	\$39,786	\$39,786
Sanitary Sewer Improvements	\$0	\$0	\$12,448	\$12,448
Storm Drainage Improvements	\$0	\$0	\$86,651	\$86,651
Other Soft and Miscellaneous Costs	\$0	\$0	\$109,073	\$109,073
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$501,563</i>	<i>\$501,563</i>
<u>Bond Issuance Costs:</u>				
Costs of Issuance	\$780,000	\$0	\$0	\$780,000
Capitalized interest	\$1,092,123	\$0	\$0	\$1,092,123
Reserve Fund	\$1,121,465	\$0	\$0	\$1,121,465
Administrative Expense	\$50,000	\$0	\$0	\$50,000
Underwriters Discount	\$477,690	\$0	\$0	\$477,690
<i>Subtotal</i>	<i>\$3,521,278</i>	<i>\$0</i>	<i>\$0</i>	<i>\$3,521,278</i>
Total Uses	\$15,867,544	\$9,169,376	\$2,248,044	\$27,284,965

¹The other funding sources represent project costs of the Phase #1 Projects to be paid by the Developer without reimbursement from the City including all of the costs of the Initial Major Improvements and Additional Major Improvements allocable to Phase #1.

² See Table III-C for details.

As Future Phases are developed, the City may levy Assessments against benefitted property within such Future Phase and/or may issue Phased PID Bonds and/or a reimbursement agreement may be executed to finance the Authorized Improvements required for each new Phase.

B. PROJECTED FIVE YEAR SERVICE PLAN

Phase #1

The annual projected costs and annual projected indebtedness for Phase #1's share of Initial Major Improvements and Additional Major Improvements is shown in Table IV-B. 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-B
Annual Projected Costs and Annual Projected Indebtedness
Phase #1 Share of Initial Major Improvements and Additional Major Improvements

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Projected Phase #1 Annual Installments
2023	\$1,746,481	\$0	\$1,746,481	\$0
2024	\$250,782	\$0	\$250,782	\$0
2025	\$250,782	\$0	\$250,782	\$0
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0
Total	\$2,248,044	\$0	\$2,248,044	\$0

¹Annual Projected Costs shown do not include the costs of the Phase #1 Improvements shown separately in Table IV-C below. Annual Projected Indebtedness shown is solely related to Phase #1's share of Initial Major Improvements and Additional Major Improvements.

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Phase #1's share of the Initial Major Improvements and Additional Major Improvements shown in Table III-C. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

The annual projected costs and annual projected indebtedness for Phase #1 Improvements is shown in Table IV-C. 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.

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Table IV-C

**Annual Projected Costs and Annual Projected Indebtedness
Phase #1 Improvements**

Year	Annual Projected Cost	Annual Projected Indebtedness²	Other Funding Sources³	Projected Phase #1 Annual Installments
2023 ¹	\$25,036,921	\$22,348,000	\$2,744,376	\$0
2024	\$0	\$0	\$0	\$600,443
2025	\$0	\$0	\$0	\$1,682,241
2026	\$0	\$0	\$0	\$1,682,839
2027	\$0	\$0	\$0	\$1,682,570
2028	\$0	\$0	\$0	\$1,682,445
2029	\$0	\$0	\$0	\$1,682,406
Total	\$25,036,921	\$22,292,544	\$2,744,376	\$9,012,944

¹Administrative Expenses in year 2023 are being funded with Bond proceeds, and interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

²Includes amounts to be paid from assessments related to both the Phase #1 Bonds and the Phase #1 Reimbursement Agreement Obligation.

³Other funding sources include original issue discount.

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-C, and the costs associated with setting up the PID allocable to Phase #1 and bond issuance costs including reserves shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

C. PID ASSESSMENT NOTICE

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan update include a copy of the “PID Assessment Notice” form required by Section 5.014 of the Texas Property Code. The PID Assessment Notice is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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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 development financing program entails a series of Bond financings and/or obligations under the Reimbursement Agreement 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 issuance of the first series of Phase #1 Bonds and the creation of the Phase #1 Reimbursement Agreement Obligation being issued and/or created in 2023, subsequent obligations under the Reimbursement Agreement and/or Bond financings may be incurred or issued in the future as the subsequent Future Phases are gradually constructed.

The purpose of this gradual issuance of Bonds in phases is to mirror the actual development of the Authorized Improvements. The Bonds being 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.

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

1. The costs of the Phase #1 Improvements that only benefit Phase #1 shall be allocated to Phase #1 Assessed Property on the basis of Equivalent Units calculated using the average home price of each Lot Type 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 Initial Major Improvements and Additional Major Improvements are proportionally allocated to Phase #1 Assessed Property and Future Phases based on estimated Equivalent Units calculated using the average home price for the Phase #1 Assessed Property and Future Phases.

At this time the City is not levying Assessments for the costs of the Initial Major Improvements and Additional Major 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 direct Authorized Improvements that will benefit each individual Phase. Therefore, Parcels will only be assessed for the special benefits conferred upon the Phase #1 Assessed Property at this time because of the Phase #1 Improvements.

In connection with the levy of Assessments against property within a Future Phase and/or the issuance of Phased PID Bonds, 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 Assessments and/or Phased PID Bonds with respect to that Future Phases. Prior to assessing Parcels located within Future Phases, 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 Phase #1 as a result of the Phase #1 Improvements, as applicable, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments being levied on the Phase #1 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Initial Major Improvements, Additional Major Improvements, and the 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 and/or execution of a related reimbursement agreement 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 PID Act. These Authorized 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 close proximity of these improvements 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 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 Authorized Improvements 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 Authorized Improvements 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 Initial Major Improvements and Additional Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Actual Costs of the Initial Major Improvements and Additional Major Improvements must be allocated throughout all Assessed Property in the District. Table V-A summarizes the allocation of Budgeted Costs of the Initial Major Improvements and Additional Major Improvements. The Budgeted 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 435 residential units and the Future Phases are projected to contain 1,581 residential units and 56,000 gross square feet of commercial. As shown in Appendix F, the total projected Equivalent Units for Phase #1 is calculated as 323.08 and the total projected Equivalent Units for the Future Phases is calculated as 1,000.55. The total projected Equivalent Units in the PID is, therefore, calculated to be 1,323.62 (i.e., $323.08 + 1,000.55 = 1,323.62$). As a result, 24.41 percent of the Budgeted Costs of the Initial Major Improvements and Additional Major Improvements (i.e., $323.08 \div 1,323.62 = 24.41\%$) are allocated to the Phase #1 Assessed Property and 75.59 percent of the Budgeted Costs of the Initial Major Improvements and Additional Major Improvements (i.e., $1,005.55 \div 1,323.62 = 75.59\%$) are allocated to the property located in Future Phases. The Phase #1 Bonds, Phase #1 Reimbursement Agreement Obligation, and funds from the Developer will fund the Budgeted Costs of the Phase #1 Improvements. One hundred percent (100%) of the Phase #1 Improvements are allocated to the Phase #1 Assessed Property.

Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Initial Major Improvements	Additional Major Improvements
Roadway Improvements	\$891,594	\$1,039,000
Water Improvements	\$1,427,248	\$163,000
Sanitary Sewer Improvements	\$3,127,932	\$51,000
Storm Drainage Improvements	\$779,169	\$355,000
Other Soft and Miscellaneous Costs	\$929,248	\$446,863
Total Major Improvements	\$7,155,191	\$2,054,863
Phase #1		
Projected total number of Equivalent Units	323.08	323.08
% of total Equivalent Units	24.41%	24.41%
Proportionate Share of Costs	\$1,746,481	\$501,563
Future Phases		
Projected total number of Equivalent Units	1,000.55	1,000.55
% of total Equivalent Units	75.59%	75.59%
Proportionate Share of Costs	\$5,408,709	\$1,553,300

D. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements 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 costs of the Authorized Improvements 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 Phase #1 Improvements

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phase #1 Bonds and by the Developer under the Phase #1 Reimbursement Agreement Obligation shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels within Phase #1 based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Phase #1 Improvements, as set forth in Table III-C, the City Council has determined that the benefit to Phase #1 Assessed Property of the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel within Phase #1, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time

residential Lots are platted to the total estimated Equivalent Units for Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

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.

2. Assessment Methodology for Future Phases

When any given Future Phases are developed, and Phased PID Bonds for that Future Phases are to be issued and/or a related reimbursement agreement is executed, 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 are being levied on each Parcel within Phase #1 according to the Phase #1 Assessment Roll, attached hereto as Appendix G. The Annual Installments of the Assessments will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll, subject to any revisions made during an Annual Service Plan Update. Non-Benefitted Property will not be subject to any Assessments.

See Appendix F for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

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 each Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

G. ADDITIONAL INTEREST RESERVE

Pursuant to the PID Act, the interest rate for any portion of the Assessments which secure a series of Bonds 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 interest rate used to determine the Assessments that secure the Bonds is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with the Additional Interest Component of the Annual Installments allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs. The Additional Interest Reserve shall be funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, the City may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture. No Additional Interest will be collected from any portion of an Assessment which secures a reimbursement obligation under the Reimbursement Agreement and not a series of Bonds.

VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Parcel of Phase #1 Assessed Property located within the PID is shown on the 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 from the Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1 Bonds, (ii) principal and interest on the Phase #1 Reimbursement Agreement Obligation (iii) to fund the Additional Interest Reserve (with respect to the portion of the assessment securing the Phase #1 Bonds) described in Section V, and (iv) to pay Administrative Expenses related to the PID. The Annual Installment for each Parcel in the PID shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

B. 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.

C. 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 number of Equivalent Units to be built on each new subdivided Parcel

D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent 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 Equivalent 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.

D. MANDATORY PREPAYMENT OF ASSESSMENTS

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.

If at any time the Assessment per Unit on a Parcel within Phase #1 exceeds the applicable Phase #1 Maximum Assessment Per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Phase #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan.

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

E. REDUCTION OF ASSESSMENTS

If after all Authorized Improvements to be funded with a series of Bonds and/or Reimbursement Agreement have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs or Budgeted Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds and/or related reimbursement agreement, resulting in

excess Bond proceeds being available to redeem Bonds and/or reduce obligations under the Reimbursement Agreement, as the case may be, and such excess proceeds shall be applied to redeem Bonds and/or obligations under the Reimbursement Agreement may be reduced as provided in the Indenture or the terms of the Reimbursement Agreement, then the Assessment securing such series of Bonds and/or obligations under the Reimbursement Agreement 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 reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds and/or amounts due under a related reimbursement agreement. 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 and in accordance with the applicable Trust Indenture.

If all the Authorized Improvements are not undertaken, resulting in excess Bonds proceeds being available to redeem Bonds and/or a need to reduce the obligations under the Reimbursement Agreement, and such excess proceeds shall be applied to redeem Bonds and/or reduce obligations under the Reimbursement Agreement, as the case may be, as provided in the Indenture or the terms of the Reimbursement Agreement, 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 and/or repay obligations under the Reimbursement Agreement, including interest on the Bonds (including Additional Interest) and/or interest due under the Reimbursement Agreement and Administrative Expenses. 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 number of 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 and/or repay the obligations under the Reimbursement Agreement, including interest thereon and Administrative Expenses. 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 and/or obligations under the Reimbursement Agreement is equal to the outstanding principal amount of the Bonds and/or Reimbursement Agreement.

F. PAYMENT OF ASSESSMENTS

1. Payment in Full

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.

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.

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.

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 Additional Interest Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds. If Assessments secure both a series of Bonds and an obligation under the Reimbursement Agreement, the lien securing the Bonds shall have a senior priority. As such, annual collections shall be applied first to amounts due on the Bonds, including Additional Interest and Administrative Expenses and second to amounts due under the Reimbursement Agreement.

Each Assessment for the Phase #1 Assessed Property shall be paid with interest related to the actual interest rate paid on the Phase #1 Bonds (plus Additional Interest) and Phase #1 Reimbursement Agreement Obligation, respectively, as shown in the Phase #1 Assessment Roll. Interest on the Phase #1 Bonds is based on an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Reimbursement Agreement Obligation shall be paid based on an interest rate of 5.85% per annum for years 1 through 5 and 5.85% per annum following the fifth Annual Installment. The interest on the Phase #1 Reimbursement Agreement Obligation shall be paid at a rate not to exceed five hundred basis points (5.00%) above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points (2.00%) above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the City is the *Bond Buyer Index* for which the highest average rate during the previous thirty days prior to the levy of Assessments was 3.85%. The City has determined that the PID Reimbursement Agreement shall bear interest at the interest rate of 5.85% per annum for years 1 through 5 and 5.85% per annum following the fifth Annual Installment, which rates are equal to or less than the initial maximum allowable rate of interest of 8.85% for years 1 through 5 and equal to the maximum allowable rate of interest following the fifth Annual Installment, which would be 5.85%. Furthermore, the Annual Installments may not exceed the amounts shown on the applicable Assessment Roll. The Phase #1 Assessment Roll is shown in Appendix G.

The Annual Installments for the Phase #1 Assessed Property shall be reduced to equal the Actual Costs of repaying the Phase #1 Bonds and the Phase #1 Reimbursement Agreement Obligation under the Reimbursement Agreement 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 and/or issue additional 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.

G. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls 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 PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated as of September 1 and updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments relating to the Phase #1 Assessments will be due when billed and will be delinquent if not paid prior to February 1, 2024 (subject to any offsets from capitalized interest and any other available funds).

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H. SURPLUS FUNDS REMAINING IN THE PHASE # 1 BOND ACCOUNT

If proceeds from the Phase #1 Bonds remain after all of the Phase #1 Improvements are constructed and accepted by the City, the proceeds may be utilized in accordance with the applicable Trust Indenture.

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VII. THE ASSESSMENT ROLL

A. PHASE #1 ASSESSMENT ROLL

The City Council has evaluated each Parcel in Phase #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Phase #1.

The Phase #1 Assessed Property will be assessed for the special benefits conferred upon the property resulting from the Phase #1 Improvements. Table VII-B summarizes the \$27,340,421 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Projects, the costs of the PID formation allocable to Phase #1, and the Phase #1 Bond issuance costs. The par amount of the Phase #1 Bonds and the amount of the Phase #1 Reimbursement Agreement Obligation due is collectively \$22,348,000, which is less than the benefit received by the Phase #1 Assessed Property from the Phase #1 Improvements. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is \$22,348,000 plus interest, Additional Interest (as applicable), and annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1 Assessment Roll is attached hereto as Appendix G.

Table VII-B
Phase #1
Special Benefit Summary

Special Benefit	Total Cost
Phase #1 Projects ¹	\$23,763,687
<u>PID Formation/Bond Costs of Issuance:</u>	
Costs of issuance	\$780,000
Capitalized interest	\$1,092,123
Reserve fund	\$1,121,465
Administrative Expense	\$50,000
Underwriter's discount	\$477,690
<i>Subtotal</i>	<i>\$3,521,278</i>
Original issue discount	\$55,456
Total Special Benefit	\$27,340,421
<u>Special Benefit:</u>	
Total Special Benefit	\$27,340,421
Projected Assessment	\$22,348,000
Excess Benefit	\$4,992,421

¹See Table III-C for details.

B. FUTURE PHASES ASSESSMENT ROLLS

As Future Phases are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Phases (e.g. an appendix will be added as the Assessment Roll for Future Phases).

C. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the 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.F of this Service and Assessment Plan.

This update shall reflect the actual interest on the Bonds and/or due under a related reimbursement agreement 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.

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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 PID 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 applicable 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 PID 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 an 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

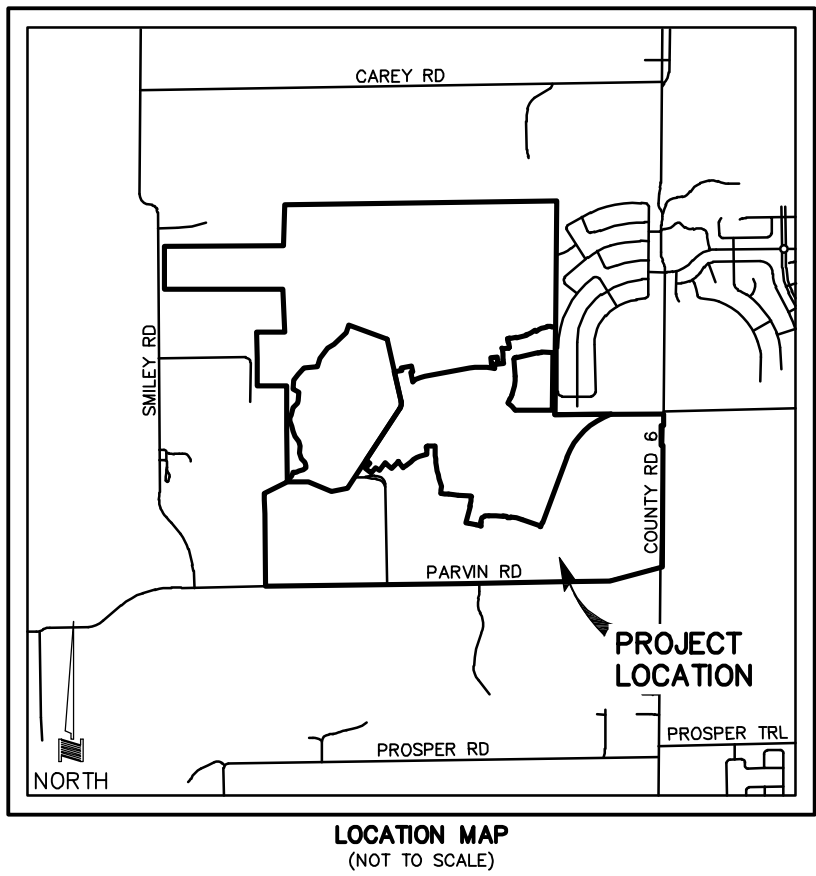
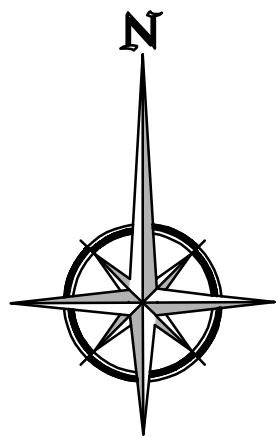
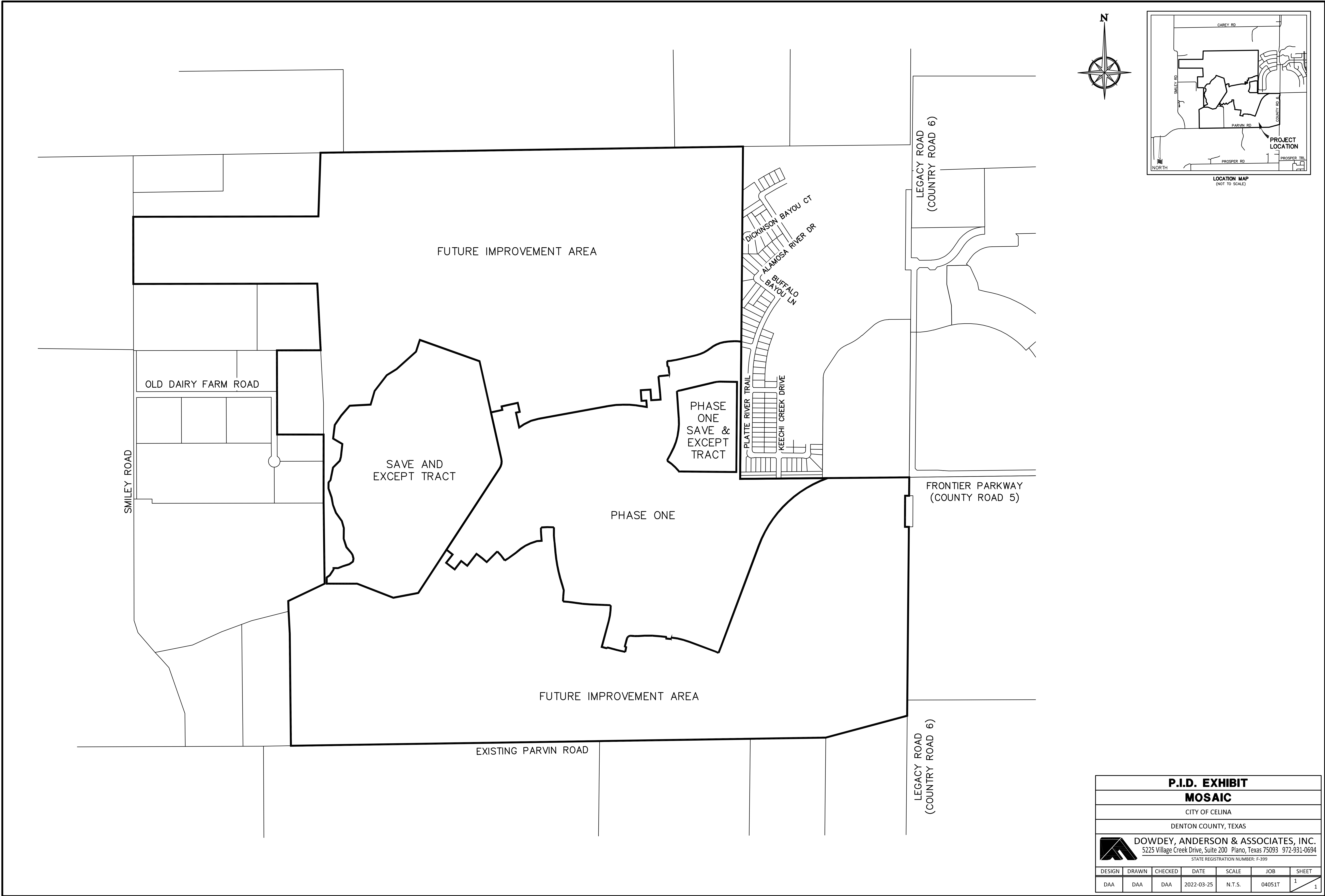
If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service 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.

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APPENDIX A
PID MAP

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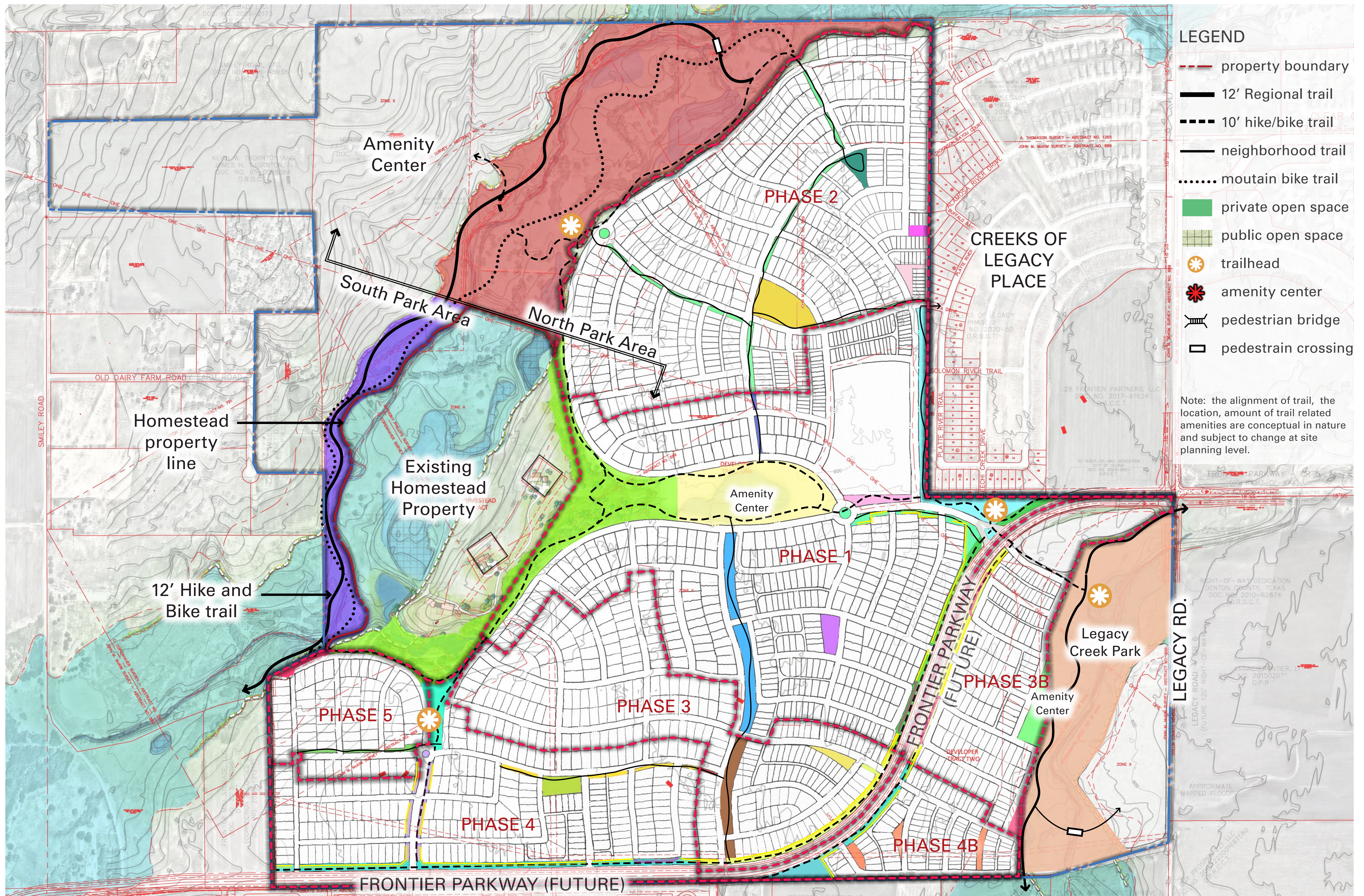
P.I.D. EXHIBIT						
MOSAIC						
CITY OF CELINA						
DENTON COUNTY, TEXAS						
<div><div></div><div><div>DOWDEY, ANDERSON & ASSOCIATES, INC.</div><div>5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694</div><div>STATE REGISTRATION NUMBER: F-399</div></div></div>						
DESIGN	DRAWN	CHECKED	DATE	SCALE	JOB	SHEET
DAA	DAA	DAA	2022-03-25	N.T.S.	04051T	1 / 1

PLATE NO.:

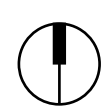


TBG

Mosaic

Conceptual Open Space Plan
(August, 2021 Draft, subject to change without notice)

0 150' 300' 600'



APPENDIX B
BUDGETED COSTS OF AUTHORIZED IMPROVEMENTS

MOSAIC
City of Celina, Denton County, Texas
Plat/Land Plan 7/15/2022

Total Lots: 1,680 Total Acres: 433.2
Prepared: 01/13/23 Revised:

Opinion of Probable Cost Summary

CATEGORY	PHASE 1	PHASE 2	PHASE 3	PHASE 3B	PHASE 4	PHASE 4B	PHASE 5	PHASE 6 (NW TRACT)	PHASE 7 (COMM. & MF)	TOTAL
Direct Public Improvements										
1 Clearing/Excavation	\$ 282,697	\$ 976,695	\$ 476,970	\$ 135,983	\$ 244,101	\$ 84,649	\$ 86,167	\$ 539,140	\$ -	\$ 2,826,403
2 Water	\$ 2,501,791	\$ 2,167,604	\$ 1,446,399	\$ 817,384	\$ 1,379,540	\$ 544,292	\$ 556,985	\$ 2,219,013	\$ -	\$ 11,633,008
3 Sewer	\$ 2,265,405	\$ 2,500,956	\$ 1,190,590	\$ 863,332	\$ 1,144,088	\$ 445,333	\$ 403,330	\$ 2,077,358	\$ -	\$ 10,890,392
4 Storm Drainage	\$ 4,902,675	\$ 2,430,998	\$ 2,249,357	\$ 1,750,830	\$ 2,032,480	\$ 562,321	\$ 507,830	\$ 3,402,887	\$ -	\$ 17,839,378
5 Roadways	\$ 7,652,089	\$ 5,593,765	\$ 2,627,280	\$ 1,794,378	\$ 2,608,523	\$ 1,206,791	\$ 1,058,134	\$ 5,313,226	\$ -	\$ 27,854,186
6 Retaining Walls	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Erosion Control/SWPPP	\$ 5,470	\$ 121,100	\$ 72,225	\$ 45,680	\$ 63,477	\$ 40,183	\$ 36,154	\$ 90,582	\$ -	\$ 474,871
8 Landscape/Amenities (DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 Landscape/Amenities (Non-DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Franchise Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11 Miscellaneous	\$ 1,358,583	\$ 902,450	\$ 482,459	\$ 317,588	\$ 475,439	\$ 199,833	\$ 349,795	\$ 963,163	\$ -	\$ 5,049,310
Hard Cost Subtotal	\$ 18,968,710	\$ 14,693,568	\$ 8,545,280	\$ 5,725,175	\$ 7,947,648	\$ 3,083,402	\$ 2,998,395	\$ 14,605,370	\$ -	\$ 76,567,548
12 Engineering/Surveying	\$ 1,408,810	\$ 1,175,485	\$ 683,622	\$ 458,014	\$ 635,812	\$ 246,672	\$ 238,872	\$ 1,168,430	\$ -	\$ 6,016,717
13 Landscape Design (DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Landscape Design (Non-DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15 Inflation @ 2.5%		\$ 396,726	\$ 236,491	\$ 162,405	\$ 231,086	\$ 89,653	\$ 89,361	\$ 446,165	\$ -	\$ 1,651,888
16 Hard & Soft Contingency	\$ 1,138,123	\$ 1,469,357	\$ 854,528	\$ 572,518	\$ 794,765	\$ 308,340	\$ 299,840	\$ 1,621,997	\$ -	\$ 7,059,466
17 Soft Cost Subtotal	\$ 2,546,933	\$ 3,041,569	\$ 1,774,641	\$ 1,192,937	\$ 1,661,663	\$ 644,665	\$ 629,072	\$ 3,236,591	\$ -	\$ 14,728,071
TOTAL DIRECT COSTS	\$ 21,515,642	\$ 17,735,137	\$ 10,319,921	\$ 6,918,112	\$ 9,609,311	\$ 3,728,067	\$ 3,627,467	\$ 17,841,962	\$ -	\$ 91,295,619

Major Improvements (Benefit to All)										
1 Clearing/Excavation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Water	\$ 1,427,248	\$ 90,000	\$ 45,000	\$ 28,000	\$ 48,000	\$ 20,000	\$ 15,000	\$ 394,408	\$ 188,240	\$ 2,255,897
3 Sewer	\$ 3,127,932	\$ 28,000	\$ 14,000	\$ 9,000	\$ 15,000	\$ 6,000	\$ 5,000	\$ 755,448	\$ 360,555	\$ 4,320,935
4 Storm Drainage	\$ 779,169	\$ 100,000	\$ 155,000	\$ 100,000	\$ 165,000	\$ 67,000	\$ 51,000	\$ 334,047	\$ 159,432	\$ 1,910,648
5 Roadways	\$ 891,594	\$ 1,039,000	\$ -	\$ -	\$ -	\$ -	\$ 6,061,215			\$ 7,991,809
6 Retaining Walls	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Erosion Control/SWPPP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 Landscape/Amenities (DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 Landscape/Amenities (Non-DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Franchise Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11 Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hard Cost Subtotal	\$ 6,225,943	\$ 1,257,000	\$ 214,000	\$ 137,000	\$ 228,000	\$ 93,000	\$ 6,132,215	\$ 1,483,904	\$ 708,227	\$ 16,479,288
12 Engineering/Surveying	\$ 498,075	\$ 100,560	\$ 17,120	\$ 10,960	\$ 18,240	\$ 7,440	\$ 490,577	\$ 118,712	\$ 56,658	\$ 1,318,343
13 Landscape Design (DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Landscape Design (Non-DA/SC Req.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15 PID Formation & Issuance Costs	\$ 57,616	\$ 61,457	\$ 30,861	\$ 18,543	\$ 31,258	\$ 12,980	\$ 9,801	\$ 52,450	\$ 52,450	\$ 327,417
16 Inflation @ 2.5%	\$ -	\$ 35,475	\$ 6,713	\$ 4,373	\$ 7,471	\$ 3,054	\$ 183,029	\$ 46,814	\$ -	\$ 286,929
16 Hard & Soft Contingency	\$ 373,557	\$ 125,700	\$ 21,400	\$ 13,700	\$ 22,800	\$ 9,300	\$ 613,222	\$ 170,188	\$ 81,734	\$ 1,431,600
17 Soft Cost Subtotal	\$ 929,248	\$ 323,192	\$ 76,094	\$ 47,576	\$ 79,769	\$ 32,774	\$ 1,296,629	\$ 388,165	\$ 190,842	\$ 3,364,289
TOTAL MAJOR COSTS	\$ 7,155,191	\$ 1,580,192	\$ 290,094	\$ 184,576	\$ 307,769	\$ 125,774	\$ 7,428,844	\$ 1,872,068	\$ 899,069	\$ 19,843,577
	\$ 7,188,639									

Private Improvements										
1 Clearing/Excavation	\$ 2,962,495	\$ 2,147,734	\$ 1,035,767	\$ 591,600	\$ 1,180,845	\$ 574,934	\$ 419,450	\$ 2,100,880	\$ 1,002,693	\$ 12,016,398
2 Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Storm Drainage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Roadways	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Retaining Walls	\$ -	\$ 232,000	\$ 116,500	\$ 70,000	\$ 118,000	\$ 49,000	\$ 37,000	\$ 146,732	\$ 70,031	\$ 839,263
7 Erosion Control/SWPPP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 Landscape/Amenities (DA/SC Req.)	\$ 7,401,743	\$ 1,571,977	\$ 5,930,669	\$ -	\$ 3,057,376	\$ -	\$ 857,906			\$ 18,819,670
9 Landscape/Amenities (Non-DA/SC Req.)	\$ 8,735,082	\$ 1,578,167	\$ 464,608	\$ -	\$ 56,750	\$ -	\$ 14,000	\$ 2,557,171	\$ 1,220,468	\$ 14,626,246
10 Franchise Utilities	\$ 2,284,170	\$ 846,700	\$ 981,330	\$ 241,400	\$ 909,470	\$ 160,090	\$ 164,770	\$ 1,317,155	\$ 628,642	\$ 7,533,727
11 Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hard Cost Subtotal	\$ 21,383,489	\$ 6,376,578	\$ 8,528,874	\$ 903,000	\$ 5,322,441	\$ 784,024	\$ 1,493,126	\$ 6,121,939	\$ 2,921,834	\$ 53,835,304
12 Engineering/Surveying (Non-DA/SC Req.)	\$ 237,000	\$ 258,115	\$ 682,310	\$ 72,240	\$ 425,795	\$ 62,722	\$ 119,450	\$ 285,181	\$ 136,109	\$ 2,278,922
13 Landscape Design (DA/SC Req.)	\$ 777,183	\$ 165,058	\$ 622,720	\$ -	\$ 321,024	\$ -	\$ 90,080	\$ 268,503	\$ 128,149	\$ 2,372,718
14 Landscape Design (Non-DA/SC Req.)	\$ 917,184	\$ 165,707	\$ 48,784	\$ -	\$ 5,959	\$ -	\$ 1,470	\$ 138,301	\$ 66,007	\$ 1,343,412
15 Inflation @ 2.5%		\$ 174,136	\$ 253,244	\$ 25,615	\$ 163,559	\$ 22,796	\$ 47,026	\$ 181,227	\$ 185,757	\$ 1,053,361
16 Contingency	\$ 1,283,009	\$ 637,658	\$ 852,887	\$ 90,300	\$ 532,244	\$ 78,402	\$ 149,313	\$ 612,194	\$ 292,183	\$ 4,528,191
17 Soft Cost Subtotal	\$ 3,214,376	\$ 1,400,674	\$ 2,459,945	\$ 188,155	\$ 1,448,581	\$ 163,921	\$ 407,339	\$ 1,485,406	\$ 808,207	\$ 11,576,603
TOTAL PRIVATE COSTS	\$ 24,597,865	\$ 7,777,251	\$ 10,988,819	\$ 1,091,155	\$ 6,771,022	\$ 947,945	\$ 1,900,464	\$ 7,607,345	\$ 3,730,041	\$ 65,411,908
TOTAL PID ELIGIBLE COSTS	\$ 28,670,833	\$ 19,315,329	\$ 10,610,015	\$ 7,102,688	\$ 9,917,080	\$ 3,853,841	\$ 11,056,311	\$ 19,714,030	\$ 899,069	\$ 111,139,196
GRAND TOTAL	\$ 53,268,698	\$ 27,092,580	\$ 21,598,834	\$ 8,193,844	\$ 16,688,103	\$ 4,801,785	\$ 12,956,775	\$ 27,321,375	\$ 4,629,110	\$ 176,551,104
TOWNHOME	68	51	-	40	-	51	-	-	-	210
40' LOT	86	97	69	22	35	47	-	60	-	416
50' LOT	110	138	31	78	108	-	-	120	-	585
60' LOT	109	119	93	-	93	-	74	140	-	628
70' LOT	62	59	40	-	-	-	-	76	-	237
MF Units (300MF/137SFE)									137	137
5.6 AC of Commercial / 52 SFE									52	52
TOTAL	435	464	233	140	236	98	74	396	189	2,265

Cost per Lot \$ 122,457 \$ 58,389 \$ 92,699 \$ 58,527 \$ 70,712 \$ 48,998 \$ 175,092 \$ 68,993 \$ 24,493 \$ 77,948

Totals w/o PID Formation or Inflation \$ 53,211,082 \$ 26,424,785 \$ 21,071,526 \$ 7,982,907 \$ 16,254,729 \$ 4,673,302 \$ 12,627,558
Eng. Sheet Totals \$ 53,211,082 \$ 26,424,785 \$ 21,071,526 \$ 7,982,907 \$ 16,254,729 \$ 4,673,302 \$ 12,627,558
Difference \$ - \$ - \$ - \$ - \$ - \$ - \$ -

Notes:

- The costs shown are preliminary and are not based on final construction contracts. Such costs are subject to change based on market conditions.
- The lot counts and lot mix for Phases 2 through 6 are preliminary based on the current master plan and are subject to change as development progresses.
- Contingency is for the unexpected costs that may arise during design and /or construction including, but not limited to, price increases, minor changes in scope, unforeseen items, etc.
- NW Tract is 107.89 AC in size and an estimated 396 units at 3.67 per AC (Developer tract is approximately 3.67 units per acre on 433.979AC)

MOSAIC, PHASE 1

City of Celina, Denton County, Texas

Plat/Land Plan 7/15/2022

Total Lots: 435
Prepared: 01/13/23Total Acres: 151.5
Revised:***Opinion of Probable Cost Summary***

CATEGORY	By Category	By Lot	By Acre	Major	Direct	Private
EXCAVATION	\$3,245,192	\$7,460	\$21,418	\$0	\$282,697	\$2,962,495
WATER	\$3,929,039	\$9,032	\$25,932	\$1,427,248	\$2,501,791	\$0
SANITARY SEWER	\$5,393,336	\$12,398	\$35,596	\$3,127,932	\$2,265,405	\$0
STORM SEWER	\$5,681,844	\$13,062	\$37,500	\$779,169	\$4,902,675	\$0
PAVING	\$8,543,683	\$19,641	\$56,388	\$891,594	\$7,652,089	\$0
RETAINING WALLS	\$0	\$0	\$0	\$0	\$0	\$0
EROSION CONTROL	\$5,470	\$13	\$36	\$0	\$5,470	\$0
DEV. AGMT. AMENITY IMPROVEMENTS	\$16,136,824	\$37,096	\$106,503	\$0	\$0	\$7,401,743
NON-DEV. AGMT. AMENITY IMPROVEMENTS				\$0	\$0	\$8,735,082
FRANCHISE UTILITY IMPROVEMENTS	\$2,284,170	\$5,251	\$15,076	\$0	\$0	\$2,284,170
CITY FEES & MISCELLANEOUS CONSULTANTS	\$1,358,583	\$3,123	\$8,967	\$0	\$1,358,583	\$0
HARD COST SUB-TOTAL	\$46,578,142	\$107,076	\$307,416	\$6,225,943	\$18,968,710	\$21,383,489
ENGINEERING/SURVEYING	8% \$2,143,885	\$4,928	\$14,150	\$498,075	\$1,408,810	\$237,000
DEV. AGMT. AMENITY IMPROVEMENT DESIGN	10.5% \$777,183	\$1,787	\$5,129	\$0	\$0	\$777,183
NON-DEV. AGMT. AMENITY IMPROVEMENT DESIG	10.5% \$917,184	\$2,108	\$6,053	\$0	\$0	\$917,184
CONTINGENCY	6% \$2,794,689	\$6,425	\$18,445	\$373,557	\$1,138,123	\$1,283,009
TOTAL	\$53,211,082	\$122,324	\$351,193	\$7,097,575	\$21,515,642	\$24,597,865

EXCLUDES:

- COST FOR AMENITY CENTER, TRAILS, LANDSCAPE / IRRIGATION, PERIMETER SITE IMPROVEMENTS, TELEPHONE OR CABLE FEES, CONSTRUCTION MANAGEMENT, ENVIRONMENTAL REPORTS, ROCK EXCAVATION, TREE MITIGATION OR RELOCATION, FRANCHISE RELOCATION, MOISTURE CONDITIONING/WATER INJECTION, UNLESS NOTED
- PREPARED WITHOUT THE BENEFIT OF A BOUNDARY SURVEY, TOPOGRAPHIC SURVEY, CITY REVIEW OF ENGINEERING DOCUMENTS
- PREPARED WITHOUT THE BENEFIT OF A FLOOD STUDY
- DOES NOT INCLUDE COST FOR OFF-SITE EASEMENT

1) IT IS IMPORTANT TO NOTE THAT THIS REPORT IS LIMITED IN ACCURACY BECAUSE IT WAS PREPARED WITHOUT THE BENEFIT OF PERMITTED CONSTRUCTION DOCUMENTS AND/OR ENGINEERING REPORTS, THAT MAY BE REQUIRED FOR PERMITTING AND THAT MAY YIELD NEW INFORMATION WHICH COULD AFFECT THE FINAL DEVELOPMENT COST.

2) ALL INFRASTRUCTURE COST IDENTIFIED ABOVE ARE PREDICATED ON THE ASSUMPTIONS AND EXCLUSIONS IDENTIFIED IN THE DETAILED COST "BREAK-DOWN" OF PROBABLE COST BY TRACT.

3) THE COST ILLUSTRATED ABOVE FOR EACH TRACT ARE ONLY FOR THOSE CATEGORIES SPECIFICALLY OUTLINED BY THE DETAILED COST BREAK-DOWN AND DO NOT NECESSARILY REPRESENT THE TOTAL DEVELOPMENT COST FOR THE PROJECT. IN ADDITION, IN SOME INSTANCES, THE FUTURE DEVELOPMENT OF ONE TRACT MAY NECESSITATE THE EXPENDITURE OF MONIES ALLOCATED WITHIN ANOTHER.

4) THIS OPINION OF PROBABLE COST IS ASSOCIATED WITH THE SPECIFIC LAND PLAN SHOWN AT THE TOP OF THIS PAGE. THE SCOPE OF ANY FUTURE LAND PLAN REVISIONS WILL HAVE A DIRECT BEARING ON THE DEVELOPMENT COST.

Opinion of Probable Cost**MOSAIC, PHASE 1**

City of Celina, Denton County, Texas

Plat/Land Plan 7/15/2022

Total Lots: 435
Prepared: 01/13/23Total Acres: 151.515152
Revised: 0

199,667

178100

99,833.3

EXCAVATION	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
DEMOLISH EXISTING STRUCTURES/PAVING	\$ 2.25	SF.	0	\$ -		\$ -	
CLEARING & GRUBBING (VARIES SITE TO SITE)	\$ 2,000.00	AC.	151.5	\$ 303,031			
CONSTRUCTION ENTRANCE	\$ 2,500.00	EA.	1	\$ 2,500			
STREET & RIGHT-OF-WAY EXCAVATION	\$ 10,000.00	EA.	32,331	\$ 323,311,112			
UN-CLASSIFIED EXCAVATION	\$ 10,000.00	EA.	167,336	\$ 1,673,355,556			
HOMESTEAD POND EXCAVATION	\$ 0.35	SY.	95,368	\$ 33,379			
FINE GRADING BERMS	\$ 1.50	CY.	53,000	\$ 79,500			
LOT BENCHING (Final/Finish)	\$ 200.00	LT.	435	\$ 87,000			

LOT BENCHING (Initial/Rough)	\$	200.00	LT.	435	\$	87,000			
MOISTURE CONDITIONING - PADS (5')	\$	200.00	LT.	143.55	\$	28,710			
MOISTURE CONDITIONING - PADS (5')	\$	200.00	LT.	143.55	\$	28,710			
POLY PADS	\$	475.00	LT.	435	\$	206,625			
TOTAL					\$	3,246,192	\$	-	\$ 2,962,495
Updated with Actual contract , COs 1,2 and pro-rata of 3									

WATER	UNIT COST	UNIT	QTY	TOTAL	MAJOR	DIRECT	PRIVATE
	(\$)	(-)	(± #)	(\$)			
Phase 1A		TN.	-	\$ 2,247,155	\$ 783,421.88	\$ 1,463,733	
Phase 1B		TN.	-	\$ 575,662	\$ -	\$ 575,662	
Phase 1C		TN.	-	\$ 1,106,222	\$ 643,825.86	\$ 462,396	
12" GATE VALVE & BOX	#N/A	#N/A	-		\$ -		
CONNECT TO EXISTING WATERLINE	\$ 40.00	LF.	0	\$ -	\$ -		
FIRE HYDRANT W/ VALVE	\$ 40.00	LF.	-	\$ -	\$ -		
1" SINGLE WATER SERVICE	#N/A	#N/A	0		\$ -		
2" SINGLE WATER SERVICE	\$ 6,500.00	EA.	0	\$ -	\$ -		
2-4" SLEEVES	\$ 6,500.00	EA.	0	\$ -	\$ -		
2000 PSI CONCRETE ENCASEMENT	\$ 6,500.00	EA.	0	\$ -	\$ -		
MISCELLANEOUS FITTINGS	\$ 9,950.00	TN.	0.0	\$ -	\$ -		
TESTING & CHLORINATION	\$ 2.00	LF.	-	\$ -	\$ -		
TRENCH SAFETY	\$ 0.10	LF.	-	\$ -	\$ -		
MAINTENANCE BOND	1.1%	LF.	\$ 3,929,039		\$ -		
MF TRACT WATER LOOP			\$ 1	\$ -	\$ -		
TOTAL				\$ 3,929,039	\$ 1,427,248	\$ 2,501,791	\$ -

SANITARY SEWER	UNIT COST	UNIT	QTY	TOTAL	MAJOR	DIRECT	PRIVATE
	(\$)	(-)	(± #)	(\$)			
Phase 1A	\$ 16.00	LF.	-	\$ 4,226,817	\$ 3,127,931.57	\$ 1,098,885	\$ -
Phase 1B	\$ 16.00	LF.	-	\$ 327,422	\$ -	\$ 327,422	
Phase 1C	\$ 16.00	LF.	-	\$ 839,098	\$ -	\$ 839,098	
5' DIAMETER MANHOLE	\$ 8,200.00	EA.	-	\$ -		\$ -	
CONNECT TO EXISTING MANHOLE	\$ 50.00	LF.	0	\$ -		\$ -	
4" SERVICE LINES	\$ 6,500.00	EA.	0	\$ -		\$ -	
2000 PSI CONCRETE ENCASEMENT	\$ 283.00	LF.	0	\$ -		\$ -	
TESTING & T.V. INSPECTION	\$ 3.65	LF.	-	\$ -		\$ -	
TRENCH SAFETY	\$ 0.10	LF.	-	\$ -		\$ -	
MAINTENANCE BOND	1.1%	LF.	\$ 5,393,336			\$ -	
MF TRACT SANITARY SEWER			-	\$ -	\$ -	\$ -	
TOTAL				\$ 5,393,336	\$ 3,127,932	\$ 2,265,405	\$ -
Updated with Actual contract							

STORM SEWER	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
Phase 1A	\$ 75,000.00	LS.	-	\$ 2,827,694	\$ 779,169.42	\$ 2,048,525	\$ -
Phase 1B	\$ 75,000.00	LS.	0	\$ 1,281,087	\$ -	\$ 1,281,087	\$ -
Phase 1C	\$ 5,500.00	EA.	0	\$ 1,573,063	\$ -	\$ 1,573,063	\$ -
18" R.C.P. (Reinforced Concrete Pipe)	\$ 9,500.00	EA.	-	\$ -			
21" R.C.P.	\$ 9,500.00	EA.	-	\$ -			
24" R.C.P.	\$ 9,500.00	EA.	-	\$ -			
27" R.C.P.	\$ 3,300.00	EA.	-	\$ -			
30" R.C.P.	\$ 3,400.00	EA.	-	\$ -			
36" R.C.P.	\$ 3,500.00	EA.	-	\$ -			
42" R.C.P.	\$ 3,650.00	EA.	-	\$ -			
48" R.C.P.	\$ 4,250.00	EA.	-	\$ -			
4' X 4' R.C.B	\$ 325.00	LF.	-	\$ -			
5' X 4' R.C.B	\$ 360.00	LF.	-	\$ -			
6' X 4' R.C.B	\$ 6,400.00	EA.	-	\$ -			
7' X 4' R.C.B	\$ 460.00	0	-	\$ -			
8' X 4' R.C.B	\$ 525.00	LF.	-	\$ -			
7' X 5' R.C.B	\$ 490.00	LF.	-	\$ -			
8' X 5' R.C.B	\$ 525.00	LF.	-	\$ -			
2 ~ 6' X 5' R.C.B	\$ 800.00	LF.	-	\$ -			
21" TYPE "B" PRE-CAST HEADWALL	\$ 9,500.00	EA.	-	\$ -			
30" TYPE "B" PRE-CAST HEADWALL	\$ 3,500.00	EA.	0	\$ -			
36" TYPE "B" PRE-CAST HEADWALL	\$ 3,650.00	EA.	0	\$ -			
42" TYPE "B" PRE-CAST HEADWALL	\$ 4,250.00	EA.	0	\$ -			
4' X 4' R.C.B HEADWALL	\$ 8,000.00	EA.	0	\$ -			
8' X 4' R.C.B HEADWALL	\$ 9,000.00	EA.	0	\$ -			
6' X 5' R.C.B HEADWALL	\$ -	EA.	0	\$ -			
8' X 5' R.C.B HEADWALL	\$ 9,000.00	EA.	0	\$ -			
2 ~ 6' X 5' R.C.B HEADWALL	\$ 15,000.00	EA.	0	\$ -			
STORM SEWER MANHOLE	\$ 10.00	SF.	0	\$ -			
POND OUTLET STRUCTURE	\$ 15,000.00	EA.	0	\$ -			
INLET STRUCTURE ON EXISTING POND	\$ 15,000.00	EA.	0	\$ -			
TEMP. DETENTION POND & OUTLET STRUCTURE	\$ 20,000.00	EA.	0	\$ -			
TESTING & T.V. INSPECTION	\$ 2.75	LF.	-	\$ -			
TRENCH SAFETY	\$ 0.10	LF.	-	\$ -			
4' X 4' "Y" INLET PARVIN	\$ 3,650.00	EA.	-	\$ -			
10' INLET RECESSED PARVIN	#N/A	#N/A	0				
21" R.C.P. PARVIN	\$ 9,500.00	EA.	-	\$ -			
27" R.C.P. PARVIN	\$ 3,300.00	EA.	-	\$ -			
36" R.C.P. PARVIN	\$ 3,500.00	EA.	-	\$ -			
42" R.C.P. PARVIN	\$ 3,650.00	EA.	-	\$ -			
5' X 5' R.C.B PARVIN	\$ 400.00	LF.	-	\$ -			
6' X 5' R.C.B PARVIN	\$ 460.00	LF.	-	\$ -			
42" TYPE "B" PRE-CAST HEADWALL PARVIN	\$ 4,250.00	EA.	0	\$ -			
6' X 5' R.C.B HEADWALL PARVIN	\$ -	EA.	0	\$ -			
GRADE TO DRAIN PARVIN	\$ 75,000.00	LS.	0	\$ -			
TESTING & T.V. INSPECTION PARVIN	\$ 2.75	LF.	-	\$ -			
TRENCH SAFETY PARVIN	\$ 0.10	LF.	-	\$ -			
MISCELLANEOUS ITEMS	1%	LS.	\$ -	\$ -			
MAINTENANCE BOND	1.1%	LS.	\$ 5,681,844				
LEGACY DRIVE DRAINAG (Frontier to Parvin)			1	\$ -	\$ -		
PARVIN ROAD DRAINAGE (Legacy to Creek)			1	\$ -	\$ -		

TOTAL	\$ 5,681,844	\$ 779,169	\$ 4,902,675	\$ -
Updated with Actual contract				

PAVING	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
PHASE 1A				\$ 4,719,504.85	\$ 891,594	\$ 3,827,911	\$ -
PHASE 1B				\$ 1,337,037.90	\$ -	\$ 1,337,038	\$ -
PHASE 1C				\$ 2,487,140.20	\$ -	\$ 2,487,140	\$ -
6" REINF. CONCRETE STREET PAVEMENT	\$ 52.00	SY.	83,209			\$ -	
8" REINF. CONCRETE STREET PAVEMENT PARVIN ROAD	\$ 85.00	SY.	9,800			\$ -	
6" REINF. CONCRETE ALLEY PAVEMENT	\$ 62.00	SY.	7,158			\$ -	
TEMPORARY TURN AROUND	\$ 52.00	SY.	680			\$ -	
6" LIME TREATED SUBGRADE	\$ 4.00	SY.	105,049			\$ -	
8" LIME TREATED SUBGRADE PARVIN ROAD	\$ 5.25	SY.	11,200			\$ -	
HYDRATED LIME	\$ 210.00	TN.	2160			\$ -	
MOISTURE CONDITIONING - 7' DEPTH PARVIN ROAD	\$ 4.00	SY.	11200			\$ -	
MOISTURE CONDITIONING - 7' DEPTH INTERNAL	\$ 4.00	SY.	105049			\$ -	
PAVEMENT HEADER & BARRICADE	\$ 1,305.00	EA.	15			\$ -	
CONNECT TO EXISTING	\$ 500.00	SY.	1			\$ -	
ROUNDBOUT - MINI	\$ 50,000.00	SY.				\$ -	
ROUNDBOUT - SINGLE	\$ 75,000.00	SY.	1			\$ -	
SIDEWALK 5 FT DEVELOPER	\$ 37.50	LF.	6240			\$ -	
BARRIER FREE RAMPS	\$ 2,700.00	SY.	90			\$ -	
DETECTABLE WARNING SURFACE	\$ 500.00	SY.	38			\$ -	
STREET NAME BLADES	\$ 300.00	EA.	94			\$ -	
TRAFFIC SIGNS	\$ 400.00	%	45			\$ -	
TRAFFIC CONTROL DEVICES (SIGNS, BARRELS & BARRICADES)	\$ 5,000.00	LS.	1			\$ -	
MAINTENANCE BOND	1.0%	TN.	\$ -			\$ -	
LEGACY DRIVE PAVING (Frontier to Parvin)			1	\$ -	\$ -		
PARVIN ROAD PAVING (Legacy to Creek)			1	\$ -	\$ -		
PHASE 6 BRIDGE			1	\$ -	\$ -		
TOTAL				\$ 8,643,683	\$ 891,594	\$ 7,652,089	\$ -
Updated with Actual contract and updated unit costs							

RETAINING WALLS	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
RETAINING WALL PER LOT (VARIES SITE TO SITE)	\$ -	LT.	435	\$ -			\$ -
TOTAL				\$ -	\$ -	\$ -	\$ -

EROSION CONTROL	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
PRE-DEVELOPMENT EROSION CONTROL:							
SILT FENCE (HIGH FLOW)	\$ 1.75	LF.	0	\$ -		\$ -	
SILT FENCE (HIGH FLOW) (MAINTENANCE)	\$ 1.75	LF.	0	\$ -		\$ -	
ROCK CHECK DAMS	\$ 950.00	EA.		\$ -		\$ -	
POST DEVELOPMENT EROSION CONTROL:							
8' ROLL OF CURLEX WITH SEED	\$ 1.50	LF.	-	\$ -		\$ -	
DISK & SEED	\$ 300.00	AC.	-	\$ -		\$ -	
ADMINISTRATION:							
SWPPP BOOK	\$ 800.00	LS.	1	\$ 800		\$ 800	
SWPPP BOOK COPY	\$ 100.00	EA.	1	\$ 100		\$ 100	
SWPPP SITE SIGNAGE	\$ 150.00	EA.	1	\$ 150		\$ 150	
WEEKLY INSPECTIONS	\$ 85.00	EA.	52	\$ 4,420		\$ 4,420	
SALES TAX ON IMPROVEMENTS	8.25%	EA.	\$ -	\$ -		\$ -	
TOTAL				\$ 5,470	\$ -	\$ 5,470	\$ -

AMENITY IMPROVEMENTS	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
DEV. AGMT REQ.	\$ 7,401,743	LS.	1	\$ 7,401,743			\$ 7,401,743
NON-DEV. AGMT & NON-SUBSTANTIAL COMP.	\$ 8,735,082	LS.	1	\$ 8,735,082			\$ 8,735,082
TOTAL				\$ 16,136,824	\$ -	\$ -	\$ 16,136,824

FRANCHISE UTILITY ON-SITE IMPROVEMENTS	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
ELECTRIC SERVICE	\$ 22.00	LF.	26,590	584,980			\$ 584,980
GAS SERVICE	\$ -	LT.	435	-			\$ -
STREET LIGHTS	\$ 11.00	LF.	26,590	292,490			\$ 292,490
FRONTIER DUCT BANK	\$ 325.00	LF.	2,100	682,500			\$ 682,500
INTERNAL PHASE DUCT BANK	\$ 225.00	LF.	3,200	720,000			\$ 720,000
4" FRANCHISE UTILITY SLEEVES	\$ 10.00	LF.	420	4,200			\$ 4,200
FRANCHISE RELOCATION							
TOTAL				2,284,170	-	-	2,284,170

CITY FEES & MISCELLANEOUS CONSULTANTS	UNIT COST (\$)	UNIT (-)	QTY (±#)	TOTAL (\$)	MAJOR	DIRECT	PRIVATE
CITY FEES:							
ANNEXATION FEE	\$ 1,000.00	LS.	1	\$ 1,000		\$ 1,000	
ZONING FEE	\$ 300.00	LS.	1	\$ 300		\$ 300	
PLATTING FEE PLUS \$300	\$ 7.00	LT.	435	\$ 3,345		\$ 3,345	
ENGINEERING REVIEW FEE	\$ 5,000.00	LS.	1	\$ 5,000		\$ 5,000	
INSPECTION FEE	3.0%	LS.	\$ 23,547,902	\$ 706,438		\$ 706,438	
PROFESSIONAL FEES:							
PLANNING, ANNEXATION, ZONING	\$ 30,000.00	LS.	1	\$ 30,000		\$ 30,000	
TREE SURVEY	\$ 10,000.00	LS.	1	\$ 10,000		\$ 10,000	
PID/TIRZ ASSISTANCE	\$ 5,000.00	LS.	1	\$ 5,000		\$ 5,000	
FLOODPLAIN ANALYSIS	\$ 150,000.00	LS.	1	\$ 150,000		\$ 150,000	
WETLANDS/WOTUS	\$ 7,500.00	LS.	1	\$ 7,500		\$ 7,500	
ENVIRONMENTAL STUDY	\$ 5,000.00	LS.	1	\$ 5,000		\$ 5,000	
GEOTECHNICAL REPORT	\$ 500.00	LT.	435	\$ 217,500		\$ 217,500	
CONSTRUCTION MATERIAL TESTING	\$ 500.00	LT.	435	\$ 217,500		\$ 217,500	
TOTAL				1,358,583	\$ -	\$ 1,358,583.00	\$ -

APPENDIX C
LEGAL DESCRIPTION

PID - LEGAL DESCRIPTION
757.571 ACRES WITH
72.819 ACRES SAVE AND EXCEPT
684.752 ACRES

BEING a tract of land situated in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889, the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 and the A. THOMASON SURVEY, ABSTRACT NO. 1265, Denton County, Texas, and being all of that tract of land conveyed in Deed to W. Keith Thornton and James H. Merritt, III, according to the document of record filed in Document Number 95-0068384, Deed Records, Denton County, Texas, and being all of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas and being part of Lot 3, SMILEY ACRES, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet D, Page 324, Plat Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the southwest corner of that tract of land described as a Right-Of-Way Dedication as conveyed in Deed to City of Celina, according to the document of record filed in Document Number 2008-9821, Official Records, Denton County, Texas;

THENCE N 89° 28' 44" E, with the common line of said Merritt tract/Thornton Farm Partners, L.P. tract and said City of Celina Tract, a distance of 1,738.53 feet to a point near the intersection of Legacy Road (County Road 6) with Frontier Parkway (County Road 5), at the most easterly northeast corner of said Merritt/Thornton Farm Partnership, L.P. tract, from which a 5/8" iron rod found bears N 78° 19' 21" E, 0.20 feet;

THENCE S 00° 29' 24" W, with the approximate centerline of said Legacy Road, a distance of 189.17 feet to a point for the common northeast corner of that tract of land described as Right-Of-Way Dedication as conveyed in Deed to Denton County, Texas, according to the document of record filed in Document Number 2010-62874, Official Records, Denton County, Texas and the northwest corner of that tract of land described as Right-Of-Way as conveyed in Deed to Town of Prosper, Texas, according to the document of record filed in Document Number 20100518000498080, Official Public Records, Collin County, Texas;

THENCE N 89° 48' 43" W, leaving the approximate centerline of said Legacy Road and with the north line of said Denton County, Texas tract, a distance of 40.79 feet for the northwest corner of said Denton County, Texas tract;

THENCE S 00° 11' 17" W, with the west line of said Denton County, Texas tract, a distance of 320.00 feet to a 5/8" iron rod found for the southwest corner of said Denton County, Texas tract;

THENCE S 89° 48' 43" E, with the south line of said Denton County, Texas tract, a distance of 39.10 feet, returning to the approximate centerline of said Legacy Road, for the common southeast corner of said Denton County, Texas tract and the southwest corner of the above mentioned Town of Prosper, Texas tract;

THENCE S 00° 29' 24" W, with the approximate center line of said Legacy Road, a distance of 1,942.34 feet to a 1/2" iron rod found in the west line of that tract of land conveyed in Deed to Prosper Independent School District (Prosper ISD), according to the document of record filed in Document Number 20200817001344070, Official Public Records, Collin County, Texas, for the common southeast corner of the above mentioned Merritt/Thornton Farm Partners, L.P. tract and the northeast corner of that tract of land conveyed in Deed to Patricia Ann Burnett Krov, according to the document of record filed in Document Number 2014-15524, Official Records, Denton County, Texas;

THENCE S 74° 57' 09" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Patricia Ann Burnett Krov tract, a distance of 866.35 feet to the common northwest corner of said Patricia Ann Burnett Krov tract and the northeast corner of that tract of land conveyed in Deed to The Leonard and Norma E. McCasland Revocable Living Trust, according to the document of record filed in Volume 4683, Page 1919, Deed Records, Denton County, Texas;

THENCE S 89° 07' 59" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said The Leonard and Norma E. McCasland Revocable Living Trust tract, a distance of 776.28 feet to a 1/2" iron rod found for the common northwest corner of said The Leonard and Norma E. McCasland Revocable Living Trust tract and the northeast corner of that tract of land conveyed in Deed to Prosper Meadows LP, according to the document of record filed in Document Number 2019-65177, Official Records, Denton County, Texas;

THENCE S 89° 07' 21" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Prosper Meadows LP tract, a distance of 1,549.59 feet to a 1/2" iron rod found for the common northwest corner of said Prosper Meadows LP tract and the northeast corner of that tract of land conveyed in Deed to Prosper Independent School District (Prosper ISD), according to the document of record filed in Document Number 2017-34540, Official Records, Denton County, Texas;

THENCE S 89° 08' 17" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Prosper ISD tract, a distance of 3,173.39 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found for the common southwest corner of said Merritt/Thornton Farm Partners, L.P. tract and the southeast corner of that tract of conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026, (Correction Deed Document Number 2018-121216), Official Records, Denton County, Texas;

THENCE N 00° 35' 32" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line said Frontier Mini Storage, LLC tract, a distance of 1,156.84 feet to a 1/2" iron rod with a yellow cap stamped "DAA" found;

THENCE N 03° 12' 09" W, continuing with the common line of said Merritt/Thornton Farm Partners, L.P. tract and said Frontier Mini Storage, LLC tract, a distance of 225.36 feet to a 1/2" iron rod found for the common northeast corner of said Frontier Mini Storage, LLC tract and an exterior ell corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas;

THENCE With the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said Teel Lakes, LLC tract, the following courses and distances:

N 01° 49' 22" W, a distance of 105.75 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found;

N 64° 25' 33" E, a distance of 414.33 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found;

N 00° 43' 47" W, a distance of 828.43 feet to a 1/2" iron rod found for the common northeast corner of said Teel Lakes, LLC tract and the southeast corner of Lot 4 of the above mentioned SMILEY ACRES Addition;

THENCE N 00° 01' 44" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said SMILEY ACRES Addition, a distance of 705.25 feet to a 1/2" iron rod found in the above mentioned Lot 3 of said SMILEY ACRES Addition;

THENCE S 89° 59' 12" W, a distance of 477.09 feet to a point in the common west line of said Lot 3 and the east right-of-way line of Old Dairy Farm Road;

THENCE N 00° 05' 34" W, with the common line of said Lot 3 and said Old Dairy Farm Road, a distance of 442.82 feet to the southeast corner of Lot 2 of said SMILEY ACRES Addition;

THENCE N 00° 08' 51" W, with the common west line of said Lot 3 and the east line of said Lot 2, a distance of 422.32 feet to a 1/2" iron rod found in the south line of that tract of land described as Tract II as conveyed in Deed to Prosper 30 Partners, LLC, according to the document of record filed in Document Number 2018-111804, Official Records, Denton County, Texas, for the common northwest corner of said Lot 3 and the northeast corner of said Lot 2;

THENCE N 89° 53' 33" E, a distance of 449.54 feet to a point in the west line of the above mentioned Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said Lot 3 and the southeast corner of said Prosper 30 Partners, LLC tract;

THENCE N 02° 58' 07" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said Tract II, a distance of 686.27 feet to a 1/2" iron rod found for the common southeast corner of the above mentioned W. Keith Thornton and James H. Merritt, III tract and the northeast corner of said Tract II;

THENCE S 89° 53' 38" W, with the south line of said W. Keith Thornton and James H. Merritt, III tract, a distance of 1,889.96 feet to a point in the east line of that tract of land conveyed in Deed to Smiley Road, LTD., according to the document of record filed in Document Number 2005-77986, Official Records, Denton County, Texas, for the southwest corner of said W. Keith Thornton and James H. Merritt, III tract;

THENCE N 00° 06' 49" W, with the common west line of said W. Keith Thornton and James H. Merritt, III tract and the east line said Smiley Road, LTD. tract, a distance of 690.33 feet to a 1/2" iron rod found for the common northwest corner of said W. Keith Thornton and James H. Merritt, III tract and the southwest corner of that tract of land conveyed in Deed to Smiley Road, LTD., according to

the document of record filed in Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 53' 30" E, with the common north line of said W. Keith Thornton and James H. Merritt, III tract and the south line of said Smiley Road, LTD. tract, a distance of 1,903.70 feet to a 1" iron pipe found in the west line of the above mentioned Merritt/Thornton Farm Partnership, L.P. tract, for the common northeast corner of said W. Keith Thornton and James H. Merritt, III tract and the southeast corner of said Smiley Road, LTD. tract;

THENCE N 01° 49' 48" E, with the common west line of said Merritt/Thornton Farm Partnership, L.P. tract and the east line of said Smiley Road, LTD. tract, a distance of 654.45 feet to a 1/2" iron rod found in the south line of that tract of land conveyed in Deed to Smiley Road, LTD., according to the document of record filed in Document Number 2006-2173, Official Records, Denton County, Texas, for the common northwest corner of said Merritt/Thornton Farm Partnership, L.P. tract and the northeast corner of said Smiley Road, LTD. (Document Number 2006-45938) tract;

THENCE N 89° 13' 47" E, with the common north line of said Merritt/Thornton Farm Partnership, L.P. tract and the south line of said Smiley Road, LTD. (Document Number 2006-2173) tract, a distance of 1,501.71 feet to a 1/2" iron rod found for the common southeast corner of said Smiley Road, LTD. tract and the southwest corner of that tract of land conveyed in Deed to West Celina 86 Partners, LTD., according to the document of record filed in Document Number 2015-23235, Official Records, Denton County, Texas;

THENCE N 89° 06' 09" E, continuing with the north line of said Merritt/Thornton Farm Partnership, L.P. tract, a distance of 2,842.45 feet to a point in the south line of that tract of land conveyed in Deed to Roys Glenn Allen and Randy Allen, Co-Trustees of the RG Allen Revocable Trust, according to the document of record filed in Document Number 2015-46639, Official Records, Denton County, Texas, for the common northeast corner of said Merritt/Thornton Farm Partnership, L.P. tract and the northwest corner of CREEKS OF LEGACY WEST PHASE 1, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet 2018, Page 394, Plat Records, Denton County, Texas;

THENCE S 00° 29' 21" W, with the east line of said Merritt/Thornton Farm Partnership, L.P. tract , a distance of 3,416.82 feet to the **POINT OF BEGINNING**, and containing 757.571 acres of land, more or less.

SAVE AND EXCEPT:

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889 and the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas, and being all of Lots 1 and 2, MERRITT PARK ADDITION, an Addition to the City of Celina, Collin County, Texas, according to the Plat of record filed in Document Number 2013-303, Official Records, Collin County, Texas, and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

COMMENCING at a point for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the most easterly southeast corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas, from which a 1/2" iron rod found in the west line of said Merritt/Thornton Farm Partnership, L.P. tract, for the common most southerly southeast corner of said Teel Lakes, LLC tract and the northeast corner of that tract of land conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026 (Correction Deed, Document Number 2018-121216), Official Records, Denton County, Texas, bears S 52° 30' 13" W, 467.16 feet;

THENCE Over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

N 00° 00' 00" E, a distance of 63.68 feet to the **POINT OF BEGINNING** of the tract of land described herein;

N 54° 52' 24" E, a distance of 40.69 feet;

N 32° 26' 23" E, a distance of 70.08 feet;

N 02° 32' 44" W, a distance of 13.69 feet;

N 89° 34' 08" E, a distance of 47.37 feet;

N 68° 41' 04" E, a distance of 49.27 feet;

N 72° 37' 27" E, a distance of 73.57 feet;

N 54° 03' 27" E, a distance of 45.73 feet;

N 09° 19' 17" E, a distance of 32.10 feet;

N 15° 43' 34" W, a distance of 40.22 feet;

N 32° 25' 42" W, a distance of 28.72 feet;

N 40° 58' 09" W, a distance of 69.41 feet;

N 18° 32' 55" W, a distance of 90.82 feet;

N 00° 57' 01" E, a distance of 112.83 feet;

N 16° 47' 39" W, a distance of 74.65 feet;

N 35° 42' 19" W, a distance of 102.42 feet;

N 20° 28' 35" W, a distance of 86.29 feet;

N 10° 48' 26" W, a distance of 82.16 feet;

N 19° 38' 00" W, a distance of 93.54 feet;

N 00° 00' 00" E, a distance of 62.22 feet;

N 39° 10' 53" E, a distance of 34.03 feet;

N 11° 13' 02" E, a distance of 129.62 feet;

N 44° 27' 46" E, a distance of 100.32 feet;

N 15° 23' 43" E, a distance of 44.07 feet;

N 06° 13' 09" E, a distance of 130.16 feet;

N 60° 23' 08" W, a distance of 109.36 feet;

N 06° 46' 51" E, a distance of 140.95 feet;

N 34° 29' 43" E, a distance of 115.46 feet;

N 40° 38' 06" E, a distance of 136.02 feet;

N 86° 44' 10" E, a distance of 215.82 feet;

N 16° 07' 11" E, a distance of 144.61 feet;

N 37° 40' 40" E, a distance of 204.49 feet;

N 57° 39' 24" E, a distance of 121.37 feet;

N 48° 05' 13" E, a distance of 267.21 feet;

N 17° 46' 03" E, a distance of 126.38 feet;

S 70° 22' 42" E, a distance of 652.06 feet;

S 12° 34' 43" E, a distance of 1,028.18 feet to a point at the beginning of a curve to the right having a central angle of 50° 22' 16", a radius of 125.00 feet and a chord bearing and distance of S 11° 46' 54" W, 106.39 feet;

With said curve to the right, an arc distance of 109.89 feet;

S 33° 08' 43" W, a distance of 1522.09 feet;

S 79° 00' 07" W, a distance of 260.45 feet;

N 68° 47' 46" W, a distance of 401.09 feet;

N 90° 00' 00" W, a distance of 312.21 feet to the **POINT OF BEGINNING**, and containing 72.819 acres of land, more or less.

PHASE #1

LEGAL DESCRIPTION

TRACT 1

BEING A TRACT OF LAND LOCATION IN THE C. COPENHAVER SURVEY, ABSTRACT NO. 253, JOHN MORTON SURVEY, ABSTRACT NO. 791, JOHN M. MCKIM SURVEY, ABSTRACT NO. 889, AND THE ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, DENTON COUNTY, TEXAS, AND BEING PART OF THAT TRACT OF LAND DESCRIBED AS TRACT 1 IN DEED TO TELLUS TEXAS I, LLC, RECORDED IN DOCUMENT NO. 2021-137876, OFFICIAL RECORDS, DENTON COUNTY, TEXAS, (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD FOUND AT A NORTHEASTERLY INTERIOR ELL CORNER OF SAID TRACT 1 AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN RIGHT-OF-WAY DEED TO CITY OF CELINA, RECORDED IN DOCUMENT NUMBER 2008-9821, O.R.D.C.T.;

THENCE NORTH 89° 28' 44" EAST, ALONG THE COMMON LINE OF SAID TRACT 1 AND SAID CITY OF CELINA TRACT, A DISTANCE OF 901.73 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" FOUND AT THE MOST EASTERLY CORNER OF SAID TRACT 1 AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50° 28' 55", A RADIUS OF 1,160.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 45° 43' 46" WEST, 989.31 FEET;

THENCE ALONG THE EAST LINE OF SAID TRACT 1, THE FOLLOWING THREE (3) COURSES AND DISTANCES:

SOUTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,022.05 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" FOUND FOR CORNER;

SOUTH 20° 29' 18" WEST, A DISTANCE OF 1,113.94 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 02° 55' 27", A RADIUS OF 1,340.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 21° 57' 02" WEST, 68.38 FEET;

SOUTHWESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 68.39 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE LEAVING SAID EAST LINE, OVER AND ACROSS SAID TRACT 1, THE FOLLOWING FIFTY-EIGHT (58) COURSES AND DISTANCES:

NORTH 66° 35' 14" WEST, A DISTANCE OF 40.00 FEET TO A POINT FOR CORNER;

NORTH 69° 30' 42" WEST, A DISTANCE OF 277.74 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 13° 42' 18", A RADIUS OF 791.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 76° 21' 51" WEST, 188.75 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 189.20 FEET TO A POINT FOR CORNER;

SOUTH 22° 52' 03" WEST, A DISTANCE OF 15.61 FEET TO A POINT FOR CORNER;

NORTH 85° 48' 06" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 04° 11' 54" EAST, A DISTANCE OF 1.74 FEET TO A POINT FOR CORNER;

NORTH 14° 01' 42" WEST, A DISTANCE OF 15.98 FEET TO A POINT FOR CORNER;

NORTH 83° 47' 55" WEST, A DISTANCE OF 61.07 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 11° 06' 46", A RADIUS OF 1,191.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 89° 21' 29" WEST, 230.64 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 231.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 14° 23' 55", A RADIUS OF 259.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 87° 42' 54" WEST, 64.92 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 65.09 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 84° 32' 16", A RADIUS OF 40.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 57° 12' 56" WEST, 53.81 FEET;

SOUTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 59.02 FEET TO A POINT FOR CORNER;

SOUTH 14° 56' 48" WEST, A DISTANCE OF 82.93 FEET TO A POINT FOR CORNER;

SOUTH 59° 46' 19" EAST, A DISTANCE OF 15.52 FEET TO A POINT FOR CORNER;

SOUTH 11° 06' 21" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 03° 50' 12", A RADIUS OF 1,225.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 76° 58' 33" WEST, 82.01 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 82.03 FEET TO A POINT FOR CORNER;

NORTH 75° 03' 27" WEST, A DISTANCE OF 104.35 FEET TO A POINT FOR CORNER;

SOUTH 59° 56' 40" WEST, A DISTANCE OF 14.14 FEET TO A POINT FOR CORNER;

NORTH 75° 03' 12" WEST, A DISTANCE OF 50.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 14° 56' 48" EAST, A DISTANCE OF 275.86 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 15° 34' 55", A RADIUS OF 570.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 07° 34' 50" EAST, 154.54 FEET;

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 155.02 FEET TO A POINT FOR CORNER;

NORTH 44° 12' 18" WEST, A DISTANCE OF 14.50 FEET TO A POINT FOR CORNER;

NORTH 87° 44' 19" WEST, A DISTANCE OF 200.61 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 07° 27' 44", A RADIUS OF 1,225.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 00' 27" WEST, 159.43 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 159.55 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 07° 09' 51", A RADIUS OF 975.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 83° 51' 30" WEST, 121.83 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 121.91 FEET TO A POINT FOR CORNER;

NORTH 02° 33' 35" EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 05° 14' 18" EAST, A DISTANCE OF 65.95 FEET TO A POINT FOR CORNER;

NORTH 16° 25' 20" WEST, A DISTANCE OF 62.22 FEET TO A POINT FOR CORNER;

NORTH 16° 55' 28" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 14° 23' 41" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 11° 52' 10" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 09° 20' 32" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 06° 48' 54" WEST, A DISTANCE OF 64.95 FEET TO A POINT FOR CORNER;

NORTH 05° 29' 35" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 05° 27' 40" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 05° 28' 37" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 00° 08' 05" WEST, A DISTANCE OF 91.09 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 11° 36' 52", A RADIUS OF 610.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 89° 31' 40" WEST, 123.44 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 123.65 FEET TO A POINT FOR CORNER;

SOUTH 40° 34' 22" WEST, A DISTANCE OF 14.70 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 02° 27' 35", A RADIUS OF 425.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 00° 12' 06" EAST, 18.24 FEET;

SOUTHERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 18.25 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 05° 24' 15", A RADIUS OF 375.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 01° 40' 26" EAST, 35.36 FEET;

SOUTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 35.37 FEET TO A POINT FOR CORNER;

SOUTH 04° 23' 39" EAST, A DISTANCE OF 73.07 FEET TO A POINT FOR CORNER;

SOUTH 85° 36' 21" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

SOUTH 71° 22' 02" WEST, A DISTANCE OF 70.71 FEET TO A POINT FOR CORNER;

SOUTH 63° 42' 31" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

SOUTH 56° 50' 21" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

SOUTH 49° 58' 11" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

SOUTH 53° 45' 26" WEST, A DISTANCE OF 94.80 FEET TO A POINT FOR CORNER;

SOUTH 57° 30' 58" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 12° 42' 31", A RADIUS OF 550.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 38° 50' 18" WEST, 121.74 FEET;

NORTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 121.99 FEET TO A POINT FOR CORNER;

SOUTH 44° 48' 27" WEST, A DISTANCE OF 155.00 FEET TO A POINT FOR CORNER;

NORTH 49° 37' 45" WEST, A DISTANCE OF 64.87 FEET TO A POINT FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 70.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 37° 39' 16" WEST, A DISTANCE OF 155.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 79.50 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 37° 39' 16" WEST, A DISTANCE OF 109.32 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 110.50 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 37° 39' 16" EAST, A DISTANCE OF 109.32 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 79.98 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE NORTHWEST LINE OF SAID TRACT 1;

THENCE ALONG THE WEST LINE OF SAID TRACT 1, THE FOLLOWING THREE (3) COURSES AND DISTANCES:

N 33° 08' 43" EAST, A DISTANCE OF 991.23 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50° 22' 16", A RADIUS OF 125.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 11° 46' 54" EAST, 106.39 FEET;

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 109.89 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" FOUND FOR CORNER

NORTH 12° 34' 43" WEST, A DISTANCE OF 488.91 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE LEAVING SAID WEST LINE, OVER AND ACROSS SAID TRACT 1, THE FOLLOWING THIRTY-EIGHT (38) COURSES AND DISTANCES:

NORTH 77° 25' 17" EAST, A DISTANCE OF 120.00 FEET TO A POINT FOR CORNER;

NORTH 12° 34' 43" WEST, A DISTANCE OF 36.15 FEET TO A POINT FOR CORNER;

NORTH 77° 25' 17" EAST, A DISTANCE OF 170.00 FEET TO A POINT FOR CORNER;

SOUTH 12° 34' 43" EAST, A DISTANCE OF 94.70 FEET TO A POINT FOR CORNER;

SOUTH 77° 25' 17" WEST, A DISTANCE OF 40.00 FEET TO A POINT FOR CORNER;

SOUTH 12° 34' 43" EAST, A DISTANCE OF 156.45 FEET TO A POINT FOR CORNER;

NORTH 55° 41' 49" EAST, A DISTANCE OF 56.24 FEET TO A POINT FOR CORNER;

NORTH 63° 27' 43" EAST, A DISTANCE OF 82.02 FEET TO A POINT FOR CORNER;

NORTH 74° 52' 32" EAST, A DISTANCE OF 79.61 FEET TO A POINT FOR CORNER;

NORTH 79° 37' 27" EAST, A DISTANCE OF 725.00 FEET TO A POINT FOR CORNER;

NORTH 81° 29' 38" EAST, A DISTANCE OF 82.66 FEET TO A POINT FOR CORNER;

NORTH 87° 17' 10" EAST, A DISTANCE OF 70.00 FEET TO A POINT FOR CORNER;

SOUTH 89° 13' 00" EAST, A DISTANCE OF 68.53 FEET TO A POINT FOR CORNER;

SOUTH 85° 16' 58" EAST, A DISTANCE OF 62.69 FEET TO A POINT FOR CORNER;

SOUTH 81° 31' 51" EAST, A DISTANCE OF 62.50 FEET TO A POINT FOR CORNER;

SOUTH 81° 31' 51" EAST, A DISTANCE OF 57.71 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 66.33 FEET TO A POINT FOR CORNER;

SOUTH 86° 06' 51" WEST, A DISTANCE OF 50.50 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 109.32 FEET TO A POINT FOR CORNER;

NORTH 86° 06' 52" EAST, A DISTANCE OF 100.50 FEET TO A POINT FOR CORNER;

SOUTH 03° 53' 08" EAST, A DISTANCE OF 109.32 FEET TO A POINT FOR CORNER;

NORTH 86° 06' 52" EAST, A DISTANCE OF 96.00 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 63.89 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 03° 32' 51", A RADIUS OF 2,856.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 05° 39' 33" WEST, 176.80 FEET;

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 176.83 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02° 15' 50", A RADIUS OF 241.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 85° 42' 55" EAST, 9.52 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 9.52 FEET TO A POINT FOR CORNER;

NORTH 84° 35' 00" EAST, A DISTANCE OF 93.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00° 21' 34", A RADIUS OF 1,091.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 24' 14" EAST, 6.84 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 6.84 FEET TO A POINT FOR CORNER;

NORTH 11° 56' 41" EAST, A DISTANCE OF 15.76 FEET TO A POINT FOR CORNER;

NORTH 06° 33' 15" WEST, A DISTANCE OF 71.14 FEET TO A POINT FOR CORNER;

NORTH 50° 49' 03" WEST, A DISTANCE OF 14.32 FEET TO A POINT FOR CORNER;

NORTH 04° 38' 01" WEST, A DISTANCE OF 49.99 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02° 26' 41", A RADIUS OF 775.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 08' 39" EAST, 33.06 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 33.07 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 06° 11' 31", A RADIUS OF 975.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 79° 41' 07" EAST, 105.32 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 105.37 FEET TO A POINT FOR CORNER;

NORTH 76° 35' 22" EAST, A DISTANCE OF 166.57 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A COMPOUND CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 24° 57' 14", A RADIUS OF 375.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 64° 06' 44" EAST, 162.04 FEET;

NORTHEASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 163.32 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 35° 11' 29", A RADIUS OF 325.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 69° 13' 52" EAST, 196.49 FEET;

NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 199.62 FEET TO A POINT FOR CORNER;

NORTH 86° 49' 36" EAST, A DISTANCE OF 67.10 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 14° 16' 33", A RADIUS OF 275.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 86° 02' 08" EAST, 68.34 FEET;

EASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 68.52 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE EAST LINE OF SAID TRACT 1 AND THE WEST LINE OF CREEKS OF LEGACY WEST PHASE2, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET 2020, SLIDE 80, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00° 29' 21" WEST, WITH THE EAST LINE OF SAID TRACT 1, A DISTANCE OF 1,410.20 FEET TO THE POINT OF BEGINNING AND CONTAINING 142.245 ACRES OF LAND MORE OR LESS.

SAVE AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

TRACT 2

BEING A TRACT OF LAND LOCATION IN THE JOHN M. MCKIM SURVEY, ABSTRACT NO. 889, DENTON COUNTY, TEXAS, AND BEING PART OF THAT TRACT OF LAND DESCRIBED AS TRACT 1 IN DEED TO TELLUS TEXAS I, LLC, RECORDED IN DOCUMENT NO. 2021-137876, OFFICIAL RECORDS, DENTON COUNTY, TEXAS, (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 5/8-INCH IRON ROD FOUND AT NORTHEASTERLY INTERIOR ELL CORNER OF SAID TRACT 1 AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN RIGHT-OF-WAY DEED TO CITY OF CELINA, RECORDED IN DOCUMENT NUMBER 2008-9821, O.R.D.C.T.

THENCE NORTH 29° 15' 04" WEST, A DISTANCE OF 80.63 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET FOR THE POINT OF BEGINNING OF THE TRACT OF LAND DESCRIBED HEREIN;

THENCE NORTH 89° 30' 39" WEST, A DISTANCE OF 587.82 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 18° 03' 19", A RADIUS OF 505.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 47° 26' 36" WEST, 158.48 FEET;

THENCE NORTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 159.14 TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

THENCE NORTH 14° 01' 30" WEST, A DISTANCE OF 14.62 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

THENCE NORTH 28° 59' 19" EAST, A DISTANCE OF 65.25 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 05° 04' 18", A RADIUS OF 830.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 26° 27' 10" EAST, 73.45 FEET;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 73.47 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A COMPOUND CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 27° 48' 09", A RADIUS OF 630.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 10° 00' 56" EAST, 302.71 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 305.70 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

THENCE NORTH 03° 53' 08" WEST, A DISTANCE OF 273.56 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00° 03' 46", A RADIUS OF 3,030.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 03° 55' 01" WEST, 3.33 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 3.33 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

THENCE NORTH 39° 54' 56" EAST, A DISTANCE OF 14.41 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 06° 12' 51", A RADIUS OF 280.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 79° 41' 47" EAST, 30.35 FEET;

THENCE EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 30.37 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

THENCE NORTH $76^{\circ} 35' 22''$ EAST, A DISTANCE OF 355.59 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF $13^{\circ} 53' 59''$, A RADIUS OF 220.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH $83^{\circ} 32' 21''$ EAST, 53.24 FEET;

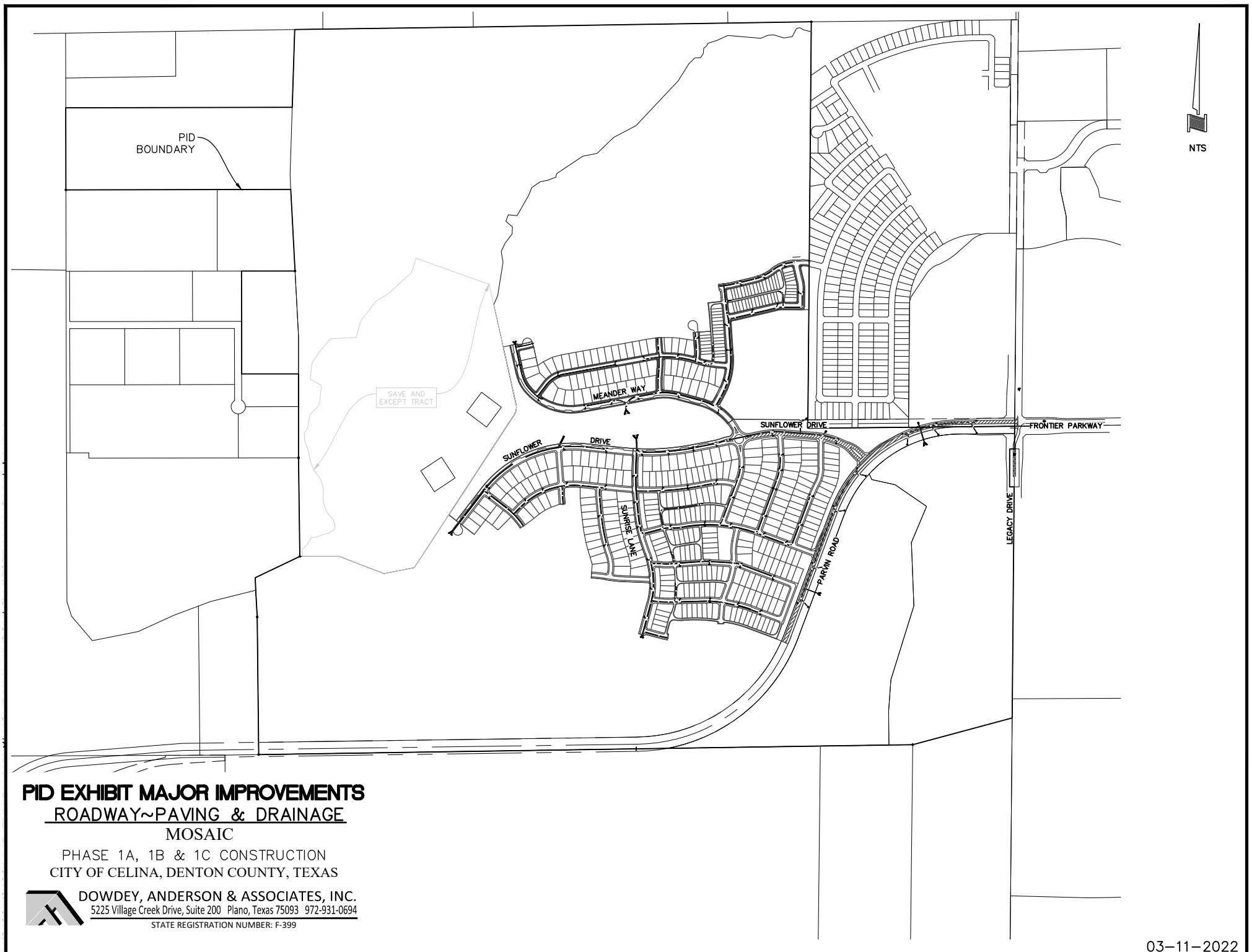
THENCE EASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 53.37 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

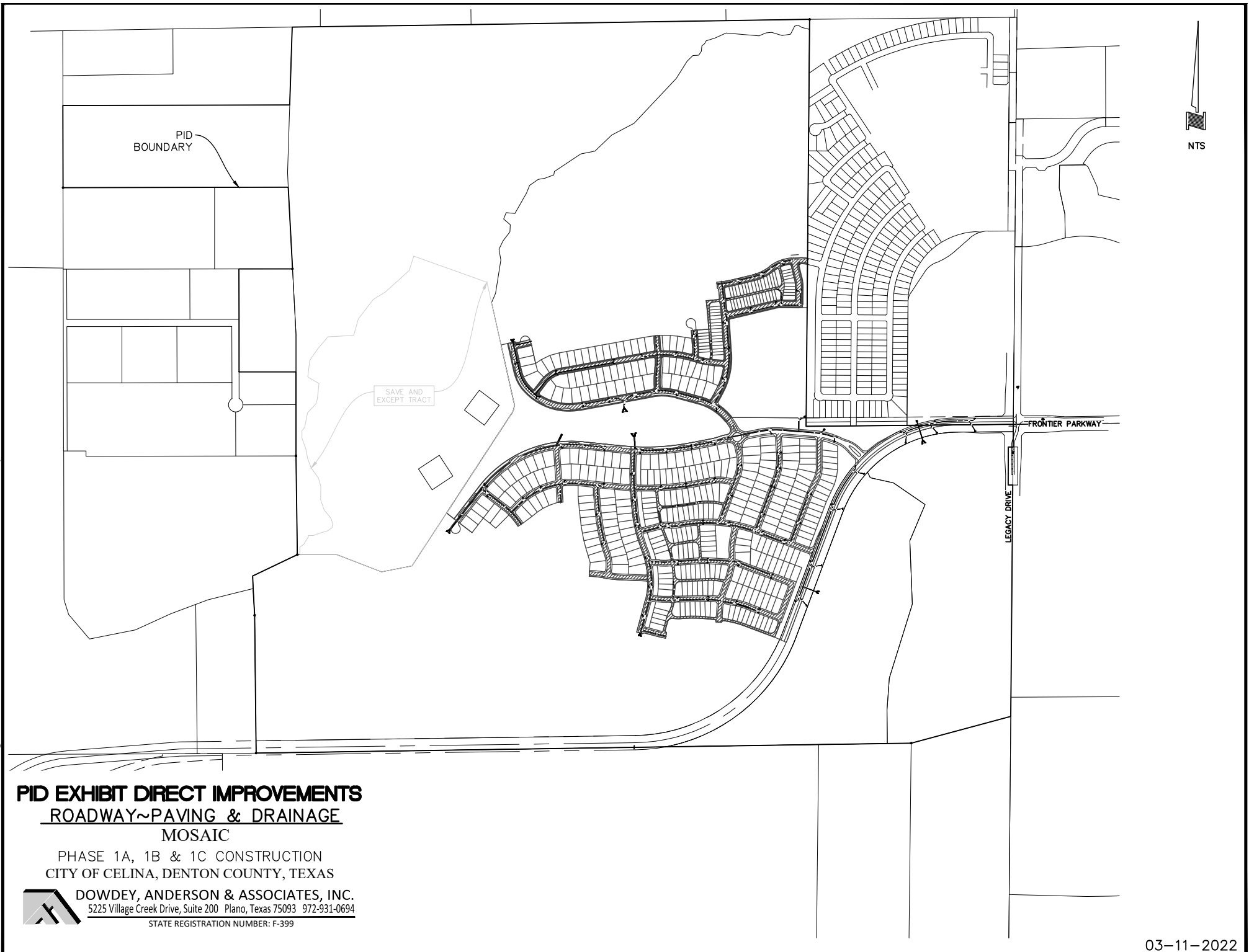
THENCE SOUTH $89^{\circ} 30' 39''$ EAST, A DISTANCE OF 179.87 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED "RPLS 5674" SET;

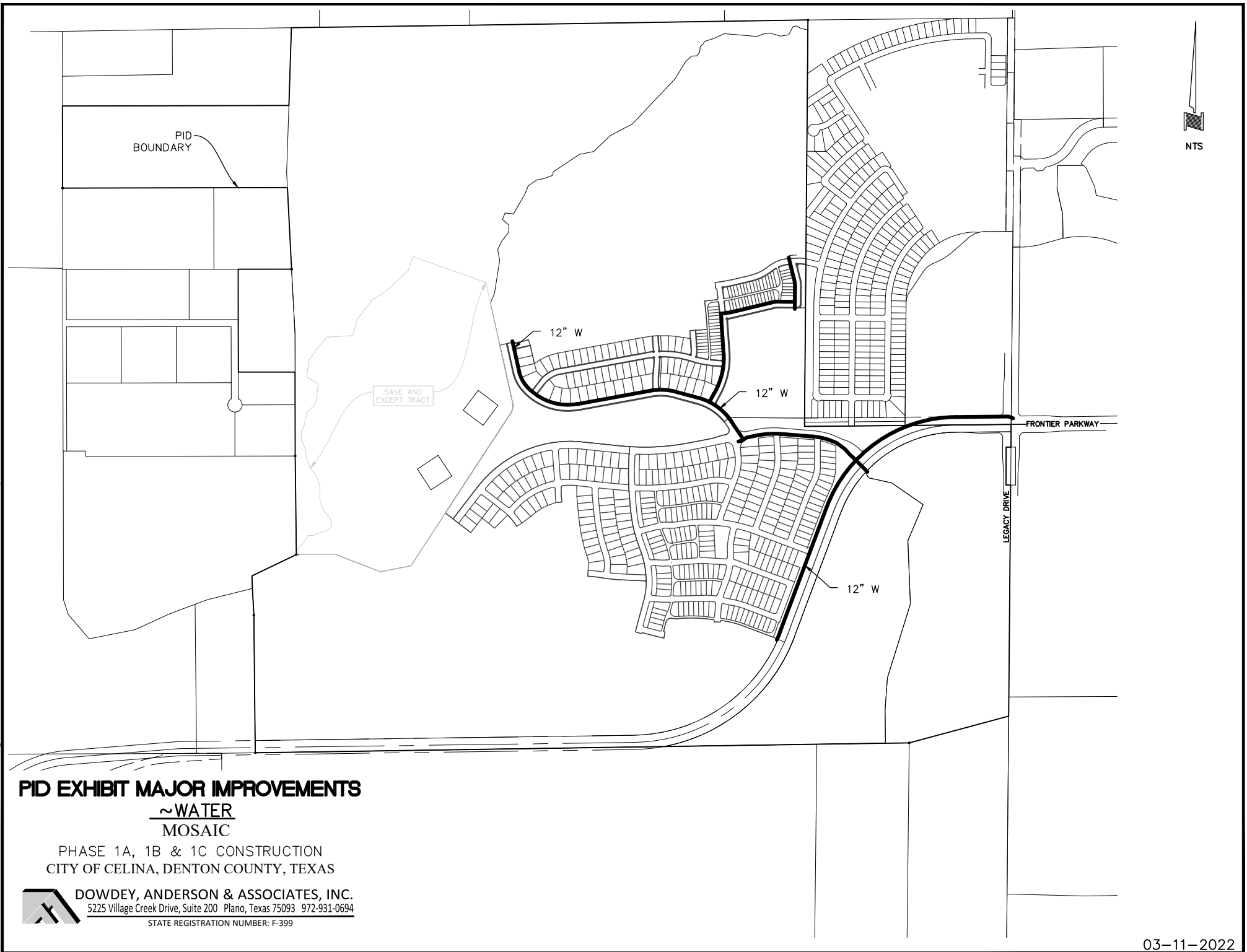
THENCE SOUTH $00^{\circ} 29' 21''$ WEST, A DISTANCE OF 927.02 FEET TO THE POINT OF BEGINNING, AND CONTAINING 12.778 ACRES OF LAND, MORE OR LESS.

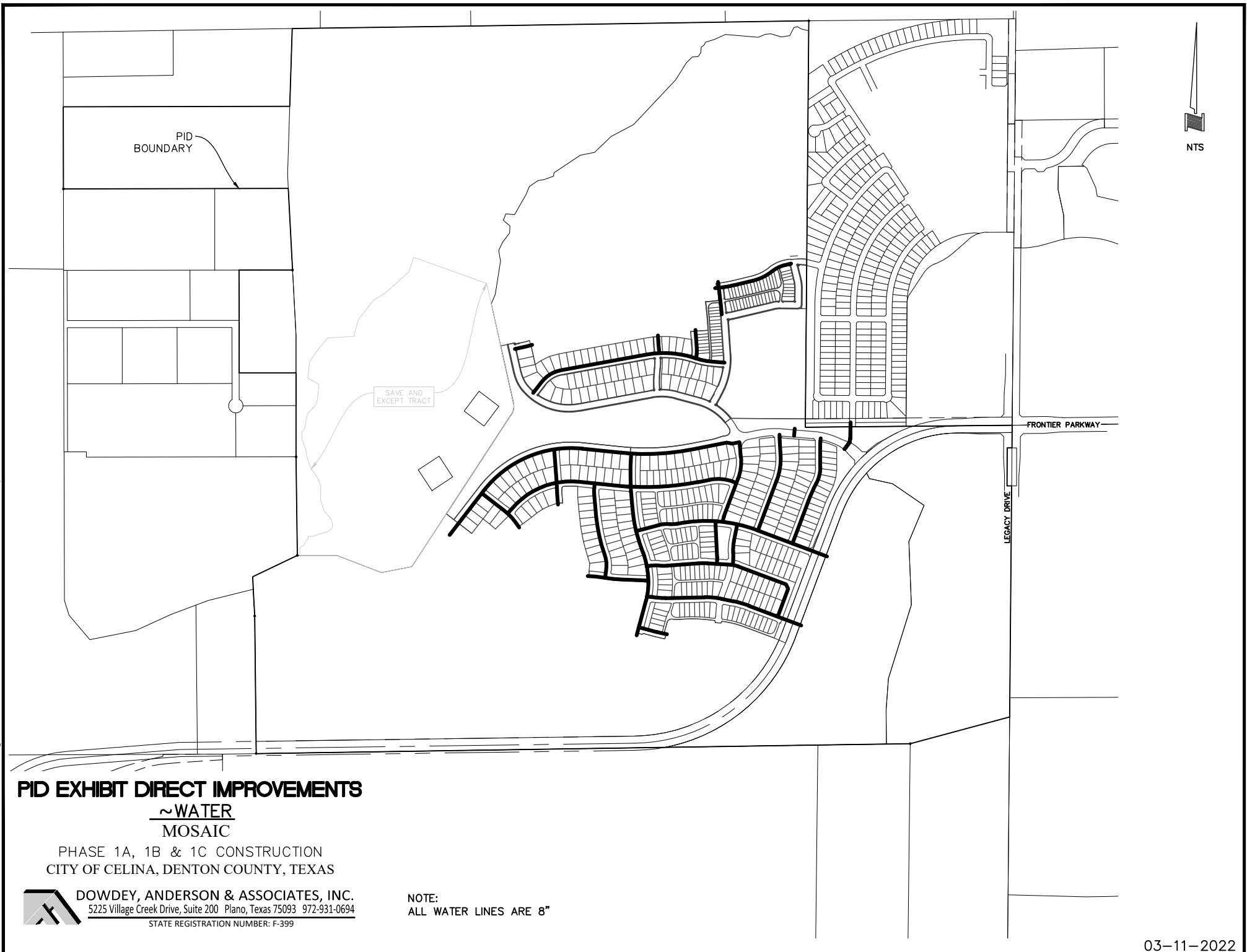
LEAVING A NET ACREAGE OF 129.467 ACRES.

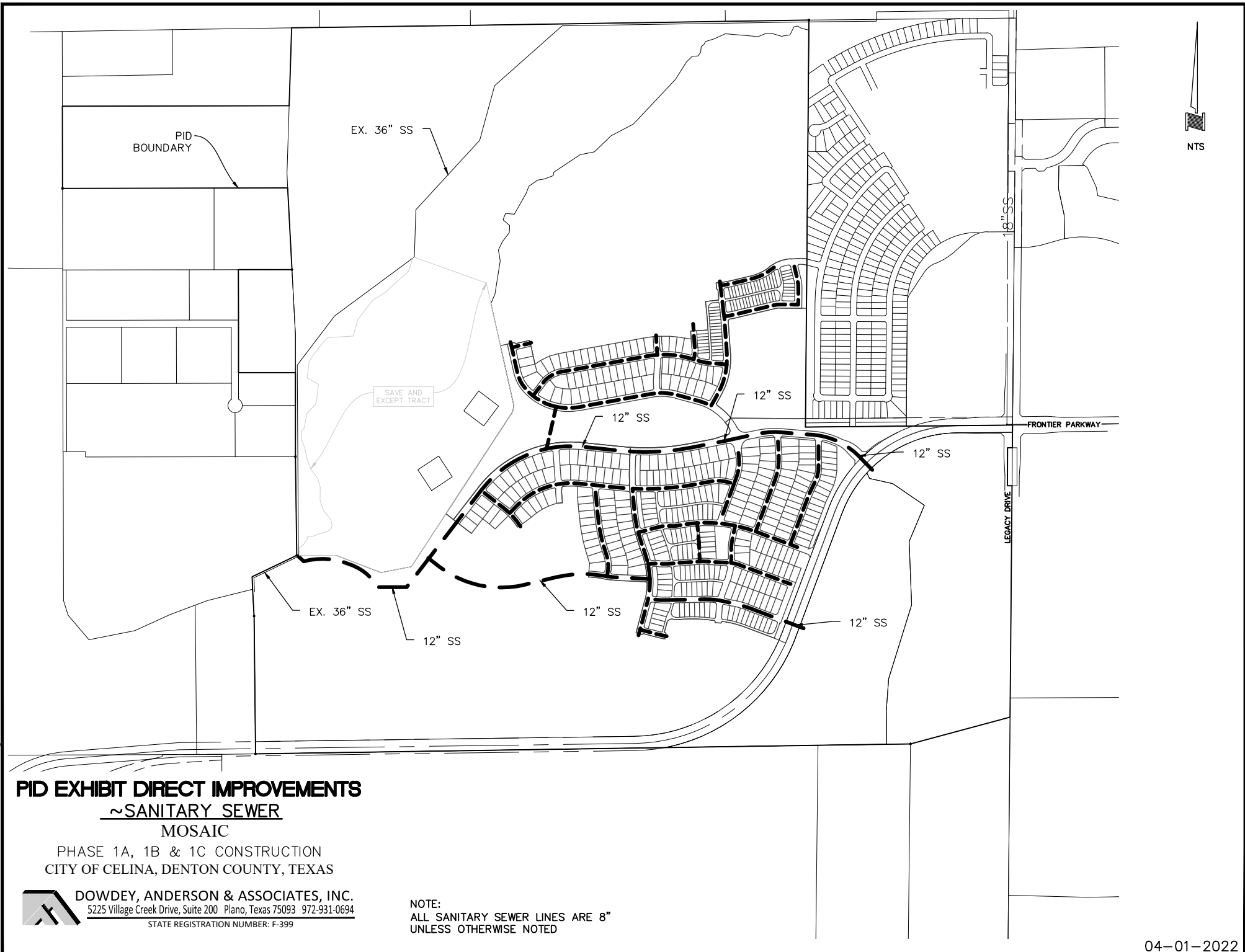
APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS











PID EXHIBIT DIRECT IMPROVEMENTS
~SANITARY SEWER

MOSAIC

PHASE 1A, 1B & 1C CONSTRUCTION
CITY OF CELINA, DENTON COUNTY, TEXAS



DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

NOTE:
ALL SANITARY SEWER LINES ARE 8"
UNLESS OTHERWISE NOTED

APPENDIX E
PID ASSESSMENT NOTICE

AFTER RECORDING RETURN TO:

_____]¹

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$ _____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the “City”), for the costs of a portion of a public improvement or services project (the “Authorized Improvements”) undertaken for the benefit of the property within ***Mosaic Public Improvement District*** (the “District”) created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

STATE OF TEXAS §
 §
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF DENTON

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE
EQUIVALENTS

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of seven Lot Types.

“Lot Type 1” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 70 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 3” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 4” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 5” means lots identified as such on the Assessment Roll, which are referred to as “Townhomes” and being generally lots for an attached single family dwelling unit on individually platted lots, as provided by the development standards shown in the Development Agreement.

“Lot Type 6” means lots identified as such on the Assessment Roll, which are referred to as multi-family units and being generally dwelling units or suite of rooms on one or more floors of a multi-family building, as provided by the development standards shown in the Development Agreement.

“Lot Type 7” means lots identified as such on the Assessment Roll, being lots typically zoned as commercial, as provided by the development standards shown in the Development Agreement.

A) Proposed Development

Table F-1 shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Proposed Development	Quantity	Measurement
<i><u>Residential:</u></i>		
Single-Family - 70 Ft	161	Units
Single-Family - 60 Ft	488	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	356	Units
Townhomes	210	Units
Multi-Family	336	Units
Subtotal - Residential	2,016	Units
<i><u>Non-Residential:</u></i>		
Commercial	56	1,000 GSF
Subtotal – Non-Residential	56	1,000 GSF

Table F-2 shows the proposed residential units within Phase #1.

Table F-2
Proposed Development – Phase #1

Description	Proposed Development	
Single-Family - 70 Ft	62	Units
Single-Family - 60 Ft	109	Units
Single-Family - 50 Ft	110	Units
Single-Family - 40 Ft	86	Units
Townhomes	68	Units
Total	435	Units

Table F-3 shows the proposed residential units within the Future Phases.

Table F-3
Proposed Development –Future Phases

Proposed Development	Quantity	Measurement
<i><u>Residential:</u></i>		
Single-Family - 70 Ft	99	Units
Single-Family - 60 Ft	379	Units
Single-Family - 50 Ft	355	Units
Single-Family - 40 Ft	270	Units
Townhomes	142	Units
Multi-Family	336	Units
Subtotal - Residential	1,581	Units
<i><u>Non-Residential:</u></i>		
Commercial	56	1,000 GSF
Subtotal – Non-Residential	56	1,000 GSF

B) Calculation of Equivalent Units

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 Phase #1 Improvements to be financed with the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels within Phase #1 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 Phase #1 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., 70 Ft, 60 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 (70 Ft Lots) representing the highest value to Lot Type 5 (Townhomes) representing the lowest value for single-family residential lots as well as Lot Type 6 (Multi-Family), and Lot Type 7 (Commercial)) are set forth in Table F-4. 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 (70 Ft Lots) to 1.0.

Table F-4
Equivalent Unit Factors

Lot Type	Estimated		
	Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (70 Ft)	\$798,000	1.00	per dwelling unit
Lot Type 2 (60 Ft)	\$670,000	0.84	per dwelling unit
Lot Type 3 (50 Ft)	\$633,000	0.79	per dwelling unit
Lot Type 4 (40 Ft)	\$468,000	0.59	per dwelling unit
Lot Type 5 (Townhomes)	\$374,000	0.47	per dwelling unit
Lot Type 6 (Multi-Family)	\$145,000	0.18	per dwelling unit
Lot Type 7 (Commercial)	\$225,000	0.28	per 1,000 GSF

The total estimated Equivalent Units for the Future Phases are shown in Table F-5 as calculated based on the Equivalent Unit factors shown in Table F-4, estimated Lot Types and number of units estimated to be built within the Future Phases.

Table F-5
Estimated Equivalent Units –Future Phases

Lot Type	Planned No. of Units/1,000 GSF	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	99	1.00	99.00
Lot Type 2 (60 Ft)	379	0.84	318.21
Lot Type 3 (50 Ft)	355	0.79	281.60
Lot Type 4 (40 Ft)	270	0.59	158.35
Lot Type 5 (Townhomes)	142	0.47	66.55
Lot Type 6 (Multi-Family)	336	0.18	61.05
Lot Type 7 (Commercial)	56	0.28	15.79
Total	1,637		1,000.55

The total estimated Equivalent Units for Phase #1 are shown in Table F-6 as calculated based on the Equivalent Unit factors shown in Table F-4, estimated Lot Types and number of units estimated to be built within Phase #1.

Table F-6
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	62	1.00	62.00
Lot Type 2 (60 Ft)	109	0.84	91.52
Lot Type 3 (50 Ft)	110	0.79	87.26
Lot Type 4 (40 Ft)	86	0.59	50.44
Lot Type 5 (Townhomes)	68	0.47	31.87
Total	435		323.08

C) Allocation of Assessments to Lots within Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$22,348,000. As shown in Table F-6, there are a total of 323.08 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$69,172.22.

The Assessment per dwelling unit or acre within Phase #1 is calculated as the product of (i) \$69,172.22 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, The Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$69,172.22 (i.e., \$69,172.22 x 1.00). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$58,076.92 (i.e., \$69,172.22 x 0.84). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is \$54,869.69 (i.e., \$69,172.22 x 0.79). The Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is \$40,567.16 (i.e., \$69,172.22 x 0.59). The Assessment for a Lot Type 5 (Townhomes) dwelling unit is \$32,419.06

(i.e., \$69,172.22 x 0.47). Table F-7 sets forth the Assessment per dwelling unit for each Lot Type in Phase #1.

Table F-7
Assessment Per Unit – Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (70 Ft)	62	\$69,172.22	1.00	\$69,172.22	per dwelling unit	\$4,288,677
Lot Type 2 (60 Ft)	109	\$69,172.22	0.84	\$58,076.92	per dwelling unit	\$6,330,385
Lot Type 3 (50 Ft)	110	\$69,172.22	0.79	\$54,869.69	per dwelling unit	\$6,035,666
Lot Type 4 (40 Ft)	86	\$69,172.22	0.59	\$40,567.16	per dwelling unit	\$3,488,776
Lot Type 5 (Townhomes)	68	\$69,172.22	0.47	\$32,419.06	per dwelling unit	\$2,204,496
Total	435					\$22,348,000

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-8.

Table F-8
Projected Leverage – Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$69,172.22	2.09	11.54
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$58,076.92	2.14	11.54
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$54,869.69	1.89	11.54
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$40,567.16	2.04	11.54
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$32,419.06	2.22	11.54

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table F-9.

Table F-9
Estimated Tax Rate Equivalent per unit – Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)¹
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$5,207.36	\$3.5938	\$0.6526
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$4,372.09	\$3.5202	\$0.6526
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$4,130.65	\$3.9910	\$0.6526
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$3,053.94	\$3.6883	\$0.6526
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$2,440.54	\$3.3896	\$0.6526

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 and the PID Act.

APPENDIX G
PHASE #1 ASSESSMENT ROLL

Appendix G-1
Phase #1 Assessment Roll

Parcel
Equivalent Units
Assessment

983680 and 983685
323.08
\$22,348,000

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,092,123	\$469,828	\$51,000	\$79,615	(\$1,092,123)	\$600,443
9/30/25	\$1,085,744	\$464,863	\$52,020	\$79,615	\$0	\$1,682,241
9/30/26	\$1,085,763	\$465,656	\$53,060	\$78,360	\$0	\$1,682,839
9/30/27	\$1,086,300	\$465,099	\$54,122	\$77,050	\$0	\$1,682,570
9/30/28	\$1,086,313	\$465,249	\$55,204	\$75,680	\$0	\$1,682,445
9/30/29	\$1,086,800	\$465,048	\$56,308	\$74,250	\$0	\$1,682,406
9/30/30	\$1,086,719	\$465,496	\$57,434	\$72,755	\$0	\$1,682,404
9/30/31	\$1,087,069	\$465,534	\$58,583	\$71,195	\$0	\$1,682,381
9/30/32	\$1,087,361	\$465,163	\$59,755	\$69,565	\$0	\$1,681,844
9/30/33	\$1,087,783	\$465,383	\$60,950	\$67,850	\$0	\$1,681,965
9/30/34	\$1,088,281	\$465,134	\$62,169	\$66,045	\$0	\$1,681,629
9/30/35	\$1,089,806	\$465,418	\$63,412	\$64,145	\$0	\$1,682,781
9/30/36	\$1,090,255	\$465,175	\$64,680	\$62,140	\$0	\$1,682,250
9/30/37	\$1,090,628	\$465,405	\$65,974	\$60,030	\$0	\$1,682,036
9/30/38	\$1,091,873	\$465,051	\$67,293	\$57,810	\$0	\$1,682,026
9/30/39	\$1,092,888	\$465,111	\$68,639	\$55,470	\$0	\$1,682,108
9/30/40	\$1,093,621	\$465,528	\$70,012	\$53,005	\$0	\$1,682,166
9/30/41	\$1,095,023	\$465,243	\$71,412	\$50,410	\$0	\$1,682,088
9/30/42	\$1,095,989	\$465,256	\$72,841	\$47,675	\$0	\$1,681,760
9/30/43	\$1,097,469	\$465,509	\$74,297	\$44,795	\$0	\$1,682,070
9/30/44	\$1,099,360	\$465,942	\$75,783	\$41,760	\$0	\$1,682,845
9/30/45	\$1,101,160	\$465,498	\$77,299	\$38,560	\$0	\$1,682,517
9/30/46	\$1,102,925	\$465,177	\$78,845	\$35,175	\$0	\$1,682,121
9/30/47	\$1,104,545	\$465,919	\$80,422	\$31,595	\$0	\$1,682,481
9/30/48	\$1,106,910	\$465,609	\$82,030	\$27,810	\$0	\$1,682,359
9/30/49	\$1,109,855	\$465,245	\$83,671	\$23,805	\$0	\$1,682,576
9/30/50	\$1,112,215	\$465,770	\$85,344	\$19,565	\$0	\$1,682,894
9/30/51	\$1,114,880	\$465,067	\$87,051	\$15,080	\$0	\$1,682,078
9/30/52	\$1,117,685	\$465,135	\$88,792	\$10,335	\$0	\$1,681,947
9/30/53	\$1,121,465	\$467,857	\$90,568	\$5,315	\$0	\$1,685,205
Total	\$32,888,804	\$13,967,361	\$2,068,972	\$1,556,460	(\$1,092,123)	\$49,389,475

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.

Appendix G-2
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 1 (70 Ft)
\$69,172.22
1.00

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$3,380	\$1,454	\$158	\$246	(\$3,380)	\$1,859
9/30/25	\$3,361	\$1,439	\$161	\$246	\$0	\$5,207
9/30/26	\$3,361	\$1,441	\$164	\$243	\$0	\$5,209
9/30/27	\$3,362	\$1,440	\$168	\$238	\$0	\$5,208
9/30/28	\$3,362	\$1,440	\$171	\$234	\$0	\$5,208
9/30/29	\$3,364	\$1,439	\$174	\$230	\$0	\$5,207
9/30/30	\$3,364	\$1,441	\$178	\$225	\$0	\$5,207
9/30/31	\$3,365	\$1,441	\$181	\$220	\$0	\$5,207
9/30/32	\$3,366	\$1,440	\$185	\$215	\$0	\$5,206
9/30/33	\$3,367	\$1,440	\$189	\$210	\$0	\$5,206
9/30/34	\$3,368	\$1,440	\$192	\$204	\$0	\$5,205
9/30/35	\$3,373	\$1,441	\$196	\$199	\$0	\$5,209
9/30/36	\$3,375	\$1,440	\$200	\$192	\$0	\$5,207
9/30/37	\$3,376	\$1,441	\$204	\$186	\$0	\$5,206
9/30/38	\$3,380	\$1,439	\$208	\$179	\$0	\$5,206
9/30/39	\$3,383	\$1,440	\$212	\$172	\$0	\$5,207
9/30/40	\$3,385	\$1,441	\$217	\$164	\$0	\$5,207
9/30/41	\$3,389	\$1,440	\$221	\$156	\$0	\$5,206
9/30/42	\$3,392	\$1,440	\$225	\$148	\$0	\$5,205
9/30/43	\$3,397	\$1,441	\$230	\$139	\$0	\$5,206
9/30/44	\$3,403	\$1,442	\$235	\$129	\$0	\$5,209
9/30/45	\$3,408	\$1,441	\$239	\$119	\$0	\$5,208
9/30/46	\$3,414	\$1,440	\$244	\$109	\$0	\$5,207
9/30/47	\$3,419	\$1,442	\$249	\$98	\$0	\$5,208
9/30/48	\$3,426	\$1,441	\$254	\$86	\$0	\$5,207
9/30/49	\$3,435	\$1,440	\$259	\$74	\$0	\$5,208
9/30/50	\$3,443	\$1,442	\$264	\$61	\$0	\$5,209
9/30/51	\$3,451	\$1,439	\$269	\$47	\$0	\$5,206
9/30/52	\$3,459	\$1,440	\$275	\$32	\$0	\$5,206
9/30/53	\$3,471	\$1,448	\$280	\$16	\$0	\$5,216
Total	\$98,327	\$41,784	\$6,124	\$4,801	(\$3,380)	\$147,656

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.

Appendix G-3
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 2 (60 Ft)
\$58,076.92
0.84

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$2,838	\$1,221	\$133	\$207	(\$2,838)	\$1,560
9/30/25	\$2,822	\$1,208	\$135	\$207	\$0	\$4,372
9/30/26	\$2,822	\$1,210	\$138	\$204	\$0	\$4,373
9/30/27	\$2,823	\$1,209	\$141	\$200	\$0	\$4,373
9/30/28	\$2,823	\$1,209	\$143	\$197	\$0	\$4,372
9/30/29	\$2,824	\$1,209	\$146	\$193	\$0	\$4,372
9/30/30	\$2,824	\$1,210	\$149	\$189	\$0	\$4,372
9/30/31	\$2,825	\$1,210	\$152	\$185	\$0	\$4,372
9/30/32	\$2,826	\$1,209	\$155	\$181	\$0	\$4,371
9/30/33	\$2,827	\$1,209	\$158	\$176	\$0	\$4,371
9/30/34	\$2,828	\$1,209	\$162	\$172	\$0	\$4,370
9/30/35	\$2,832	\$1,210	\$165	\$167	\$0	\$4,373
9/30/36	\$2,833	\$1,209	\$168	\$161	\$0	\$4,372
9/30/37	\$2,834	\$1,209	\$171	\$156	\$0	\$4,371
9/30/38	\$2,838	\$1,209	\$175	\$150	\$0	\$4,371
9/30/39	\$2,840	\$1,209	\$178	\$144	\$0	\$4,371
9/30/40	\$2,842	\$1,210	\$182	\$138	\$0	\$4,372
9/30/41	\$2,846	\$1,209	\$186	\$131	\$0	\$4,371
9/30/42	\$2,848	\$1,209	\$189	\$124	\$0	\$4,370
9/30/43	\$2,852	\$1,210	\$193	\$116	\$0	\$4,371
9/30/44	\$2,857	\$1,211	\$197	\$109	\$0	\$4,373
9/30/45	\$2,862	\$1,210	\$201	\$100	\$0	\$4,372
9/30/46	\$2,866	\$1,209	\$205	\$91	\$0	\$4,371
9/30/47	\$2,870	\$1,211	\$209	\$82	\$0	\$4,372
9/30/48	\$2,877	\$1,210	\$213	\$72	\$0	\$4,372
9/30/49	\$2,884	\$1,209	\$217	\$62	\$0	\$4,373
9/30/50	\$2,890	\$1,210	\$222	\$51	\$0	\$4,373
9/30/51	\$2,897	\$1,209	\$226	\$39	\$0	\$4,371
9/30/52	\$2,905	\$1,209	\$231	\$27	\$0	\$4,371
9/30/53	\$2,914	\$1,216	\$235	\$14	\$0	\$4,379
Total	\$82,555	\$35,082	\$5,141	\$4,031	(\$2,838)	\$123,972

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.

Appendix G-4
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 3 (50 Ft)
\$54,869.69
0.79

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$2,681	\$1,154	\$125	\$195	(\$2,681)	\$1,474
9/30/25	\$2,666	\$1,141	\$128	\$195	\$0	\$4,130
9/30/26	\$2,666	\$1,143	\$130	\$192	\$0	\$4,132
9/30/27	\$2,667	\$1,142	\$133	\$189	\$0	\$4,131
9/30/28	\$2,667	\$1,142	\$136	\$186	\$0	\$4,131
9/30/29	\$2,668	\$1,142	\$138	\$182	\$0	\$4,131
9/30/30	\$2,668	\$1,143	\$141	\$179	\$0	\$4,131
9/30/31	\$2,669	\$1,143	\$144	\$175	\$0	\$4,131
9/30/32	\$2,670	\$1,142	\$147	\$171	\$0	\$4,129
9/30/33	\$2,671	\$1,143	\$150	\$167	\$0	\$4,130
9/30/34	\$2,672	\$1,142	\$153	\$162	\$0	\$4,129
9/30/35	\$2,676	\$1,143	\$156	\$157	\$0	\$4,132
9/30/36	\$2,677	\$1,142	\$159	\$153	\$0	\$4,130
9/30/37	\$2,678	\$1,143	\$162	\$147	\$0	\$4,130
9/30/38	\$2,681	\$1,142	\$165	\$142	\$0	\$4,130
9/30/39	\$2,683	\$1,142	\$169	\$136	\$0	\$4,130
9/30/40	\$2,685	\$1,143	\$172	\$130	\$0	\$4,130
9/30/41	\$2,689	\$1,142	\$175	\$124	\$0	\$4,130
9/30/42	\$2,691	\$1,142	\$179	\$117	\$0	\$4,129
9/30/43	\$2,695	\$1,143	\$182	\$110	\$0	\$4,130
9/30/44	\$2,699	\$1,144	\$186	\$103	\$0	\$4,132
9/30/45	\$2,704	\$1,143	\$190	\$95	\$0	\$4,131
9/30/46	\$2,708	\$1,142	\$194	\$86	\$0	\$4,130
9/30/47	\$2,712	\$1,144	\$197	\$78	\$0	\$4,131
9/30/48	\$2,718	\$1,143	\$201	\$68	\$0	\$4,131
9/30/49	\$2,725	\$1,142	\$205	\$58	\$0	\$4,131
9/30/50	\$2,731	\$1,144	\$210	\$48	\$0	\$4,132
9/30/51	\$2,737	\$1,142	\$214	\$37	\$0	\$4,130
9/30/52	\$2,744	\$1,142	\$218	\$25	\$0	\$4,130
9/30/53	\$2,753	\$1,149	\$222	\$13	\$0	\$4,138
Total	\$77,996	\$33,145	\$4,857	\$3,808	(\$2,681)	\$117,125

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.

Appendix G-5
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 4 (40 Ft)
\$40,567.16
0.59

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,982	\$853	\$93	\$145	(\$1,982)	\$1,090
9/30/25	\$1,971	\$844	\$94	\$145	\$0	\$3,054
9/30/26	\$1,971	\$845	\$96	\$142	\$0	\$3,055
9/30/27	\$1,972	\$844	\$98	\$140	\$0	\$3,054
9/30/28	\$1,972	\$845	\$100	\$137	\$0	\$3,054
9/30/29	\$1,973	\$844	\$102	\$135	\$0	\$3,054
9/30/30	\$1,973	\$845	\$104	\$132	\$0	\$3,054
9/30/31	\$1,973	\$845	\$106	\$129	\$0	\$3,054
9/30/32	\$1,974	\$844	\$108	\$126	\$0	\$3,053
9/30/33	\$1,975	\$845	\$111	\$123	\$0	\$3,053
9/30/34	\$1,976	\$844	\$113	\$120	\$0	\$3,053
9/30/35	\$1,978	\$845	\$115	\$116	\$0	\$3,055
9/30/36	\$1,979	\$844	\$117	\$113	\$0	\$3,054
9/30/37	\$1,980	\$845	\$120	\$109	\$0	\$3,053
9/30/38	\$1,982	\$844	\$122	\$105	\$0	\$3,053
9/30/39	\$1,984	\$844	\$125	\$101	\$0	\$3,053
9/30/40	\$1,985	\$845	\$127	\$96	\$0	\$3,054
9/30/41	\$1,988	\$845	\$130	\$92	\$0	\$3,053
9/30/42	\$1,989	\$845	\$132	\$87	\$0	\$3,053
9/30/43	\$1,992	\$845	\$135	\$81	\$0	\$3,053
9/30/44	\$1,996	\$846	\$138	\$76	\$0	\$3,055
9/30/45	\$1,999	\$845	\$140	\$70	\$0	\$3,054
9/30/46	\$2,002	\$844	\$143	\$64	\$0	\$3,053
9/30/47	\$2,005	\$846	\$146	\$57	\$0	\$3,054
9/30/48	\$2,009	\$845	\$149	\$50	\$0	\$3,054
9/30/49	\$2,015	\$845	\$152	\$43	\$0	\$3,054
9/30/50	\$2,019	\$845	\$155	\$36	\$0	\$3,055
9/30/51	\$2,024	\$844	\$158	\$27	\$0	\$3,053
9/30/52	\$2,029	\$844	\$161	\$19	\$0	\$3,053
9/30/53	\$2,036	\$849	\$164	\$10	\$0	\$3,059
Total	\$57,666	\$24,505	\$3,591	\$2,816	(\$1,982)	\$86,595

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.

Appendix G-6
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 5 (Townhomes)
\$32,419.06
0.47

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,584	\$682	\$74	\$115	(\$1,584)	\$871
9/30/25	\$1,575	\$674	\$75	\$115	\$0	\$2,440
9/30/26	\$1,575	\$676	\$77	\$114	\$0	\$2,441
9/30/27	\$1,576	\$675	\$79	\$112	\$0	\$2,441
9/30/28	\$1,576	\$675	\$80	\$110	\$0	\$2,441
9/30/29	\$1,577	\$675	\$82	\$108	\$0	\$2,441
9/30/30	\$1,576	\$675	\$83	\$106	\$0	\$2,441
9/30/31	\$1,577	\$675	\$85	\$103	\$0	\$2,441
9/30/32	\$1,577	\$675	\$87	\$101	\$0	\$2,440
9/30/33	\$1,578	\$675	\$88	\$98	\$0	\$2,440
9/30/34	\$1,579	\$675	\$90	\$96	\$0	\$2,439
9/30/35	\$1,581	\$675	\$92	\$93	\$0	\$2,441
9/30/36	\$1,582	\$675	\$94	\$90	\$0	\$2,440
9/30/37	\$1,582	\$675	\$96	\$87	\$0	\$2,440
9/30/38	\$1,584	\$675	\$98	\$84	\$0	\$2,440
9/30/39	\$1,585	\$675	\$100	\$80	\$0	\$2,440
9/30/40	\$1,586	\$675	\$102	\$77	\$0	\$2,440
9/30/41	\$1,588	\$675	\$104	\$73	\$0	\$2,440
9/30/42	\$1,590	\$675	\$106	\$69	\$0	\$2,440
9/30/43	\$1,592	\$675	\$108	\$65	\$0	\$2,440
9/30/44	\$1,595	\$676	\$110	\$61	\$0	\$2,441
9/30/45	\$1,597	\$675	\$112	\$56	\$0	\$2,441
9/30/46	\$1,600	\$675	\$114	\$51	\$0	\$2,440
9/30/47	\$1,602	\$676	\$117	\$46	\$0	\$2,441
9/30/48	\$1,606	\$675	\$119	\$40	\$0	\$2,441
9/30/49	\$1,610	\$675	\$121	\$35	\$0	\$2,441
9/30/50	\$1,613	\$676	\$124	\$28	\$0	\$2,441
9/30/51	\$1,617	\$675	\$126	\$22	\$0	\$2,440
9/30/52	\$1,621	\$675	\$129	\$15	\$0	\$2,440
9/30/53	\$1,627	\$679	\$131	\$8	\$0	\$2,445
Total	\$46,083	\$19,583	\$2,870	\$2,250	(\$1,584)	\$69,202

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation.

²Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 is being funded with capitalized interest.

³Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an interest rate of 5.85%. Interest on the Phase #1 Reimbursement Agreement Obligation for year 2023 will be collected together with the first annual installment due by January 31, 2024.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Phase #1 Bonds.