

# CROSS CREEK MEADOWS PUBLIC IMPROVEMENT DISTRICT

CELINA, TEXAS

## SERVICE AND ASSESSMENT PLAN

June 13, 2023

**PREPARED BY:**

**MUNICAP, INC.**  
— PUBLIC FINANCE —

# CROSS CREEK MEADOWS PUBLIC IMPROVEMENT DISTRICT

## SERVICE AND ASSESSMENT PLAN

### TABLE OF CONTENTS

<b>I.</b>	<b>PLAN DESCRIPTION AND DEFINED TERMS .....</b>	<b>4</b>
<b>A.</b>	<b>INTRODUCTION .....</b>	<b>4</b>
<b>B.</b>	<b>DEFINITIONS .....</b>	<b>5</b>
<b>II.</b>	<b>PROPERTY INCLUDED IN THE PID .....</b>	<b>12</b>
<b>A.</b>	<b>PROPERTY INCLUDED IN THE PID .....</b>	<b>12</b>
<b>B.</b>	<b>PROPERTY INCLUDED IN IMPROVEMENT AREA #1 .....</b>	<b>12</b>
<b>C.</b>	<b>PROPERTY INCLUDED IN THE MAJOR IMPROVEMENT AREA (MAJOR IMPROVEMENT AREA BTR     PROPERTY AND FUTURE IMPROVEMENT AREAS) .....</b>	<b>13</b>
<b>III.</b>	<b>DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS .....</b>	<b>14</b>
<b>A.</b>	<b>AUTHORIZED IMPROVEMENT OVERVIEW .....</b>	<b>14</b>
<b>B.</b>	<b>DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS .....</b>	<b>15</b>
<b>C.</b>	<b>DESCRIPTIONS AND COSTS OF IMPROVEMENT AREA #1 IMPROVEMENTS .....</b>	<b>16</b>
<b>D.</b>	<b>FUTURE IMPROVEMENT AREAS.....</b>	<b>17</b>
<b>IV.</b>	<b>SERVICE PLAN .....</b>	<b>19</b>
<b>A.</b>	<b>PROJECTED SOURCES AND USES OF FUNDS .....</b>	<b>19</b>
<b>B.</b>	<b>PROJECTED FIVE YEAR SERVICE PLAN.....</b>	<b>22</b>
<b>C.</b>	<b>PID ASSESSMENT NOTICE.....</b>	<b>23</b>
<b>V.</b>	<b>ASSESSMENT PLAN.....</b>	<b>24</b>
<b>A.</b>	<b>INTRODUCTION .....</b>	<b>24</b>
<b>B.</b>	<b>SPECIAL BENEFIT.....</b>	<b>26</b>
<b>C.</b>	<b>ALLOCATION OF COSTS TO ASSESSED PROPERTY .....</b>	<b>28</b>
<b>D.</b>	<b>ASSESSMENT METHODOLOGY.....</b>	<b>30</b>
<b>E.</b>	<b>ASSESSMENTS.....</b>	<b>32</b>
<b>F.</b>	<b>ADMINISTRATIVE EXPENSES .....</b>	<b>32</b>
<b>G.</b>	<b>ADDITIONAL INTEREST RESERVE.....</b>	<b>32</b>
<b>VI.</b>	<b>TERMS OF THE ASSESSMENTS .....</b>	<b>33</b>
<b>A.</b>	<b>AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE     MAJOR IMPROVEMENT AREA .....</b>	<b>33</b>
<b>B.</b>	<b>AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN     IMPROVEMENT AREA #1 .....</b>	<b>33</b>
<b>C.</b>	<b>AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE     IMPROVEMENT AREAS .....</b>	<b>33</b>
<b>D.</b>	<b>REALLOCATION OF ASSESSMENTS .....</b>	<b>34</b>
<b>E.</b>	<b>MANDATORY PREPAYMENT OF ASSESSMENTS .....</b>	<b>34</b>
<b>F.</b>	<b>REDUCTION OF ASSESSMENTS.....</b>	<b>35</b>
<b>G.</b>	<b>PAYMENT OF ASSESSMENTS .....</b>	<b>36</b>
<b>H.</b>	<b>COLLECTION OF ANNUAL INSTALLMENTS .....</b>	<b>38</b>
<b>I.</b>	<b>SURPLUS FUNDS REMAINING IN THE MAJOR IMPROVEMENT AREA BOND ACCOUNT.....</b>	<b>38</b>
<b>J.</b>	<b>SURPLUS FUNDS REMAINING IN THE IMPROVEMENT AREA # 1 BOND ACCOUNT.....</b>	<b>39</b>
<b>VII.</b>	<b>THE ASSESSMENT ROLL.....</b>	<b>40</b>
<b>A.</b>	<b>MAJOR IMPROVEMENT AREA ASSESSMENT ROLL .....</b>	<b>40</b>

<b>B. IMPROVEMENT AREA #1 ASSESSMENT ROLL .....</b>	<b>41</b>
<b>C. FUTURE IMPROVEMENT AREAS ASSESSMENT ROLLS.....</b>	<b>42</b>
<b>D. ANNUAL ASSESSMENT ROLL UPDATES.....</b>	<b>42</b>
<b>VIII. MISCELLANEOUS PROVISIONS .....</b>	<b>43</b>
<b>A. ADMINISTRATIVE REVIEW .....</b>	<b>43</b>
<b>B. TERMINATION OF ASSESSMENTS .....</b>	<b>43</b>
<b>C. AMENDMENTS .....</b>	<b>43</b>
<b>D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS.....</b>	<b>44</b>
<b>E. SEVERABILITY.....</b>	<b>44</b>

**APPENDIX A – PID MAP**

**APPENDIX B – BUDGETED COSTS OF THE AUTHORIZED IMPROVEMENTS**

**APPENDIX C-1 – LEGAL DESCRIPTION – PID**

**APPENDIX C-2 – LEGAL DESCRIPTION – MAJOR IMPROVEMENT AREA**

**APPENDIX C-3 – LEGAL DESCRIPTION – IMPROVEMENT AREA #1**

**APPENDIX D – DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS**

**APPENDIX E – PID ASSESSMENT NOTICE**

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

**APPENDIX G – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL**

**APPENDIX H – IMPROVEMENT AREA #1 ASSESSMENT ROLL**

---

---

## ***I. PLAN DESCRIPTION AND DEFINED TERMS***

---

---

### **A. INTRODUCTION**

On April 11, 2023 the City Council of the City of Celina, Texas (the “City”) passed and approved Resolution No. 2023-31R approving and authorizing the creation of the Cross Creek Meadows Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district, which was located within the corporate limits of the City at the time it 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. This Cross Creek Meadows 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 Rolls for the PID are currently included as Appendix G and Appendix H 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 payment request 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 payment request 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.

**“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 Rolls attached hereto as Appendix G and Appendix H, as applicable, 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 Section IV.A 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.

**“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 Improvement Area #1 Assessment Roll, the Major Improvement Area 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 Appendix B of this Service and Assessment Plan and 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.

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

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

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

**“County”** means Collin 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, Taylor Morrison of Texas, Inc., and any of its successors or assigns developing lands within the PID.

**“Development Agreement”** means that certain Amended and Restated Development Agreement (Tuscany Estates) between the City CCD – Coit Land, LLC, effective August 17, 2021, as partially assigned to TM BTR of Texas, LLC and the Developer 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 Improvement Area(s)”** means Improvement Areas that are fully developed after Improvement Area #1 and the Major Improvement Area BTR Property, as such areas are generally depicted and described in Appendix A.

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

**“Future Improvement Area Improvements”** means those Authorized Improvements associated with any Future Improvement Area(s).

**“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.

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

**“Improvement Area #1”** means the initial Improvement Area to be developed and generally shown in Appendix A as Phase #1 and Phase #2, as specifically depicted and described as the sum of all Parcels shown in Appendix H and further described in Appendix C-3.

**“Improvement Area #1 Assessed Property”** means all Parcels within Improvement Area #1 other than Non-Benefited Property and shown in the Improvement Area #1 Assessment Roll against which the Improvement Area #1 Assessments relating to the Improvement Area #1 Projects are levied.

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

**“Improvement Area #1 Assessment Roll”** means the document included in this Service and Assessment Plan as Appendix H, 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.

**“Improvement Area #1 Assessments”** mean the Assessments levied on the Improvement Area #1 Assessed Property as shown on the Improvement Area #1 Assessment Roll.

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



**“Improvement Area #1 Improvements”** mean the Authorized Improvements which only benefit Improvement Area #1, which are described in Section III.C.

**“Improvement Area #1 Maximum Assessment Per Equivalent Unit”** means for Improvement Area #1, an Assessment per unit related to the Improvement Area #1 Projects for each applicable Lot Type as follows:

- Lot Type 1 (60 Ft Lot) - \$46,068.52
- Lot Type 2 (55 Ft Lot) - \$41,922.36
- Lot Type 3 (40 Ft Lot) - \$27,641.11

**“Improvement Area #1 Projects”** mean (i) the pro rata portion of the Major Improvements allocable to Improvement Area #1, and (ii) the Improvement Area #1 Improvements.

**“Improvement Area #1 Reimbursement Agreement”** means that certain Cross Creek Meadows Public Improvement District Improvement Area #1 Reimbursement Agreement dated May 9, 2023 by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of the Improvement Area #1 Projects and the City agrees to reimburse the Developer for a portion of such Actual Costs funded by the Developer with interest as permitted by the PID Act.

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

**“Lot Type”** means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council 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.

**“Major Improvement Area”** means the property within the PID, excluding Improvement Area #1, which is to be developed subsequent to Improvement Area #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

**“Major Improvement Area Assessed Property”** means, for any year, all Parcels within the PID other than (i) Non-Benefited Property, and (ii) Parcels within Improvement Area #1.

**“Major Improvement Area Assessment Revenues”** mean the revenues actually received by or on behalf of the City from the collection of Major Improvement Area Assessments levied against the Major Improvement Area Assessed Property, or the Annual Installments thereof, for the Major Improvement Area Projects.

**“Major Improvement Area 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.

**“Major Improvement Area Assessments”** mean the Assessments levied on the Major Improvement Area as shown on the Major Improvement Area Assessment Roll.

**“Major Improvement Area Bonds”** mean those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2023 (Cross Creek Meadows Public Improvement District Major Improvement Area Project) that are secured primarily by Major Improvement Area Assessment Revenues.

**“Major Improvement Area BTR Property”** means the property in the Major Improvement Area to be developed as build to rent (BTR) units as generally shown in Appendix A as Build to Rent and further described as a 24.976 acre tract in Appendix C-2. The Major Improvement Area BTR Property will be assessed exclusively for its proportional share of the Major Improvements, as described in Section V.C. The Budgeted Costs of any direct Authorized Improvement which only benefit the Major Improvement Area BTR Property will be paid by the Developer in lieu of assessments being levied against this property for the benefit it receives, without reimbursement from the City and no Assessment will be levied against the Major Improvement Area BTR Property for Authorized Improvements benefiting only the Major Improvement Area BTR Property.

**“Major Improvement Area BTR Property Maximum Assessment Per Equivalent Unit”** means for the Major Improvement Area BTR Property, an Assessment per unit related to the Major Improvement Area BTR Property’s share of the Major Improvement Area Projects for each applicable Lot Type as follows:

Lot Type 4 (BTR Lot) - \$7,801.61

**“Major Improvement Area Projects”** mean the pro rata portion of the Major Improvements allocable to the Major Improvement Area, which are described in Section III.B.

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

**“Maximum Assessment Per Equivalent Unit”** means, as applicable, the Improvement Area #1 Maximum Assessment Per Equivalent Unit, the Major Improvement Area BTR Property Maximum Assessment Per Equivalent Unit, or any other Maximum Assessment Per Equivalent Unit 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.

**“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.F.

**“Parcel” or “Parcels”** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Collin 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 Collin County.

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

**“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.

*(remainder of this page is intentionally left blank)*

---

---

## **II. PROPERTY INCLUDED IN THE PID**

---

---

### **A. PROPERTY INCLUDED IN THE PID**

The PID is presently located within the City and contains approximately 245.241 acres of land. A map of the property within the PID is shown on Appendix A and further described in Appendix C-1 to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 823 single family residential units and 266 build to rent (BTR) units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

The property within the PID is proposed to be developed as shown in Table II-A.

**Table II-A**  
**Proposed Development – PID**

<b>Proposed Development</b>	<b>Quantity</b>	<b>Measurement</b>
Single-Family - 60 Ft	191	Units
Single-Family - 55 Ft	385	Units
Single-Family - 40 Ft	247	Units
BTR	266	Units
<b>Total</b>	<b>1,089</b>	<b>Units</b>

### **B. PROPERTY INCLUDED IN IMPROVEMENT AREA #1**

Improvement Area #1 consists of approximately 153.038 acres and is projected to consist of 550 single family residential units, as further described in Section III. A map of the property within Improvement Area #1 is shown in Appendix A and further described in Appendix C-3.

The property within Improvement Area #1 is proposed to be developed as shown in Table II-B.

**Table II-B**  
**Proposed Development – Improvement Area #1**

<b>Proposed Development</b>	<b>Quantity</b>	<b>Measurement</b>
Single-Family – 60 Ft	138	Units
Single-Family - 55 Ft	229	Units
Single-Family - 40 Ft	183	Units
<b>Total</b>	<b>550</b>	<b>Units</b>

*(remainder of this page is intentionally left blank)*

**C. PROPERTY INCLUDED IN THE MAJOR IMPROVEMENT AREA (MAJOR IMPROVEMENT AREA BTR PROPERTY AND FUTURE IMPROVEMENT AREAS)**

The Major Improvement Area consists of approximately 92.22 acres and is projected to consist of approximately 273 single family residential units and 266 build to rent (BTR) units, as further described in Section III. A map of the property within the Major Improvement Area is shown in Appendix A and further described in Appendix C-2.

The property within the Major Improvement Area is proposed to be developed as shown in Table II-C.

**Table II-C**  
**Proposed Development – Major Improvement Area**

<b>Proposed Development</b>	<b>Quantity</b>	<b>Measurement</b>
Single-Family - 60 Ft	53	Units
Single-Family - 55 Ft	156	Units
Single-Family - 40 Ft	64	Units
BTR	266	Units
<b>Total</b>	<b>539</b>	<b>Units</b>

As Future Improvement Areas are developed, Future Improvement Area Bonds may be issued and/or related reimbursement agreements may be executed for each new Improvement Area. In connection with the issuance of each new Future Improvement Area Bond and/or each related reimbursement agreement, this Service and Assessment Plan will be updated to add additional details of each new Improvement Area as shown for Improvement Area #1 in Section II.B. A map of the projected property within the Future Improvement Area is shown in Appendix A. The Future Improvement Area is shown for illustrative purposes only and is subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix G and Appendix H and additional Assessment Rolls may be added to this Service and Assessment Plan as the Future Improvement Area is 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.

*(remainder of this page is intentionally left blank)*

---

---

### ***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.C 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.

## **B. DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS**

The Major Improvements benefit the entire PID. The costs of the 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 Improvement Area #1 and the Major Improvement Area will be proportionally allocated the costs of the Major Improvements, as shown on Table III-A.

The Major Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the 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 Major Improvements are as follows:

### Roadway Improvements

The roadway improvement portion of the Major Improvements consists of the construction of entrance road improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Assessed Property. All roadway projects 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 improvement portion of the Major Improvements consists of construction and installation of waterlines, mains, pipes, valves, and appurtenances, necessary for the water distribution system that will service the Assessed Property. The water improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

### Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Major Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

### Storm Drainage Improvements

The storm drainage improvement portion of the Major Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, and storm water detention facilities which benefit the Assessed Property. The storm drainage collection system 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

The other soft and miscellaneous portion of the Major Improvements consist of site preparation, signage, district formation costs, contingency, maintenance bonds, platting, permitting, engineering, staking and other soft costs.

**Table III-A**  
**Budgeted Costs – Major Improvements**

<b>Authorized Improvements</b>	<b>Total Major Improvement Costs</b>	<b>Improvement Area #1 Allocated Amount<sup>1</sup></b>	<b>Major Improvement Area Allocated Amount<sup>1</sup></b>
Roadway improvements	\$3,174,400	\$1,754,862	\$1,419,538
Water improvements	\$2,000,145	\$1,105,714	\$894,431
Sanitary sewer improvements	\$1,763,987	\$975,162	\$788,825
Storm drainage improvements	\$1,489,957	\$823,673	\$666,284
Other soft and miscellaneous costs	\$1,869,650	\$1,033,574	\$836,076
<b>Total Authorized Improvements</b>	<b>\$10,298,139</b>	<b>\$5,692,985</b>	<b>\$4,605,154</b>

Note: Costs provided by KFM Engineering. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Major Improvements amount does not change.

<sup>1</sup>Allocation of Major Improvements are based on the methodologies described in V.C and shown in Table V-A.

## **C. DESCRIPTIONS AND COSTS OF IMPROVEMENT AREA #1 IMPROVEMENTS**

The Improvement Area #1 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Improvement Area #1 Projects 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.

### Roadway Improvements

The road improvement portion of the Improvement Area #1 Improvements consists of the construction of road improvements, including related excavation, paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Improvement Area #1 Assessed Property. All roadway projects 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 improvements portion of the Improvement Area #1 Improvements consists of construction and installation of a looped water main network, which includes waterlines, valves, fire hydrants, and appurtenances, necessary for the portion of the water distribution system that will service the Improvement Area #1 Assessed Property. The 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 improvement portion of the Improvement Area #1 Improvements consists of construction and installation of various sized sanitary sewer pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Improvement Area #1 Assessed Property. The 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 improvement portion of the Improvement Area #1 Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, junction boxes, inlets, headwalls, and appurtenances necessary to provide adequate drainage to the Improvement Area #1 Assessed Property constructed within the boundaries of the PID. The storm drainage collection system 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

The other soft and miscellaneous portion of the Improvement Area #1 Improvements consist of site preparation, signage, district formation costs, contingency, maintenance bonds, platting, permitting, engineering, staking and other soft costs.

**Table III-B**  
**Budgeted Costs – Improvement Area #1 Projects**

<b>Authorized Improvements</b>	<b>Improvement Area #1's Proportional Share of Major Improvements<sup>1</sup></b>	<b>Improvement Area #1 Improvements</b>	<b>Total Improvement Area #1 Projects<sup>2</sup></b>
Roadway improvements	\$1,754,862	\$7,115,252	\$8,870,114
Water improvements	\$1,105,714	\$2,365,216	\$3,470,930
Sanitary sewer improvements	\$975,162	\$1,972,944	\$2,948,105
Storm drainage improvements	\$823,673	\$3,530,159	\$4,353,832
Other soft and miscellaneous costs	\$1,033,574	\$749,179	\$1,782,753
<b>Total Authorized Improvements</b>	<b>\$5,692,985</b>	<b>\$15,732,749</b>	<b>\$21,425,734</b>

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

<sup>2</sup> Costs provided by KFM Engineering. The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Improvement Area #1 Projects amount does not change.

### **D. FUTURE IMPROVEMENT AREAS**

As Future Improvement Areas are developed and Future Improvement Area Bonds are issued and/or related reimbursement agreements are executed, this Service and Assessment Plan will be amended to identify the specific Future Improvement Area Improvements that confer a special benefit to the property inside each Future Improvement Area (e.g. a Table III-C will be added to show the costs

for the Future Improvement Area Improvements financed within the specific Future Improvement Area being developed.)

*(remainder of this page is intentionally left blank)*

---

---

## ***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. It is anticipated that construction of the Major Improvement Area Projects will be completed in the second quarter of 2023. Construction of the Improvement Area #1 Projects benefitting Phase #1 of Improvement Area #1 is complete, and it is anticipated that the construction of the Improvement Area #1 Projects benefitting Phase #2 of Improvement Area #1 will be completed in the third quarter of 2024. At some point after all or a portion of the Major Improvement Area Projects and Improvement Area #1 Projects are constructed, development in Future Improvement Areas will begin, with each Future Improvement Area to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The Budgeted Costs for Major Improvement Area Projects plus costs related to the issuance of the Major Improvement Area Bonds and payment of expenses incurred in the establishment, administration and operation of the PID allocable to the Major Improvement Area is \$5,641,125 as shown in Table IV-A. The Budgeted Costs for the Improvement Area #1 Projects plus costs related to the issuance of the Improvement Area #1 Bonds and the expenses incurred in the establishment, administration, and operation of the PID allocable to Improvement Area #1 are \$24,270,025 as shown in Table IV-B. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Budgeted Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

The Budgeted Costs of any direct Authorized Improvement which ***only*** benefit the Major Improvement Area BTR Property will be paid by the Developer in lieu of assessments being levied against this property for the benefit it receives, without reimbursement from the City and no Assessment will be levied against the Major Improvement Area BTR Property for Authorized Improvements benefitting only the Major Improvement Area BTR Property.

As Future Improvement Areas are developed in connection with the issuance of Future Improvement Area Bonds and/or execution of a related reimbursement agreement, this Service and Assessment Plan will be amended (e.g. Table IV-C will be amended to show the sources and uses for the Future Improvement Area Improvements financed within the specific Future Improvement Area being developed, etc.).

*(remainder of this page is intentionally left blank)*

The Major Improvement Area Bonds shown in Table IV-A are being issued in 2023 and will be used to finance the Budgeted Costs of the Major Improvement Area Projects.

**Table IV-A**  
**Projected Sources and Uses – Major Improvement Area**

Sources of Funds	Major Improvement Area Bonds
Par amount	\$5,645,000
Original issue discount	(\$3,876)
<b>Total Sources</b>	<b>\$5,641,125</b>
<b>Uses of Funds</b>	
<u>Major Improvement Area Projects<sup>1</sup>:</u>	
Road improvements	\$1,419,538
Water improvements	\$894,431
Sanitary sewer improvements	\$788,825
Storm drainage improvements	\$666,284
Other soft and miscellaneous costs	\$836,076
<i>Subtotal</i>	<i>\$4,605,154</i>
<u>Bond Issuance Costs:</u>	
Cost of issuance	\$350,132
Capitalized interest	\$47,011
Reserve fund	\$419,478
Administrative Expenses	\$50,000
Underwriters discount	\$169,350
<i>Subtotal</i>	<i>\$1,035,970</i>
<b>Total Uses</b>	<b>\$5,641,125</b>

<sup>1</sup>See Table III-A for details.

*(remainder of this page is intentionally left blank)*

The Improvement Area #1 Bonds shown in Table IV-B are being issued in 2023 and will be used to finance a portion of the costs of the Improvement Area #1 Projects. The City and the Developer are entering into the Improvement Area #1 Reimbursement Agreement in 2023 to finance a portion of the Budgeted Costs of the Improvement Area #1 Projects, as shown in Table IV-B.

**Table IV-B**  
**Projected Sources and Uses – Improvement Area #1**

Sources of Funds	Improvement Area #1 Bonds	Improvement Area #1 Reimbursement Agreement	Total
Improvement Area #1 Bonds	\$17,966,000	\$0	\$17,966,000
Original issue discount	(\$149,604)	\$0	(\$149,604)
Improvement Area #1 Reimbursement Agreement	\$0	\$3,050,000	\$3,050,000
Other funding sources <sup>1</sup>	\$0	\$3,403,629	\$3,403,629
<b>Total Sources</b>	<b>\$17,816,396</b>	<b>\$6,453,629</b>	<b>\$24,270,025</b>
<b>Uses of Funds</b>			
<u>Major Improvements<sup>2</sup>:</u>			
Road improvements	\$1,226,281	\$528,581	\$1,754,862
Water improvements	\$772,663	\$333,051	\$1,105,714
Sanitary sewer improvements	\$681,434	\$293,728	\$975,162
Storm drainage improvements	\$575,575	\$248,098	\$823,673
Other soft and miscellaneous costs	\$722,252	\$311,322	\$1,033,574
<i>Subtotal</i>	<i>\$3,978,206</i>	<i>\$1,714,780</i>	<i>\$5,692,985</i>
<u>Improvement Area #1 Improvements<sup>3</sup>:</u>			
Road improvements	\$4,972,072	\$2,143,179	\$7,115,252
Water improvements	\$1,652,791	\$712,425	\$2,365,216
Sanitary sewer improvements	\$1,378,675	\$594,269	\$1,972,944
Storm drainage improvements	\$2,466,843	\$1,063,316	\$3,530,159
Other soft and miscellaneous costs	\$523,519	\$225,659	\$749,179
<i>Subtotal</i>	<i>\$10,993,900</i>	<i>\$4,738,849</i>	<i>\$15,732,749</i>
<u>Bond Issuance Costs:</u>			
Cost of issuance	\$865,000	\$0	\$865,000
Capitalized interest	\$133,256	\$0	\$133,256
Reserve fund	\$1,267,055	\$0	\$1,267,055
Administrative Expenses	\$40,000	\$0	\$40,000
Underwriters discount	\$538,980	\$0	\$538,980
<i>Subtotal</i>	<i>\$2,844,291</i>	<i>\$0</i>	<i>\$2,844,291</i>
<b>Total Uses</b>	<b>\$17,816,396</b>	<b>\$6,453,629</b>	<b>\$24,270,025</b>

<sup>1</sup>The other funding sources represent Budgeted Costs paid or to be paid by the Developer without reimbursement from the City. Any Actual Costs of Authorized Improvements incurred prior to Bond closing are not required to be deposited and are therefore deducted from any Developer deposit requirement. This deducted amount shall be submitted to the City for full review and approval by the City prior to submitting the first Certification for Payment payable from the project fund.

<sup>2</sup>See Table III-A for details.

<sup>3</sup>See Table III-B for details.

As Future Improvement Areas are developed, Future Improvement Area Bonds may be issued and/or a reimbursement agreement may be executed to finance the Authorized Improvements required for each new Future Improvement Area.

**B. PROJECTED FIVE YEAR SERVICE PLAN**

Major Improvement Area

The annual projected costs and annual projected indebtedness for the Major Improvement Area 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.

**Table IV-C**  
**Annual Projected Costs and Annual Projected Indebtedness**  
**Major Improvement Area**

<b>Year</b>	<b>Annual Projected Cost<sup>1</sup></b>	<b>Annual Projected Indebtedness</b>	<b>Other Funding Sources</b>	<b>Projected Major Improvement Area Annual Installments</b>
2023 <sup>2</sup>	\$5,645,000	\$5,645,000	\$0	\$0
2024	\$0	\$0	\$0	\$498,703
2025	\$0	\$0	\$0	\$499,268
2026	\$0	\$0	\$0	\$498,633
2027	\$0	\$0	\$0	\$498,854
2028	\$0	\$0	\$0	\$498,877
2029	\$0	\$0	\$0	\$498,701
<b>Total</b>	<b>\$5,645,000</b>	<b>\$5,645,000</b>	<b>\$0</b>	<b>\$2,993,034</b>

<sup>1</sup>Includes original issue discount.

<sup>2</sup>Administrative Expenses in year 2023 are being funded with Major Improvement Area Bond proceeds, and interest on the Major Improvement Area Bonds for year 2023 is being funded with capitalized interest.

The annual projected costs shown in Table IV-C are the annual expenditures relating to Major Improvement Area’s proportional share of Major Improvements, referred to as the Major Improvement Area Projects, shown in Table III-A, and the costs associated with setting up the PID allocable to the Major Improvement Area 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.

Improvement Area #1

The annual projected costs and annual projected indebtedness for Improvement Area #1 is shown in Table IV-D. 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-D**  
**Annual Projected Costs and Annual Projected Indebtedness**  
**Improvement Area #1**

Year	Annual Projected Cost	Annual Projected Indebtedness <sup>1</sup>	Other Funding Sources	Projected Improvement Area #1 Annual Installments
2023 <sup>3</sup>	\$24,419,629	\$21,016,000	\$3,403,629	\$0
2024	\$0	\$0	\$0	\$1,597,285
2025	\$0	\$0	\$0	\$1,567,462
2026	\$0	\$0	\$0	\$1,566,476
2027	\$0	\$0	\$0	\$1,567,787
2028	\$0	\$0	\$0	\$1,567,233
2029	\$0	\$0	\$0	\$1,566,867
<b>Total</b>	<b>\$24,419,629</b>	<b>\$21,016,000</b>	<b>\$3,403,629</b>	<b>\$9,433,111</b>

<sup>1</sup>Includes amounts to be paid from Improvement Area #1 Assessments related to both the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement. Includes original issue discount.

<sup>2</sup>The other funding sources represent Budgeted Costs paid or to be paid by the Developer without reimbursement from the City.

<sup>3</sup>Administrative Expenses in year 2023 are being funded with Improvement Area #1 Bond proceeds, and interest on the Improvement Area #1 Bonds for year 2023 is being funded with capitalized interest. Interest for the amounts anticipated to be paid pursuant to the Improvement Area #1 Reimbursement Agreement for year 2023 will be collected together with the first annual installment due by January 31, 2024.

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Improvement Area #1 Projects shown in Table III-B, and the costs associated with setting up the PID allocable to Improvement Area #1 and bond issuance costs including reserves shown in Table IV-B. 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 notice form required by Section 5.014 of the Texas Property Code (the “PID Assessment Notice”). The PID Assessment Notice is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

*(remainder of this page is intentionally left blank)*

---

---

## V. ASSESSMENT PLAN

---

---

### A. INTRODUCTION

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

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the issuance of the Improvement Area #1 Bonds and the Major Improvement Area Bonds being issued in 2023, subsequent financings may be issued over the upcoming decade as the Future Improvement Areas of the development 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 to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

For purposes of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Authorized Improvements shall be allocated as described below:

1. The costs of the Major Improvement Area Projects and the Improvement Area #1 Projects shall be allocated on the basis of Equivalent Units 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 costs of the Major Improvements are proportionally allocated to the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property, based on the ratio of Equivalent Units for the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property.
3. The Major Improvement Area Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Major Improvement Area Assessed Property based on the total estimated Equivalent Units for each Parcel.



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

Table V-A provides the estimated allocation of the Budgeted Costs of the Major Improvements between the Major Improvement Area and Improvement Area #1. Table V-B provides the estimated allocation of the Budgeted Costs of the Major Improvement Area Projects between the Major Improvement Area BTR Property and Future Improvement Areas.

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

In connection with the issuance of Future Improvement Area Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Improvement Area receives from the specific Future Improvement Area Improvements funded with those Future Improvement Area Bonds issued and/or reimbursement agreement executed with respect to that Future Improvement Areas. Prior to assessing Parcels located within Future Improvement Areas in connection with issuance of Future Improvement Area Bonds and/or execution of a reimbursement agreement, each owner of the Parcels to be assessed must acknowledge that the Future Improvement Area 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 Future Improvement Area Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvement Area Projects and the

Improvement Area #1 Projects, as applicable, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied or to be levied on the Improvement Area #1 Assessed Property and the Major Improvement Area Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvement Area Projects and the Improvement Area #1 Projects 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 Improvement Areas are developed, in connection with the issuance of Future Improvement Area 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 Improvement Area.

## **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 and IV-B 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 Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Budgeted Costs of the Major Improvements must be allocated throughout all Assessed Property in the PID. Table V-A summarizes the allocation of Actual Costs for each type of Major Improvement to Improvement Area #1 and the Major Improvement Area. Table V-B summarizes the allocation of the Actual Costs of the Major Improvement Area Projects to the Major Improvement Area BTR Property and Future Improvement Areas. The Budgeted Costs shown in Table V-A and Table V-B are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Improvement Area #1 is projected to contain 550 single family residential units, and the Major Improvement Area is projected to contain 273 single family residential units and 266 build to rent units. As shown in Appendix F, the total projected Equivalent Units for Improvement Area #1 is calculated as 456.19, and the total projected Equivalent Units for the Major Improvement Area is calculated as 369.02. The total projected Equivalent Units in the PID is, therefore, calculated to be 825.21 (i.e.,  $456.19 + 369.02 = 825.21$ ). As a result, 55.28 percent of the Budgeted Costs of the Major Improvements (i.e.  $456.19 \div 825.21 = 55.28\%$ ) are allocated to the Improvement Area #1 Assessed Property, and 44.72 percent of the Budgeted Costs of the Major Improvements (i.e.,  $369.02 \div 825.21 = 44.72\%$ ) are allocated to the Major Improvement Area Assessed Property. One hundred percent (100%) of the Improvement Area #1 Improvements are allocated to the Improvement Area #1 Assessed Property. The Budgeted Costs of any direct Authorized Improvement which only benefit the Major Improvement Area BTR Property will be paid by the Developer in lieu of assessments being levied against this property for the benefit it receives, without reimbursement from the City and no Assessment will be levied against the Major Improvement Area BTR Property for Authorized Improvements benefiting only the Major Improvement Area BTR Property. The Major Improvement Area Bonds will fund the Budgeted Costs of the Major Improvement Area Projects. The Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement will fund the Budgeted Costs of the Improvement Area #1 Projects.

*(remainder of this page is intentionally left blank)*

**Table V-A**  
**Allocation of the Budgeted Costs of the Major Improvements**

Authorized Improvement	Total
Road improvements	\$3,174,400
Water improvements	\$2,000,145
Offsite sanitary sewer improvements	\$1,763,987
Storm drainage improvements	\$1,489,957
Other soft and miscellaneous costs	\$1,869,650
<b>Total Major Improvements<sup>1</sup></b>	<b>\$10,298,139</b>
<b>Improvement Area #1</b>	
Projected total number of Equivalent Units	456.19
% of total Equivalent Units	55.28%
Proportionate Share of Costs	\$5,692,985
<b>Major Improvement Area</b>	
Projected total number of Equivalent Units	369.02
% of total Equivalent Units	44.72%
Proportionate Share of Costs	\$4,605,154

<sup>1</sup>See Table III-A for details.

The Major Improvement Area BTR Property is projected to contain 266 build to rent units, and the Future Improvement Areas are projected to contain 273 single family residential units. As shown in Appendix F, the total projected Equivalent units for Major Improvement Area BTR Property is calculated as 135.66, and the total projected Equivalent Units for the Future Improvement Areas is calculated as 233.36. The total projected Equivalent Units in the Future Improvement Area is, therefore, calculated to be 369.02 (i.e.,  $135.66 + 233.36 = 369.02$ ). As a result, 36.76 percent of the Budgeted Costs of the Major Improvement Area Projects (i.e.  $135.66 \div 369.02 = 36.76\%$ ) are allocated to the Major Improvement Area BTR Assessed Property, and 63.24 percent of the Budgeted Costs of the Major Improvement Area Projects (i.e.,  $233.36 \div 369.02 = 63.24\%$ ) are allocated to the Future Improvement Areas. Table V-B summarizes the allocation of the Actual Costs of the Major Improvement Area Projects to the Major Improvement Area BTR Property and Future Improvement Areas. The costs shown in Table V-B are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

*(remainder of this page is intentionally left blank)*

**Table V-B**  
**Allocation of the Budgeted Costs of the Major Improvement Area Projects**

Authorized Improvement	Total
Road improvements	\$1,419,538
Water improvements	\$894,431
Offsite sanitary sewer improvements	\$788,825
Storm drainage improvements	\$666,284
Other soft and miscellaneous costs	\$836,076
<b>Total Major Improvement Area Projects<sup>1</sup></b>	<b>\$4,605,154</b>
<b>Major Improvement Area BTR Property</b>	
Projected total number of Equivalent Units	135.66
% of total Equivalent Units	36.76%
Proportionate Share of Costs	\$1,692,958
<b>Future Improvement Areas</b>	
Projected total number of Equivalent Units	233.36
% of total Equivalent Units	63.24%
Proportionate Share of Costs	\$2,912,197

<sup>1</sup>See Table III-A for details.

#### **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 Major Improvement Area Projects*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Major Improvement Area Projects to be financed with the Major Improvement Area Bonds shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Major Improvement Area Assessment across the Parcels within the Major Improvement Area Assessed Property based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Major Improvement Area Projects, as set forth in Table III-A, the City Council has determined that the benefit to the Major Improvement Area Assessed Property of the Major Improvement Area Projects is at least equal to the Major Improvement Area Assessments levied on the Major Improvement Area Assessed Property.

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

estimated number of Equivalent Units at the time residential Lots are platted to the total estimated number of all 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 the Major Improvement Area is shown on the Major Improvement Area 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 the Improvement Area #1 Projects*

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

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

Upon subsequent divisions of any Parcel within Improvement Area #1, the Improvement Area #1 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, Improvement Area #1 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 Improvement Area #1 is shown on the Improvement Area #1 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

## 3. *Assessment Methodology for Future Improvement Areas*

When any given Future Improvement Areas are developed, and Future Improvement Area Bonds for that Future Improvement Area 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 Future Improvement Area.

## **E. ASSESSMENTS**

The Assessments are being levied on each Parcel of Assessed Property within the Major Improvement Area and Improvement Area #1 according to the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, attached hereto as Appendix G and Appendix H, respectively. The Annual Installments of the Assessments will be collected at the time and in the amounts shown on the Major Improvement Area Assessment Roll and Improvement Area #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 Equivalent 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 applicable Trust Indenture. 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 on any portion of an Assessment which secures a reimbursement obligation and not a series of Bonds.

*(remainder of this page is intentionally left blank)*



---

---

## ***VI. TERMS OF THE ASSESSMENTS***

---

---

### **A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE MAJOR IMPROVEMENT AREA**

The Major Improvement Area Assessment and Annual Installments for each Assessed Property located within the Major Improvement Area are shown on the Major Improvement Area 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 Major Improvement Area Assessed Property in an amount sufficient to pay (i) principal and interest on the Major Improvement Area Bonds, (ii) to fund the Additional Interest Reserve described in Section V, and (iii) 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 or any other funds applicable to the Parcel.

### **B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN IMPROVEMENT AREA #1**

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

### **C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE IMPROVEMENT AREAS**

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

*(remainder of this page is intentionally left blank)*

**D. REALLOCATION OF ASSESSMENTS**

**1. Subdivision**

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

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

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated 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.

**E. MANDATORY PREPAYMENT OF ASSESSMENTS**

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

2. If at any time the Assessment per Equivalent Unit on a Parcel exceeds the applicable Maximum Assessment Per Equivalent Unit (including the Improvement Area #1 Maximum Assessment Per Equivalent Unit with respect to the Improvement Area #1 Assessed Property and the Major Improvement Area BTR Property Maximum Assessment Per Equivalent Unit with respect to the Major Improvement Area BTR Property within the Major Improvement Area Assessed Property) 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 Improvement Area #1 Maximum Assessment Per Equivalent Unit or Major Improvement Area BTR Property Maximum Assessment Per Equivalent Unit, as applicable, calculated in this Service and Assessment Plan.
3. 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.

#### **F. REDUCTION OF ASSESSMENTS**

1. 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 a reimbursement agreement, as the case may be, and such excess proceeds shall be applied to redeem Bonds and/or the obligations under a reimbursement agreement may be reduced as provided in the Trust Indenture or the terms of the reimbursement agreement, then the Assessment securing such series of Bonds and/or related 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.
2. 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 a reimbursement agreement, and such excess proceeds shall be applied to redeem Bonds and/or reduce obligations under a reimbursement agreement, as the case may be, as provided in the Trust 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 a reimbursement agreement, including interest on the Bonds (including Additional Interest) and/or interest due under a 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 a 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 a reimbursement agreement is equal to the outstanding principal amount of the Bonds and/or reimbursement agreement.

## **G. PAYMENT OF ASSESSMENTS**

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

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

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

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

### Major Improvement Area

Each Assessment for the Major Improvement Area Assessed Property shall be paid with an interest rate of not more than the actual interest rate paid on the Major Improvement Area Bonds. The Major Improvement Area Assessment Roll sets forth for each year the Annual Installment for each Parcel within the Major Improvement Area based on an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053) and Additional Interest at the rate of 0.5% for the Additional Interest Reserve. Furthermore, the Annual Installments related to the Major Improvement Area Bonds may not exceed the amounts shown on the Major Improvement Area Assessment Roll. The Major Improvement Area Assessment Roll is shown as Appendix G.

### Improvement Area #1

Each Assessment for the Improvement Area #1 Assessed Property shall be paid with an interest rate of not more than the actual interest paid on the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement, respectively. Interest on the Improvement Area #1 Bonds is based on based on an interest rate of 4.500% per annum for years 1 through 8 (2023-2030), 5.375% per annum for years 9 through 21 (2031-2043), and 5.500% per annum for years 22 through 31 (2044-2053) and Additional Interest at the rate of 0.5% for the Additional Interest Reserve. Interest on the Improvement Area #1 Reimbursement Agreement shall be paid based on an interest rate of 6.020% per annum for years 1 through 5 and 6.020% per annum following the fifth Annual Installment. The interest on the Improvement Area #1 Reimbursement Agreement 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 4.02%. The City has determined that the Improvement Area #1 Reimbursement Agreement shall bear interest at the interest rate of 6.020% per annum for years 1 through 5 and 6.020% per annum following the fifth Annual Installment, which rates are equal to or less than the initial maximum allowable rate of interest of 9.020% for years 1 through 5 and equal to the maximum allowable rate of interest following the fifth Annual Installment, which would be 6.020%. Furthermore, the Annual Installments related to the Improvement Area #1 Bonds and the Improvement Area #1 Reimbursement Agreement for the Improvement Area #1 Projects may not exceed the amounts shown on the Improvement Area #1 Assessment Roll. The Improvement Area #1 Assessment Roll is shown as Appendix H.

### Reduction of Assessments

The Annual Installments shall be reduced to equal the actual costs of repaying the Improvement Area #1 Bonds, Major Improvement Area Bonds, and/or Improvement Area #1 Reimbursement Agreement, as applicable, 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.

#### **H. 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 Improvement Area #1 Bonds, the Improvement Area #1 Reimbursement Agreement, and the Major Improvement Area Bonds 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).

#### **I. SURPLUS FUNDS REMAINING IN THE MAJOR IMPROVEMENT AREA BOND ACCOUNT**

If proceeds from the Major Improvement Area Bonds still remain after all of the Major Improvement Area Projects are constructed and accepted by the City, and all outstanding payment requests from the Developer have been processed, the proceeds may be utilized in accordance with the applicable Trust Indenture.

**J. SURPLUS FUNDS REMAINING IN THE IMPROVEMENT AREA # 1 BOND ACCOUNT**

If proceeds from the Improvement Area #1 Bonds remain after all of the Improvement Area #1 Projects are constructed and accepted by the City, and all outstanding requests from the Developer have been processed, the proceeds may be utilized in accordance with the applicable Trust Indenture.

*(remainder of this page is intentionally left blank)*

---

---

## VII. THE ASSESSMENT ROLL

---

---

### A. MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

The City Council has evaluated each Parcel within the Major Improvement Area (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 Major Improvement Area.

The Major Improvement Area Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Major Improvement Area Projects. Table VII-A summarizes the \$5,645,000 in special benefit received by the Major Improvement Area Assessed Property from the Major Improvement Area Projects, a portion of the costs of the PID formation, and the Major Improvement Area Bond issuance costs. The par amount of the Major Improvement Area Bonds is \$5,645,000, which is less than or equal to the benefit received by the Major Improvement Area Assessed Property. Accordingly, the total Assessment to be applied to all the Major Improvement Area Assessed Property is \$5,645,000 plus annual Administrative Expenses. The Assessment for the Major Improvement Area Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Major Improvement Area Assessment Roll is attached hereto as Appendix G.

**Table VII-A**  
**Major Improvement Area**  
**Special Benefit Summary**

Special Benefit	Total Cost
Major Improvement Area Projects <sup>1</sup>	\$4,605,154
<b>PID Formation/Bond Costs of Issuance:</b>	
Cost of issuance	\$350,132
Capitalized interest	\$47,011
Reserve fund	\$419,478
Administrative Expense	\$50,000
Underwriters discount	\$169,350
<i>Subtotal</i>	\$1,035,970
Original issue discount	\$3,876
<b>Total Special Benefit</b>	<b>\$5,645,000</b>
<b>Special Benefit:</b>	
Total Special Benefit	\$5,645,000
Projected Special Assessment	\$5,645,000
<b>Excess Benefit</b>	<b>\$0</b>

<sup>1</sup>See Table III-A for details.



**B. IMPROVEMENT AREA #1 ASSESSMENT ROLL**

The City Council has evaluated each Parcel in Improvement Area #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 Improvement Area #1.

The Improvement Area #1 Assessed Property is being assessed for the special benefits conferred upon the property resulting from the Improvement Area #1 Projects. Table VII-B summarizes the \$24,419,629 in special benefit received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Projects, and the costs of the PID formation and the Improvement Area #1 Bond issuance costs applicable to Improvement Area #1. The par amount of the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement for the Improvement Area #1 Projects is \$21,016,000, which is less than or equal to the benefit received by the Improvement Area #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Improvement Area #1 Assessed Property is \$21,016,000 plus, interest, Additional Interest, and annual Administrative Expenses. The Assessment for each Improvement Area #1 Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Improvement Area #1 Assessment Roll is attached hereto as Appendix H.

**Table VII-B  
Improvement Area #1  
Special Benefit Summary**

Special Benefit	Total Cost
Improvement Area #1 Projects <sup>1</sup>	\$21,425,734
<u>PID Formation/Bond Costs of Issuance:</u>	
Cost of issuance	\$865,000
Capitalized interest	\$133,256
Reserve fund	\$1,267,055
Administrative Expense	\$40,000
Underwriter’s discount	\$538,980
<i>Subtotal</i>	\$2,844,291
Original issue discount	\$149,604
<b>Total Special Benefit</b>	<b>\$24,419,629</b>
<u>Special Benefit:</u>	
Total Special Benefit	\$24,419,629
Projected Assessment	\$21,016,000
<b>Excess Benefit</b>	<b>\$3,403,629</b>

<sup>1</sup>See Table III-B for details.

*(remainder of this page is intentionally left blank)*

### **C. FUTURE IMPROVEMENT AREAS ASSESSMENT ROLLS**

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

### **D. ANNUAL ASSESSMENT ROLL UPDATES**

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Improvement Area #1 Assessment Roll and the Major Improvement Area 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.G of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds and/or approval of a reimbursement agreement. 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.

*(remainder of this page is intentionally left blank)*

---

---

## ***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. Tables in this Service and Assessment Plan may be rounded to the nearest whole number.

#### **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.

*(remainder of this page is intentionally left blank)*

**APPENDIX A**  
**PID MAP**

**APPENDIX B**  
**BUDGETED COSTS OF AUTHORIZED IMPROVEMENTS**

**APPENDIX C-1**  
**LEGAL DESCRIPTION – PID**  
**(CONSISTING OF A 245.241 ACRE TRACT)**

**APPENDIX C-2**  
**LEGAL DESCRIPTION – MAJOR IMPROVEMENT AREA**  
**(CONSISTING OF A 33.880 ACRE TRACT, A 33.364 ACRE TRACT, AND A 24.976 ACRE TRACT)**



**APPENDIX C-3**  
**LEGAL DESCRIPTION – IMPROVEMENT AREA #1**  
**(CONSISTING OF AN 80.472 ACRE TRACT, AND A 72.566 ACRE TRACT)**

**APPENDIX D**  
**DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS**

**APPENDIX E**  
**PID ASSESSMENT NOTICE**

AFTER RECORDING RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_]<sup>1</sup>

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 ***Cross Creek Meadows 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.

\_\_\_\_\_

<sup>1</sup> 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 Collin 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]<sup>2</sup>

---

<sup>2</sup> 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 COLLIN                           §

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]<sup>3</sup>

\_\_\_\_\_

<sup>3</sup> 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 Collin 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 COLLIN

§

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]<sup>4</sup>

\_\_\_\_\_  
<sup>4</sup> 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 Collin 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 four Lot Types.

“**Lot Type 1**” means lots identified as such on the Assessment Rolls, being lots typically with a Lot width of approximately 60 feet, as provided by the Development Agreement.

“**Lot Type 2**” means lots identified as such on the Assessment Rolls, being lots typically with a Lot width of approximately 55 feet, provided by the Development Agreement.

“**Lot Type 3**” means lots identified as such on the Assessment Rolls, being lots typically with a Lot width of approximately 40 feet, provided by the Development Agreement.

“**Lot Type 4**” means lots identified as such on the Assessment Rolls, being build to rent (BTR) units as provided by the Development Agreement.

### **A) Proposed Development**

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

**Table F-A.1**  
**Proposed Development within the PID**

<b>Lot Type</b>	<b>Proposed Development</b>	
Lot Type 1 (60 Ft Lot)	191	Units
Lot Type 2 (55 Ft Lot)	385	Units
Lot Type 3 (40 Ft Lot)	247	Units
Lot Type 4 (BTR Lot)	266	Units
<b>Total</b>	<b>1,089</b>	<b>Units</b>

Table F-A.2 shows the proposed residential units within Improvement Area #1.

**Table F-A.2**  
**Proposed Development – Improvement Area #1**

<b>Lot Type</b>	<b>Proposed Development</b>	
Lot Type 1 (60 Ft Lot)	138	Units
Lot Type 2 (55 Ft Lot)	229	Units
Lot Type 3 (40 Ft Lot)	183	Units
<b>Total</b>	<b>550</b>	<b>Units</b>

Table F-A.3 shows the proposed residential units within the Major Improvement Area.

**Table F-A.3**  
**Proposed Development – Major Improvement Area**

Lot Type	Proposed Development	
Lot Type 1 (60 Ft Lot)	53	Units
Lot Type 2 (55 Ft Lot)	156	Units
Lot Type 3 (40 Ft Lot)	64	Units
Lot Type 4 (BTR Lot)	266	Units
<b>Total</b>	<b>539</b>	<b>Units</b>

Table F-A.4 shows the proposed residential units within Major Improvement Area BTR Property.

**Table F-A.4**  
**Proposed Development – Major Improvement Area BTR Property**

Lot Type	Proposed Development	
Lot Type 4 (BTR Lot)	266	Units
<b>Total</b>	<b>266</b>	<b>Units</b>

**B) Calculation of Equivalent Units**

As explained under Section V.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Improvement Area #1 Projects and the Major Improvement Area Projects to be financed with (i) the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement and (ii) the Major Improvement Area Bonds, respectively, shall be allocated to the Improvement Area #1 Assessed Property and the Major Improvement Area Assessed Property by spreading the entire Improvement Area #1 Assessment and Major Improvement Area Assessment across the Parcels within Improvement Area #1 and the Major Improvement Area, respectively, 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 Improvement Area #1 Assessed Property and Major Improvement Area Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 55 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications from Lot Type 1 (60 Ft Lot) representing the highest value to Lot Type 4 (BTR Lot) representing the lowest value for residential lots are set forth in Table F-B.1. Assessments

are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lot) to 1.0.

**Table F-B.1**  
**Equivalent Unit Factors**

<b>Lot Type</b>	<b>Estimated Average Unit Value</b>	<b>Equivalent Unit Factor</b>	
Lot Type 1 (60 Ft Lot)	\$640,000	1.00	per dwelling unit
Lot Type 2 (55 Ft Lot)	\$580,000	0.91	per dwelling unit
Lot Type 3 (40 Ft Lot)	\$385,000	0.60	per dwelling unit
Lot Type 4 (BTR Lot)	\$324,500	0.51	per dwelling unit

The total estimated Equivalent Units for the Major Improvement Area are shown in Table F-B.2 as calculated based on the Equivalent Unit factors shown in Table F-B.1, estimated Lot Types and number of units estimated to be built within the Major Improvement Area.

**Table F-B.2**  
**Estimated Equivalent Units – Major Improvement Area**

<b>Lot Type</b>	<b>Planned No. of units</b>	<b>Equivalent Unit Factor</b>	<b>Total Equivalent Units</b>
Lot Type 1 (60 Ft Lot)	53	1.00	53.00
Lot Type 2 (55 Ft Lot)	156	0.91	141.96
Lot Type 3 (40 Ft Lot)	64	0.60	38.40
Lot Type 4 (BTR Lot)	266	0.51	135.66
<b>Total Equivalent Units</b>	<b>539</b>		<b>369.02</b>

The total estimated Equivalent Units for Improvement Area #1 are shown in Table F-B.3 as calculated based on the Equivalent Unit factors shown in Table F-B.1, estimated Lot Types and number of units estimated to be built within Improvement Area #1.

**Table F-B.3**  
**Estimated Equivalent Units – Improvement Area #1**

<b>Lot Type</b>	<b>Planned No. of units</b>	<b>Equivalent Unit Factor</b>	<b>Total Equivalent Units</b>
Lot Type 1 (60 Ft Lot)	138	1.00	138.00
Lot Type 2 (55 Ft Lot)	229	0.91	208.39
Lot Type 3 (40 Ft Lot)	183	0.60	109.80
<b>Total Equivalent Units</b>	<b>550</b>		<b>456.19</b>

The total estimated Equivalent Units for the Major Improvement Area BTR Property are shown in Table F-B.4 as calculated based on the Equivalent Unit factors shown in Table F-B.1, estimated Lot Types and number of units estimated to be built within the Major Improvement Area BTR Property.

**Table F-B.4**  
**Estimated Equivalent Units – Major Improvement Area BTR Property**

<b>Lot Type</b>	<b>Planned No. of units</b>	<b>Equivalent Unit Factor</b>	<b>Total Equivalent Units</b>
Lot Type 4 (BTR Lot)	266	0.51	135.66
<b>Total Equivalent Units</b>	<b>266</b>		<b>135.66</b>

**C) Allocation of Assessments to Lots within the Major Improvement Area**

As shown in Section IV of this Service and Assessment Plan, the total amount of the Major Improvement Area Bonds, which represents the total Assessment to be allocated on all Parcels within the Major Improvement Area, is \$5,645,000. As shown in Table F-B.2, there are a total of 369.02 estimated Equivalent Units in the Major Improvement Area, resulting in an Assessment per Equivalent Unit of \$15,297.27.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$15,297.27 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$15,297.27 (i.e. \$15,297.27 x 1.00). The Assessment for a Lot Type 2 (55 Ft Lot) dwelling unit is \$13,920.52 (i.e. \$15,297.27 x 0.91). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$9,178.36 (i.e. \$15,297.27 x 0.60). The Assessment for a Lot Type 4 (BTR Lot) dwelling unit is \$7,801.61 (i.e. \$15,297.27 x 0.51). Table F-C.1 sets forth the Assessment per dwelling unit for each Lot Type in the Major Improvement Area.

**Table F-C.1**  
**Assessment Per Unit – Major Improvement Area**

<b>Lot Type</b>	<b>Planned No. of Units</b>	<b>Assessment per Equivalent Unit</b>	<b>Equivalent Unit Factor</b>	<b>Assessment per Unit</b>	<b>Total Assessments</b>
Lot Type 1 (60 Ft Lot)	53	\$15,297.27	1.00	\$15,297.27 per dwelling unit	\$810,756
Lot Type 2 (55 Ft Lot)	156	\$15,297.27	0.91	\$13,920.52 per dwelling unit	\$2,171,601
Lot Type 3 (40 Ft Lot)	64	\$15,297.27	0.60	\$9,178.36 per dwelling unit	\$587,415
Lot Type 4 (BTR Lot)	266	\$15,297.27	0.51	\$7,801.61 per dwelling unit	\$2,075,228
<b>Total</b>	<b>539</b>				<b>\$5,645,000</b>

The projected leverage calculated based on the estimated finished lot values and home values for each unit is shown in Table F-C.2.

**Table F-C.2**  
**Projected Leverage – Major Improvement Area**

<b>Lot Type</b>	<b>Planned No. of Units</b>	<b>Estimated Finished Lot Value per unit</b>	<b>Projected Home Value per unit</b>	<b>Assessment per Unit</b>	<b>Leverage (Lot Value)</b>	<b>Leverage (Home Value)</b>
Lot Type 1 (60 Ft Lot)	53	\$90,000	\$640,000	\$15,297.27	5.88	41.84
Lot Type 2 (55 Ft Lot)	156	\$82,000	\$580,000	\$13,920.52	5.89	41.67
Lot Type 3 (40 Ft Lot)	64	\$60,000	\$385,000	\$9,178.36	6.54	41.95
Lot Type 4 (BTR Lot)	266	\$47,000	\$324,500	\$7,801.61	6.02	41.59

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-C.3.

**Table F-C.3**  
**Estimated Tax Rate Equivalent per unit – Major Improvement Area**

<b>Lot Type</b>	<b>Planned No. of Units</b>	<b>Estimated Finished Lot Value per unit</b>	<b>Projected Home Value per unit</b>	<b>Projected Average Annual Installment per unit</b>	<b>Tax Rate Equivalent (per \$100 Lot Value)</b>	<b>Tax Rate Equivalent (per \$100 Home Value)</b>
Lot Type 1 (60 Ft Lot)	53	\$90,000	\$640,000	\$1,351.91	\$1.502	\$0.211
Lot Type 2 (55 Ft Lot)	156	\$82,000	\$580,000	\$1,230.23	\$1.500	\$0.212
Lot Type 3 (40 Ft Lot)	64	\$60,000	\$385,000	\$811.14	\$1.352	\$0.211
Lot Type 4 (BTR Lot)	266	\$47,000	\$324,500	\$689.47	\$1.467	\$0.212

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area 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.

**D) Allocation of Assessments to Lots within Major Improvement Area BTR Property**

As described in Section V, the Major Improvement Area Projects are allocated to the Major Improvement Area BTR Property and Future Improvement Areas. The total amount of the Major Improvement Area Bonds applicable to the Major Improvement Area BTR Property, which represents the total Assessment to be allocated on all Parcels within the Major Improvement Area BTR Property, is \$2,075,228. As shown in Table F-B.4, there are a total of 135.66 estimated Equivalent Units in the Major Improvement Area BTR Property, resulting in an Assessment per Equivalent Unit of \$15,297.27.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$15,297.27 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 4 (BTR Lot) dwelling unit is \$7,801.61 (i.e. \$15,297.27 x 0.51). Table F-D.1 sets forth

the Assessment per dwelling unit for each Lot Type in the Major Improvement Area BTR Property.

**Table F- D.1**  
**Assessment Per Unit – Major Improvement Area BTR Property**

<b>Type</b>	<b>Planned No. of Units</b>	<b>Assessment per Equivalent Unit</b>	<b>Equivalent Unit Factor</b>	<b>Assessment per Unit</b>	<b>Total Assessments</b>
Lot Type 4 (BTR Lot)	266	\$15,297.27	0.51	\$7,801.61 per dwelling unit	\$2,075,228
<b>Total</b>	<b>266</b>				<b>\$2,075,228</b>

The projected leverage calculated based on the estimated finished lot values and home values for each unit is shown in Table F- D.2.

**Table F- D.2**  
**Projected Leverage – Major Improvement Area BTR Property**

<b>Description</b>	<b>Planned No. of Units</b>	<b>Estimated Finished Lot Value per unit</b>	<b>Projected Home Value per unit</b>	<b>Assessment per Unit</b>	<b>Leverage (Lot Value)</b>	<b>Leverage (Home Value)</b>
Lot Type 4 (BTR Lot)	266	\$47,000	\$324,500	\$7,801.61	6.02	41.59

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-D.3.

**Table F- D.3**  
**Estimated Tax Rate Equivalent per unit – Major Improvement Area BTR Property**

<b>Description</b>	<b>Planned No. of Units</b>	<b>Estimated Finished Lot Value per unit</b>	<b>Projected Home Value per unit</b>	<b>Projected Average Annual Installment per unit</b>	<b>Tax Rate Equivalent (per \$100 Lot Value)</b>	<b>Tax Rate Equivalent (per \$100 Home Value)</b>
Lot Type 4 (BTR Lot)	266	\$47,000	\$324,500	\$689.47	\$1.467	\$0.212

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area BTR Property is attached as Appendix G-2 of the Major Improvement Area Assessment Roll, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

**E) Allocation of Assessments to Lots within Improvement Area #1**

As shown in Section IV of this Service and Assessment Plan, the total amount of the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement applicable to the Improvement Area #1, which represents the total Assessment to be allocated on all Parcels within Improvement Area #1, is \$21,016,000. As shown in Table F-B.3, there are a total of 456.19 estimated Equivalent Units in Improvement Area #1, resulting in an Assessment per Equivalent Unit of \$46,068.52.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$46,068.52 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$46,068.52 (i.e. \$46,068.52 x 1.00). The Assessment for a Lot Type 2 (55 Ft Lot) dwelling unit is \$41,922.36 (i.e. \$46,068.52 x 0.86). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$27,641.11 (i.e. \$46,068.52 x 0.61). Table F-E.1 sets forth the Assessment per dwelling unit for each Lot Type in Improvement Area #1.

**Table F-E.1**  
**Assessment Per Unit – Improvement Area #1**

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft Lot)	138	\$46,068.52	1.00	\$46,068.52	per dwelling unit	\$6,357,456
Lot Type 2 (55 Ft Lot)	229	\$46,068.52	0.91	\$41,922.36	per dwelling unit	\$9,600,220
Lot Type 3 (40 Ft Lot)	183	\$46,068.52	0.60	\$27,641.11	per dwelling unit	\$5,058,324
<b>Total</b>	<b>550</b>					<b>\$21,016,000</b>

The projected leverage calculated based on the estimated finished lot values and home values for each unit is shown in Table F-E.2

**Table F-E.2**  
**Projected Leverage – Improvement Area #1**

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft Lot)	138	\$90,000	\$640,000	\$46,068.52	1.95	13.89
Lot Type 2 (55 Ft Lot)	229	\$82,000	\$580,000	\$41,922.36	1.96	13.84
Lot Type 3 (40 Ft Lot)	183	\$60,000	\$385,000	\$27,641.11	2.17	13.93

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-E.3.

**Table F-E.3**  
**Estimated Tax Rate Equivalent per unit – Improvement Area #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)
Lot Type 1 (60 Ft Lot)	138	\$90,000	\$640,000	\$3,437.66	\$3.820	\$0.537
Lot Type 2 (55 Ft Lot)	229	\$82,000	\$580,000	\$3,128.27	\$3.815	\$0.539
Lot Type 3 (40 Ft Lot)	183	\$60,000	\$385,000	\$2,062.59	\$3.438	\$0.536

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



**APPENDIX G**  
**MAJOR IMPROVEMENT AREA ASSESSMENT ROLL**

**Appendix G-1**  
**Major Improvement Area Assessment Roll**

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

**1011586, 2841668, part of 2841799**  
**369.02**  
**\$5,645,000**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Additional Interest</b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$47,011	\$0	\$0	(\$47,011)	\$0
9/1/24	\$81,000	\$338,478	\$51,000	\$28,225	\$0	\$498,703
9/1/25	\$85,000	\$334,428	\$52,020	\$27,820	\$0	\$499,268
9/1/26	\$88,000	\$330,178	\$53,060	\$27,395	\$0	\$498,633
9/1/27	\$92,000	\$325,778	\$54,122	\$26,955	\$0	\$498,854
9/1/28	\$96,000	\$321,178	\$55,204	\$26,495	\$0	\$498,877
9/1/29	\$100,000	\$316,378	\$56,308	\$26,015	\$0	\$498,701
9/1/30	\$105,000	\$311,378	\$57,434	\$25,515	\$0	\$499,327
9/1/31	\$109,000	\$306,128	\$58,583	\$24,990	\$0	\$498,700
9/1/32	\$115,000	\$299,451	\$59,755	\$24,445	\$0	\$498,651
9/1/33	\$122,000	\$292,408	\$60,950	\$23,870	\$0	\$499,227
9/1/34	\$128,000	\$284,935	\$62,169	\$23,260	\$0	\$498,364
9/1/35	\$136,000	\$277,095	\$63,412	\$22,620	\$0	\$499,127
9/1/36	\$143,000	\$268,765	\$64,680	\$21,940	\$0	\$498,385
9/1/37	\$152,000	\$260,006	\$65,974	\$21,225	\$0	\$499,205
9/1/38	\$160,000	\$250,696	\$67,293	\$20,465	\$0	\$498,455
9/1/39	\$170,000	\$240,896	\$68,639	\$19,665	\$0	\$499,201
9/1/40	\$180,000	\$230,484	\$70,012	\$18,815	\$0	\$499,311
9/1/41	\$190,000	\$219,459	\$71,412	\$17,915	\$0	\$498,786
9/1/42	\$201,000	\$207,821	\$72,841	\$16,965	\$0	\$498,627
9/1/43	\$213,000	\$195,510	\$74,297	\$15,960	\$0	\$498,767
9/1/44	\$226,000	\$182,464	\$75,783	\$14,895	\$0	\$499,142
9/1/45	\$239,000	\$168,621	\$77,299	\$13,765	\$0	\$498,685
9/1/46	\$254,000	\$153,983	\$78,845	\$12,570	\$0	\$499,397
9/1/47	\$269,000	\$138,425	\$80,422	\$11,300	\$0	\$499,147
9/1/48	\$285,000	\$121,949	\$82,030	\$9,955	\$0	\$498,934
9/1/49	\$302,000	\$104,493	\$83,671	\$8,530	\$0	\$498,693
9/1/50	\$320,000	\$85,995	\$85,344	\$7,020	\$0	\$498,359
9/1/51	\$340,000	\$66,395	\$87,051	\$5,420	\$0	\$498,866
9/1/52	\$361,000	\$45,570	\$88,792	\$3,720	\$0	\$499,082
9/1/53	\$383,000	\$23,459	\$90,568	\$1,915	\$0	\$498,942
<b>Total</b>	<b>\$5,645,000</b>	<b>\$6,749,810</b>	<b>\$2,068,972</b>	<b>\$549,645</b>	<b>(\$47,011)</b>	<b>\$14,966,416</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053),

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**Appendix G-2**  
**Major Improvement Area Assessment Roll by Parcel**  
**(Major Improvement Area BTR Property)**

<b>Parcel</b>	<b>1011586</b>
<b>Equivalent Units</b>	<b>135.66</b>
<b>Assessment</b>	<b>\$2,075,228</b>

Year <sup>1</sup>	Principal <sup>2</sup>	Interest <sup>2</sup>	Administrative Expenses <sup>3</sup>	Additional Interest	Capitalized Interest	Total Annual Installment
9/1/23	\$0	\$17,282	\$0	\$0	(\$17,282)	\$0
9/1/24	\$29,777	\$124,432	\$18,749	\$10,376	\$0	\$183,334
9/1/25	\$31,248	\$122,943	\$19,124	\$10,227	\$0	\$183,542
9/1/26	\$32,351	\$121,381	\$19,506	\$10,071	\$0	\$183,309
9/1/27	\$33,821	\$119,763	\$19,896	\$9,909	\$0	\$183,390
9/1/28	\$35,292	\$118,072	\$20,294	\$9,740	\$0	\$183,398
9/1/29	\$36,762	\$116,307	\$20,700	\$9,564	\$0	\$183,333
9/1/30	\$38,600	\$114,469	\$21,114	\$9,380	\$0	\$183,564
9/1/31	\$40,071	\$112,539	\$21,536	\$9,187	\$0	\$183,333
9/1/32	\$42,277	\$110,085	\$21,967	\$8,987	\$0	\$183,315
9/1/33	\$44,850	\$107,496	\$22,406	\$8,775	\$0	\$183,527
9/1/34	\$47,056	\$104,748	\$22,855	\$8,551	\$0	\$183,210
9/1/35	\$49,997	\$101,866	\$23,312	\$8,316	\$0	\$183,490
9/1/36	\$52,570	\$98,804	\$23,778	\$8,066	\$0	\$183,218
9/1/37	\$55,879	\$95,584	\$24,253	\$7,803	\$0	\$183,519
9/1/38	\$58,820	\$92,162	\$24,739	\$7,523	\$0	\$183,243
9/1/39	\$62,496	\$88,559	\$25,233	\$7,229	\$0	\$183,517
9/1/40	\$66,172	\$84,731	\$25,738	\$6,917	\$0	\$183,558
9/1/41	\$69,848	\$80,678	\$26,253	\$6,586	\$0	\$183,365
9/1/42	\$73,892	\$76,400	\$26,778	\$6,237	\$0	\$183,306
9/1/43	\$78,304	\$71,874	\$27,313	\$5,867	\$0	\$183,358
9/1/44	\$83,083	\$67,078	\$27,860	\$5,476	\$0	\$183,496
9/1/45	\$87,862	\$61,989	\$28,417	\$5,060	\$0	\$183,328
9/1/46	\$93,376	\$56,607	\$28,985	\$4,621	\$0	\$183,590
9/1/47	\$98,890	\$50,888	\$29,565	\$4,154	\$0	\$183,498
9/1/48	\$104,772	\$44,831	\$30,156	\$3,660	\$0	\$183,419
9/1/49	\$111,022	\$38,414	\$30,759	\$3,136	\$0	\$183,331
9/1/50	\$117,639	\$31,614	\$31,374	\$2,581	\$0	\$183,208
9/1/51	\$124,992	\$24,408	\$32,002	\$1,993	\$0	\$183,394
9/1/52	\$132,712	\$16,753	\$32,642	\$1,368	\$0	\$183,474
9/1/53	\$140,799	\$8,624	\$33,295	\$704	\$0	\$183,422
<b>Total</b>	<b>\$2,075,228</b>	<b>\$2,481,381</b>	<b>\$760,600</b>	<b>\$202,062</b>	<b>(\$17,282)</b>	<b>\$5,501,989</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053).

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**Appendix G-3**  
**Major Improvement Area Assessment Roll by Lot Type**

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

**Lot Type 1 (60 Ft Lot)**  
**1.00**  
**\$15,297.27**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Additional Interest</b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$127	\$0	\$0	(\$127)	\$0
9/1/24	\$220	\$917	\$138	\$76	\$0	\$1,351
9/1/25	\$230	\$906	\$141	\$75	\$0	\$1,353
9/1/26	\$238	\$895	\$144	\$74	\$0	\$1,351
9/1/27	\$249	\$883	\$147	\$73	\$0	\$1,352
9/1/28	\$260	\$870	\$150	\$72	\$0	\$1,352
9/1/29	\$271	\$857	\$153	\$70	\$0	\$1,351
9/1/30	\$285	\$844	\$156	\$69	\$0	\$1,353
9/1/31	\$295	\$830	\$159	\$68	\$0	\$1,351
9/1/32	\$312	\$811	\$162	\$66	\$0	\$1,351
9/1/33	\$331	\$792	\$165	\$65	\$0	\$1,353
9/1/34	\$347	\$772	\$168	\$63	\$0	\$1,351
9/1/35	\$369	\$751	\$172	\$61	\$0	\$1,353
9/1/36	\$388	\$728	\$175	\$59	\$0	\$1,351
9/1/37	\$412	\$705	\$179	\$58	\$0	\$1,353
9/1/38	\$434	\$679	\$182	\$55	\$0	\$1,351
9/1/39	\$461	\$653	\$186	\$53	\$0	\$1,353
9/1/40	\$488	\$625	\$190	\$51	\$0	\$1,353
9/1/41	\$515	\$595	\$194	\$49	\$0	\$1,352
9/1/42	\$545	\$563	\$197	\$46	\$0	\$1,351
9/1/43	\$577	\$530	\$201	\$43	\$0	\$1,352
9/1/44	\$612	\$494	\$205	\$40	\$0	\$1,353
9/1/45	\$648	\$457	\$209	\$37	\$0	\$1,351
9/1/46	\$688	\$417	\$214	\$34	\$0	\$1,353
9/1/47	\$729	\$375	\$218	\$31	\$0	\$1,353
9/1/48	\$772	\$330	\$222	\$27	\$0	\$1,352
9/1/49	\$818	\$283	\$227	\$23	\$0	\$1,351
9/1/50	\$867	\$233	\$231	\$19	\$0	\$1,350
9/1/51	\$921	\$180	\$236	\$15	\$0	\$1,352
9/1/52	\$978	\$123	\$241	\$10	\$0	\$1,352
9/1/53	\$1,038	\$64	\$245	\$5	\$0	\$1,352
<b>Total</b>	<b>\$15,297</b>	<b>\$18,291</b>	<b>\$5,607</b>	<b>\$1,489</b>	<b>(\$127)</b>	<b>\$40,557</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053),

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**Appendix G-4**  
**Major Improvement Area Assessment Roll by Lot Type**

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

**Lot Type 2 (55 Ft Lot)**  
**0.91**  
**\$13,920.52**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Additional Interest</b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$116	\$0	\$0	(\$116)	\$0
9/1/24	\$200	\$835	\$126	\$70	\$0	\$1,230
9/1/25	\$210	\$825	\$128	\$69	\$0	\$1,231
9/1/26	\$217	\$814	\$131	\$68	\$0	\$1,230
9/1/27	\$227	\$803	\$133	\$66	\$0	\$1,230
9/1/28	\$237	\$792	\$136	\$65	\$0	\$1,230
9/1/29	\$247	\$780	\$139	\$64	\$0	\$1,230
9/1/30	\$259	\$768	\$142	\$63	\$0	\$1,231
9/1/31	\$269	\$755	\$144	\$62	\$0	\$1,230
9/1/32	\$284	\$738	\$147	\$60	\$0	\$1,230
9/1/33	\$301	\$721	\$150	\$59	\$0	\$1,231
9/1/34	\$316	\$703	\$153	\$57	\$0	\$1,229
9/1/35	\$335	\$683	\$156	\$56	\$0	\$1,231
9/1/36	\$353	\$663	\$160	\$54	\$0	\$1,229
9/1/37	\$375	\$641	\$163	\$52	\$0	\$1,231
9/1/38	\$395	\$618	\$166	\$50	\$0	\$1,229
9/1/39	\$419	\$594	\$169	\$48	\$0	\$1,231
9/1/40	\$444	\$568	\$173	\$46	\$0	\$1,231
9/1/41	\$469	\$541	\$176	\$44	\$0	\$1,230
9/1/42	\$496	\$512	\$180	\$42	\$0	\$1,230
9/1/43	\$525	\$482	\$183	\$39	\$0	\$1,230
9/1/44	\$557	\$450	\$187	\$37	\$0	\$1,231
9/1/45	\$589	\$416	\$191	\$34	\$0	\$1,230
9/1/46	\$626	\$380	\$194	\$31	\$0	\$1,232
9/1/47	\$663	\$341	\$198	\$28	\$0	\$1,231
9/1/48	\$703	\$301	\$202	\$25	\$0	\$1,230
9/1/49	\$745	\$258	\$206	\$21	\$0	\$1,230
9/1/50	\$789	\$212	\$210	\$17	\$0	\$1,229
9/1/51	\$838	\$164	\$215	\$13	\$0	\$1,230
9/1/52	\$890	\$112	\$219	\$9	\$0	\$1,231
9/1/53	\$944	\$58	\$223	\$5	\$0	\$1,230
<b>Total</b>	<b>\$13,921</b>	<b>\$16,645</b>	<b>\$5,102</b>	<b>\$1,355</b>	<b>(\$116)</b>	<b>\$36,907</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053),

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**Appendix G-5**  
**Major Improvement Area Assessment Roll by Lot Type**

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

**Lot Type 3 (40 Ft Lot)**  
**0.60**  
**\$9,178.36**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Additional Interest</b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$76	\$0	\$0	(\$76)	\$0
9/1/24	\$132	\$550	\$83	\$46	\$0	\$811
9/1/25	\$138	\$544	\$85	\$45	\$0	\$812
9/1/26	\$143	\$537	\$86	\$45	\$0	\$811
9/1/27	\$150	\$530	\$88	\$44	\$0	\$811
9/1/28	\$156	\$522	\$90	\$43	\$0	\$811
9/1/29	\$163	\$514	\$92	\$42	\$0	\$811
9/1/30	\$171	\$506	\$93	\$41	\$0	\$812
9/1/31	\$177	\$498	\$95	\$41	\$0	\$811
9/1/32	\$187	\$487	\$97	\$40	\$0	\$811
9/1/33	\$198	\$475	\$99	\$39	\$0	\$812
9/1/34	\$208	\$463	\$101	\$38	\$0	\$810
9/1/35	\$221	\$451	\$103	\$37	\$0	\$812
9/1/36	\$233	\$437	\$105	\$36	\$0	\$810
9/1/37	\$247	\$423	\$107	\$35	\$0	\$812
9/1/38	\$260	\$408	\$109	\$33	\$0	\$810
9/1/39	\$276	\$392	\$112	\$32	\$0	\$812
9/1/40	\$293	\$375	\$114	\$31	\$0	\$812
9/1/41	\$309	\$357	\$116	\$29	\$0	\$811
9/1/42	\$327	\$338	\$118	\$28	\$0	\$811
9/1/43	\$346	\$318	\$121	\$26	\$0	\$811
9/1/44	\$367	\$297	\$123	\$24	\$0	\$812
9/1/45	\$389	\$274	\$126	\$22	\$0	\$811
9/1/46	\$413	\$250	\$128	\$20	\$0	\$812
9/1/47	\$437	\$225	\$131	\$18	\$0	\$812
9/1/48	\$463	\$198	\$133	\$16	\$0	\$811
9/1/49	\$491	\$170	\$136	\$14	\$0	\$811
9/1/50	\$520	\$140	\$139	\$11	\$0	\$810
9/1/51	\$553	\$108	\$142	\$9	\$0	\$811
9/1/52	\$587	\$74	\$144	\$6	\$0	\$811
9/1/53	\$623	\$38	\$147	\$3	\$0	\$811
<b>Total</b>	<b>\$9,178</b>	<b>\$10,975</b>	<b>\$3,364</b>	<b>\$894</b>	<b>(\$76)</b>	<b>\$24,334</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053),

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**Appendix G-6**  
**Major Improvement Area Assessment Roll by Lot Type**

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

**Lot Type 4 (BTR Lot)**  
**0.51**  
**\$7,801.61**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Administrative Expenses<sup>3</sup></b>	<b>Additional Interest</b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$65	\$0	\$0	(\$65)	\$0
9/1/24	\$112	\$468	\$70	\$39	\$0	\$689
9/1/25	\$117	\$462	\$72	\$38	\$0	\$690
9/1/26	\$122	\$456	\$73	\$38	\$0	\$689
9/1/27	\$127	\$450	\$75	\$37	\$0	\$689
9/1/28	\$133	\$444	\$76	\$37	\$0	\$689
9/1/29	\$138	\$437	\$78	\$36	\$0	\$689
9/1/30	\$145	\$430	\$79	\$35	\$0	\$690
9/1/31	\$151	\$423	\$81	\$35	\$0	\$689
9/1/32	\$159	\$414	\$83	\$34	\$0	\$689
9/1/33	\$169	\$404	\$84	\$33	\$0	\$690
9/1/34	\$177	\$394	\$86	\$32	\$0	\$689
9/1/35	\$188	\$383	\$88	\$31	\$0	\$690
9/1/36	\$198	\$371	\$89	\$30	\$0	\$689
9/1/37	\$210	\$359	\$91	\$29	\$0	\$690
9/1/38	\$221	\$346	\$93	\$28	\$0	\$689
9/1/39	\$235	\$333	\$95	\$27	\$0	\$690
9/1/40	\$249	\$319	\$97	\$26	\$0	\$690
9/1/41	\$263	\$303	\$99	\$25	\$0	\$689
9/1/42	\$278	\$287	\$101	\$23	\$0	\$689
9/1/43	\$294	\$270	\$103	\$22	\$0	\$689
9/1/44	\$312	\$252	\$105	\$21	\$0	\$690
9/1/45	\$330	\$233	\$107	\$19	\$0	\$689
9/1/46	\$351	\$213	\$109	\$17	\$0	\$690
9/1/47	\$372	\$191	\$111	\$16	\$0	\$690
9/1/48	\$394	\$169	\$113	\$14	\$0	\$690
9/1/49	\$417	\$144	\$116	\$12	\$0	\$689
9/1/50	\$442	\$119	\$118	\$10	\$0	\$689
9/1/51	\$470	\$92	\$120	\$7	\$0	\$689
9/1/52	\$499	\$63	\$123	\$5	\$0	\$690
9/1/53	\$529	\$32	\$125	\$3	\$0	\$690
<b>Total</b>	<b>\$7,802</b>	<b>\$9,328</b>	<b>\$2,859</b>	<b>\$760</b>	<b>(\$65)</b>	<b>\$20,684</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Major Improvement Area Bonds.

<sup>2</sup>Represents the principal and interest on the Major Improvement Area Bonds. Interest is calculated using an interest rate of 5.000% per annum for years 1 through 8 (2023-2030), and 6.125% per annum for years 9 through 31 (2031-2053),

<sup>3</sup>Administrative 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 Major Improvement Area Bond proceeds.

**APPENDIX H**  
**IMPROVEMENT AREA #1 ASSESSMENT ROLL**



**Appendix H-1  
Improvement Area #1 Assessment Roll**

**Parcel  
Equivalent Units  
Assessment**

**1011602, 2850100, part of 2841779  
456.19  
\$21,016,000**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Principal<sup>3</sup></b>	<b>Interest<sup>3</sup></b>	<b>Administrative Expenses<sup>4</sup></b>	<b>Additional Interest<sup>5</sup></b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$133,256	\$0	\$0	\$0	\$0	(\$133,256)	\$0
9/1/24	\$255,000	\$959,444	\$38,000	\$214,212	\$40,800	\$89,830	\$0	\$1,597,285
9/1/25	\$267,000	\$947,969	\$41,000	\$181,322	\$41,616	\$88,555	\$0	\$1,567,462
9/1/26	\$279,000	\$935,954	\$43,000	\$178,854	\$42,448	\$87,220	\$0	\$1,566,476
9/1/27	\$293,000	\$923,399	\$46,000	\$176,266	\$43,297	\$85,825	\$0	\$1,567,787
9/1/28	\$306,000	\$910,214	\$49,000	\$173,496	\$44,163	\$84,360	\$0	\$1,567,233
9/1/29	\$321,000	\$896,444	\$51,000	\$170,547	\$45,046	\$82,830	\$0	\$1,566,867
9/1/30	\$336,000	\$881,999	\$55,000	\$167,476	\$45,947	\$81,225	\$0	\$1,567,648
9/1/31	\$352,000	\$866,879	\$58,000	\$164,165	\$46,866	\$79,545	\$0	\$1,567,456
9/1/32	\$372,000	\$847,959	\$61,000	\$160,674	\$47,804	\$77,785	\$0	\$1,567,221
9/1/33	\$392,000	\$827,964	\$65,000	\$157,002	\$48,760	\$75,925	\$0	\$1,566,650
9/1/34	\$414,000	\$806,894	\$69,000	\$153,089	\$49,735	\$73,965	\$0	\$1,566,682
9/1/35	\$438,000	\$784,641	\$73,000	\$148,935	\$50,730	\$71,895	\$0	\$1,567,201
9/1/36	\$463,000	\$761,099	\$78,000	\$144,540	\$51,744	\$69,705	\$0	\$1,568,088
9/1/37	\$489,000	\$736,213	\$82,000	\$139,845	\$52,779	\$67,390	\$0	\$1,567,226
9/1/38	\$516,000	\$709,929	\$87,000	\$134,908	\$53,835	\$64,945	\$0	\$1,566,617
9/1/39	\$546,000	\$682,194	\$92,000	\$129,671	\$54,911	\$62,365	\$0	\$1,567,141
9/1/40	\$577,000	\$652,846	\$98,000	\$124,132	\$56,010	\$59,635	\$0	\$1,567,623
9/1/41	\$609,000	\$621,833	\$104,000	\$118,233	\$57,130	\$56,750	\$0	\$1,566,945
9/1/42	\$644,000	\$589,099	\$110,000	\$111,972	\$58,272	\$53,705	\$0	\$1,567,048
9/1/43	\$681,000	\$554,484	\$117,000	\$105,350	\$59,438	\$50,485	\$0	\$1,567,757
9/1/44	\$719,000	\$517,880	\$124,000	\$98,307	\$60,627	\$47,080	\$0	\$1,566,893
9/1/45	\$761,000	\$478,335	\$131,000	\$90,842	\$61,839	\$43,485	\$0	\$1,566,501
9/1/46	\$806,000	\$436,480	\$139,000	\$82,956	\$63,076	\$39,680	\$0	\$1,567,192
9/1/47	\$853,000	\$392,150	\$147,000	\$74,588	\$64,337	\$35,650	\$0	\$1,566,725
9/1/48	\$903,000	\$345,235	\$156,000	\$65,738	\$65,624	\$31,385	\$0	\$1,566,983
9/1/49	\$956,000	\$295,570	\$166,000	\$56,347	\$66,937	\$26,870	\$0	\$1,567,724
9/1/50	\$1,012,000	\$242,990	\$176,000	\$46,354	\$68,275	\$22,090	\$0	\$1,567,709
9/1/51	\$1,071,000	\$187,330	\$186,000	\$35,759	\$69,641	\$17,030	\$0	\$1,566,760
9/1/52	\$1,134,000	\$128,425	\$198,000	\$24,562	\$71,034	\$11,675	\$0	\$1,567,695
9/1/53	\$1,201,000	\$66,055	\$210,000	\$12,642	\$72,454	\$6,005	\$0	\$1,568,156
<b>Total</b>	<b>\$17,966,000</b>	<b>\$19,121,159</b>	<b>\$3,050,000</b>	<b>\$3,642,782</b>	<b>\$1,655,178</b>	<b>\$1,744,890</b>	<b>(\$133,256)</b>	<b>\$47,046,752</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement.  
<sup>2</sup>Represents the principal and interest on the Improvement Area #1 Bonds. Interest is calculated using an interest rate of 4.500% per annum for years 1 through 8 (2023-2030), 5.375% per annum for years 9 through 21 (2031-2043), and 5.500% per annum for years 22 through 31 (2044-2053)  
<sup>3</sup>Represents the principal and interest on the Improvement Area #1 Reimbursement Agreement. Interest is calculated using an interest rate of 6.020%. Interest on the Improvement Area #1 Reimbursement Agreement for year 2023 will be collected together with the first annual installment due by January 31, 2024.  
<sup>4</sup>Administrative 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 Improvement Area #1 Bond proceeds.  
<sup>5</sup>Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #1 Bonds.

**Appendix H-2**  
**Improvement Area #1 Assessment Roll by Lot Type**

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

**Lot Type 1 (60 Ft Lot)**  
**1.00**  
**\$46,068.52**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Principal<sup>3</sup></b>	<b>Interest<sup>3</sup></b>	<b>Administrative Expenses<sup>4</sup></b>	<b>Additional Interest<sup>5</sup></b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$292	\$0	\$0	\$0	\$0	(\$292)	\$0
9/1/24	\$559	\$2,103	\$83	\$470	\$89	\$197	\$0	\$3,501
9/1/25	\$585	\$2,078	\$90	\$397	\$91	\$194	\$0	\$3,436
9/1/26	\$612	\$2,052	\$94	\$392	\$93	\$191	\$0	\$3,434
9/1/27	\$642	\$2,024	\$101	\$386	\$95	\$188	\$0	\$3,437
9/1/28	\$671	\$1,995	\$107	\$380	\$97	\$185	\$0	\$3,435
9/1/29	\$704	\$1,965	\$112	\$374	\$99	\$182	\$0	\$3,435
9/1/30	\$737	\$1,933	\$121	\$367	\$101	\$178	\$0	\$3,436
9/1/31	\$772	\$1,900	\$127	\$360	\$103	\$174	\$0	\$3,436
9/1/32	\$815	\$1,859	\$134	\$352	\$105	\$171	\$0	\$3,435
9/1/33	\$859	\$1,815	\$142	\$344	\$107	\$166	\$0	\$3,434
9/1/34	\$908	\$1,769	\$151	\$336	\$109	\$162	\$0	\$3,434
9/1/35	\$960	\$1,720	\$160	\$326	\$111	\$158	\$0	\$3,435
9/1/36	\$1,015	\$1,668	\$171	\$317	\$113	\$153	\$0	\$3,437
9/1/37	\$1,072	\$1,614	\$180	\$307	\$116	\$148	\$0	\$3,435
9/1/38	\$1,131	\$1,556	\$191	\$296	\$118	\$142	\$0	\$3,434
9/1/39	\$1,197	\$1,495	\$202	\$284	\$120	\$137	\$0	\$3,435
9/1/40	\$1,265	\$1,431	\$215	\$272	\$123	\$131	\$0	\$3,436
9/1/41	\$1,335	\$1,363	\$228	\$259	\$125	\$124	\$0	\$3,435
9/1/42	\$1,412	\$1,291	\$241	\$245	\$128	\$118	\$0	\$3,435
9/1/43	\$1,493	\$1,215	\$256	\$231	\$130	\$111	\$0	\$3,437
9/1/44	\$1,576	\$1,135	\$272	\$215	\$133	\$103	\$0	\$3,435
9/1/45	\$1,668	\$1,049	\$287	\$199	\$136	\$95	\$0	\$3,434
9/1/46	\$1,767	\$957	\$305	\$182	\$138	\$87	\$0	\$3,435
9/1/47	\$1,870	\$860	\$322	\$164	\$141	\$78	\$0	\$3,434
9/1/48	\$1,979	\$757	\$342	\$144	\$144	\$69	\$0	\$3,435
9/1/49	\$2,096	\$648	\$364	\$124	\$147	\$59	\$0	\$3,437
9/1/50	\$2,218	\$533	\$386	\$102	\$150	\$48	\$0	\$3,437
9/1/51	\$2,348	\$411	\$408	\$78	\$153	\$37	\$0	\$3,434
9/1/52	\$2,486	\$282	\$434	\$54	\$156	\$26	\$0	\$3,436
9/1/53	\$2,633	\$145	\$460	\$28	\$159	\$13	\$0	\$3,438
<b>Total</b>	<b>\$39,383</b>	<b>\$41,915</b>	<b>\$6,686</b>	<b>\$7,985</b>	<b>\$3,628</b>	<b>\$3,825</b>	<b>(\$292)</b>	<b>\$103,130</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement.

<sup>2</sup>Represents the principal and interest on the Improvement Area #1 Bonds. Interest is calculated using an interest rate of 4.500% per annum for years 1 through 8 (2023-2030), 5.375% per annum for years 9 through 21 (2031-2043), and 5.500% per annum for years 22 through 31 (2044-2053)

<sup>3</sup>Represents the principal and interest on the Improvement Area #1 Reimbursement Agreement. Interest is calculated using an interest rate of 6.020%. Interest on the Improvement Area #1 Reimbursement Agreement for year 2023 will be collected together with the first annual installment due by January 31, 2024.

<sup>4</sup>Administrative 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 Improvement Area #1 Bond proceeds.

<sup>5</sup>Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #1 Bonds.

**Appendix H-3**  
**Improvement Area #1 Assessment Roll by Lot Type**

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

**Lot Type 2 (55 Ft Lot)**  
**0.91**  
**\$41,922.36**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Principal<sup>3</sup></b>	<b>Interest<sup>3</sup></b>	<b>Administrative Expenses<sup>4</sup></b>	<b>Additional Interest<sup>5</sup></b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$266	\$0	\$0	\$0	\$0	(\$266)	\$0
9/1/24	\$509	\$1,914	\$76	\$427	\$81	\$179	\$0	\$3,186
9/1/25	\$533	\$1,891	\$82	\$362	\$83	\$177	\$0	\$3,127
9/1/26	\$557	\$1,867	\$86	\$357	\$85	\$174	\$0	\$3,125
9/1/27	\$584	\$1,842	\$92	\$352	\$86	\$171	\$0	\$3,127
9/1/28	\$610	\$1,816	\$98	\$346	\$88	\$168	\$0	\$3,126
9/1/29	\$640	\$1,788	\$102	\$340	\$90	\$165	\$0	\$3,126
9/1/30	\$670	\$1,759	\$110	\$334	\$92	\$162	\$0	\$3,127
9/1/31	\$702	\$1,729	\$116	\$327	\$93	\$159	\$0	\$3,127
9/1/32	\$742	\$1,691	\$122	\$321	\$95	\$155	\$0	\$3,126
9/1/33	\$782	\$1,652	\$130	\$313	\$97	\$151	\$0	\$3,125
9/1/34	\$826	\$1,610	\$138	\$305	\$99	\$148	\$0	\$3,125
9/1/35	\$874	\$1,565	\$146	\$297	\$101	\$143	\$0	\$3,126
9/1/36	\$924	\$1,518	\$156	\$288	\$103	\$139	\$0	\$3,128
9/1/37	\$975	\$1,469	\$164	\$279	\$105	\$134	\$0	\$3,126
9/1/38	\$1,029	\$1,416	\$174	\$269	\$107	\$130	\$0	\$3,125
9/1/39	\$1,089	\$1,361	\$184	\$259	\$110	\$124	\$0	\$3,126
9/1/40	\$1,151	\$1,302	\$195	\$248	\$112	\$119	\$0	\$3,127
9/1/41	\$1,215	\$1,240	\$207	\$236	\$114	\$113	\$0	\$3,126
9/1/42	\$1,285	\$1,175	\$219	\$223	\$116	\$107	\$0	\$3,126
9/1/43	\$1,358	\$1,106	\$233	\$210	\$119	\$101	\$0	\$3,127
9/1/44	\$1,434	\$1,033	\$247	\$196	\$121	\$94	\$0	\$3,126
9/1/45	\$1,518	\$954	\$261	\$181	\$123	\$87	\$0	\$3,125
9/1/46	\$1,608	\$871	\$277	\$165	\$126	\$79	\$0	\$3,126
9/1/47	\$1,702	\$782	\$293	\$149	\$128	\$71	\$0	\$3,125
9/1/48	\$1,801	\$689	\$311	\$131	\$131	\$63	\$0	\$3,126
9/1/49	\$1,907	\$590	\$331	\$112	\$134	\$54	\$0	\$3,127
9/1/50	\$2,019	\$485	\$351	\$92	\$136	\$44	\$0	\$3,127
9/1/51	\$2,136	\$374	\$371	\$71	\$139	\$34	\$0	\$3,125
9/1/52	\$2,262	\$256	\$395	\$49	\$142	\$23	\$0	\$3,127
9/1/53	\$2,396	\$132	\$419	\$25	\$145	\$12	\$0	\$3,128
<b>Total</b>	<b>\$35,838</b>	<b>\$38,143</b>	<b>\$6,084</b>	<b>\$7,267</b>	<b>\$3,302</b>	<b>\$3,481</b>	<b>(\$266)</b>	<b>\$93,848</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement.

<sup>2</sup>Represents the principal and interest on the Improvement Area #1 Bonds. Interest is calculated using an interest rate of 4.500% per annum for years 1 through 8 (2023-2030), 5.375% per annum for years 9 through 21 (2031-2043), and 5.500% per annum for years 22 through 31 (2044-2053)

<sup>3</sup>Represents the principal and interest on the Improvement Area #1 Reimbursement Agreement. Interest is calculated using an interest rate of 6.020%. Interest on the Improvement Area #1 Reimbursement Agreement for year 2023 will be collected together with the first annual installment due by January 31, 2024.

<sup>4</sup>Administrative 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 Improvement Area #1 Bond proceeds.

<sup>5</sup>Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #1 Bonds.

**Appendix H-4**  
**Improvement Area #1 Assessment Roll by Lot Type**

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

**Lot Type 3 (40 Ft Lot)**  
**0.60**  
**\$27,641.11**

<b>Year<sup>1</sup></b>	<b>Principal<sup>2</sup></b>	<b>Interest<sup>2</sup></b>	<b>Principal<sup>3</sup></b>	<b>Interest<sup>3</sup></b>	<b>Administrative Expenses<sup>4</sup></b>	<b>Additional Interest<sup>5</sup></b>	<b>Capitalized Interest</b>	<b>Total Annual Installment</b>
9/1/23	\$0	\$175	\$0	\$0	\$0	\$0	(\$175)	\$0
9/1/24	\$335	\$1,262	\$50	\$282	\$54	\$118	\$0	\$2,101
9/1/25	\$351	\$1,247	\$54	\$238	\$55	\$116	\$0	\$2,062
9/1/26	\$367	\$1,231	\$57	\$235	\$56	\$115	\$0	\$2,060
9/1/27	\$385	\$1,214	\$61	\$232	\$57	\$113	\$0	\$2,062
9/1/28	\$402	\$1,197	\$64	\$228	\$58	\$111	\$0	\$2,061
9/1/29	\$422	\$1,179	\$67	\$224	\$59	\$109	\$0	\$2,061
9/1/30	\$442	\$1,160	\$72	\$220	\$60	\$107	\$0	\$2,062
9/1/31	\$463	\$1,140	\$76	\$216	\$62	\$105	\$0	\$2,062
9/1/32	\$489	\$1,115	\$80	\$211	\$63	\$102	\$0	\$2,061
9/1/33	\$516	\$1,089	\$85	\$206	\$64	\$100	\$0	\$2,061
9/1/34	\$545	\$1,061	\$91	\$201	\$65	\$97	\$0	\$2,061
9/1/35	\$576	\$1,032	\$96	\$196	\$67	\$95	\$0	\$2,061
9/1/36	\$609	\$1,001	\$103	\$190	\$68	\$92	\$0	\$2,062
9/1/37	\$643	\$968	\$108	\$184	\$69	\$89	\$0	\$2,061
9/1/38	\$679	\$934	\$114	\$177	\$71	\$85	\$0	\$2,060
9/1/39	\$718	\$897	\$121	\$171	\$72	\$82	\$0	\$2,061
9/1/40	\$759	\$859	\$129	\$163	\$74	\$78	\$0	\$2,062
9/1/41	\$801	\$818	\$137	\$156	\$75	\$75	\$0	\$2,061
9/1/42	\$847	\$775	\$145	\$147	\$77	\$71	\$0	\$2,061
9/1/43	\$896	\$729	\$154	\$139	\$78	\$66	\$0	\$2,062
9/1/44	\$946	\$681	\$163	\$129	\$80	\$62	\$0	\$2,061
9/1/45	\$1,001	\$629	\$172	\$119	\$81	\$57	\$0	\$2,060
9/1/46	\$1,060	\$574	\$183	\$109	\$83	\$52	\$0	\$2,061
9/1/47	\$1,122	\$516	\$193	\$98	\$85	\$47	\$0	\$2,061
9/1/48	\$1,188	\$454	\$205	\$86	\$86	\$41	\$0	\$2,061
9/1/49	\$1,257	\$389	\$218	\$74	\$88	\$35	\$0	\$2,062
9/1/50	\$1,331	\$320	\$231	\$61	\$90	\$29	\$0	\$2,062
9/1/51	\$1,409	\$246	\$245	\$47	\$92	\$22	\$0	\$2,061
9/1/52	\$1,491	\$169	\$260	\$32	\$93	\$15	\$0	\$2,062
9/1/53	\$1,580	\$87	\$276	\$17	\$95	\$8	\$0	\$2,063
<b>Total</b>	<b>\$23,630</b>	<b>\$25,149</b>	<b>\$4,011</b>	<b>\$4,791</b>	<b>\$2,177</b>	<b>\$2,295</b>	<b>(\$175)</b>	<b>\$61,878</b>

<sup>1</sup>The 9/1/XX dates represent the assessment year (bond year) end for the Improvement Area #1 Bonds and Improvement Area #1 Reimbursement Agreement.

<sup>2</sup>Represents the principal and interest on the Improvement Area #1 Bonds. Interest is calculated using an interest rate of 4.500% per annum for years 1 through 8 (2023-2030), 5.375% per annum for years 9 through 21 (2031-2043), and 5.500% per annum for years 22 through 31 (2044-2053)

<sup>3</sup>Represents the principal and interest on the Improvement Area #1 Reimbursement Agreement. Interest is calculated using an interest rate of 6.020%. Interest on the Improvement Area #1 Reimbursement Agreement for year 2023 will be collected together with the first annual installment due by January 31, 2024.

<sup>4</sup>Administrative 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 Improvement Area #1 Bond proceeds.

<sup>5</sup>Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #1 Bonds.