

ORDINANCE NO. 1759

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS ACCEPTING AND APPROVING AN UPDATED SERVICE AND ASSESSMENT PLAN, INCLUDING A FUTURE IMPROVEMENT AREA ASSESSMENT ROLL – FUTURE IMPROVEMENT AREA PROJECTS FOR THE SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE DISTRICT; LEVYING ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a petition was submitted and filed with the Town Secretary (the “Town Secretary”) of the Town of Little Elm, Texas (the “Town”) pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”), requesting the creation of a public improvement district now located within the corporate limits of the Town; and

WHEREAS, the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the proposed District, as determined by the then current ad valorem tax rolls of the Denton Central Appraisal District, and the signature of the record owner of taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the proposed District; and

WHEREAS, on December 15, 2020, after due notice, the Town Council of the Town (the “Town Council”) held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on February 2, 2021, the Town Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 0202202101 (the “Authorization Resolution”), adopted by a majority of the members of the Town Council, authorized and created the Spiritas Ranch Public Improvement District (the “District”) in accordance with its finding as to the advisability of the improvement projects and services and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on February 7, 2021, the Town published Notice of its authorization of the District in the Denton-Record Chronicle, a newspaper of general circulation in the Town; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the Town Secretary; and

WHEREAS, on May 21, 2024, the Town Council adopted a resolution approving a preliminary updated service and assessment plan, including a proposed Future Improvement Area Assessment Roll – Future Improvement Area Projects related to Future Improvement Area Projects to be constructed and/or acquired within the Future Improvement Area of the District for the benefit of the Future Improvement Area Assessed Property (the “Future Improvement Area Projects”); calling for a public hearing to consider an ordinance levying assessments on property within the Future Improvement Area of the District (the “Assessments”); authorizing and directing the Town Secretary of the Town to file the proposed assessment roll related to such improvements and make such assessment roll available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Assessments against the property within the Future Improvement Area of the District (the “Levy and Assessment Hearing”); authorizing and directing the mailing of notice of the Levy and Assessment Hearing to owners of property liable for assessment; and directing related action; and

WHEREAS, on May 22, 2024 the Town Secretary filed the Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the Town Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on May 26, 2024 in the *Denton Record-Chronicle*, a newspaper of general circulation in the Town; and

WHEREAS, the Town Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known addresses of the owners of the property liable for the Assessments; and

WHEREAS, on June 18, 2024, the Town Council opened the Levy and Assessment Hearing, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Assessment Roll, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the Future Improvement Area Projects to be undertaken for the benefit of the Future Improvement Area Assessed Property, the purposes of the Assessments, the special benefits of the Future Improvement Area Projects, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the Town Council finds and determines that the Assessment Roll and the Spiritas Ranch Public Improvement District Service and Assessment Plan, dated June 18, 2024, in a form substantially similar to the attached *Exhibit A* (as updated, the “Service and Assessment Plan”), and which is incorporated herein for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the assessment roll attached thereto as Appendix I (the “Assessment Roll”); and

WHEREAS, the Town Council further finds that there were no objections or evidence submitted to the Town Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Future Improvement Area Projects (as described in the Service and Assessment Plan), the Assessment Roll, or the levy of the Assessments against the Future Improvement Area Assessed Property; and

WHEREAS, the owners (the “Landowners”), or their representatives, of the majority of the privately-owned and taxable property located within the Future Improvement Area of the District, who are the persons to be assessed pursuant to this Ordinance, have previously indicated their approval and acceptance of the Service and Assessment Plan, approval of the Assessment Roll, approval of this Ordinance, and approval of the levy of the Assessments against their property located within the Future Improvement Area of the District; and

WHEREAS, the Town Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the Town, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The Town Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Actual Costs of the Future Improvement Area Projects (as reflected in the Service and Assessment Plan), and the Administrative Expenses (as defined in and as described by the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed parcel of Future Improvement Area Assessed Property will receive from the construction of the Future Improvement Area Projects identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan (i) covers a period of at least five years, (ii) defines the annual indebtedness and projected costs for the Future Improvement Area Projects, and (iii) includes a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service and Assessment Plan and has been reviewed and updated annually, including the updated Service and Assessment Plan attached hereto as ***Exhibit A***;

(c) The Service and Assessment Plan apportions the Actual Costs of the Future Improvement Area Projects to be assessed against the Future Improvement Area Assessed Property as Assessments and such apportionment is made on the basis of special benefits accruing to the Future Improvement Area Assessed Property because of the Future Improvement Area Projects;

(d) All of the real property in the Future Improvement Area of the District which is being assessed in the amounts shown in the Assessment Roll will be benefited by the Future Improvement Area Projects proposed to be constructed as described in the Service and Assessment Plan, and each assessed parcel of Future Improvement Area Assessed Property will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Future Improvement Area Projects and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Future Improvement Area Projects and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs of the Future Improvement Area Projects;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Assessment Roll should be approved as the assessment roll for the Future Improvement Area Assessed Property within the Future Improvement Area of the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the Assessments in a timely manner in order to provide the services and improvements needed and required for the Future Improvement Area of the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the Town Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Assessment Roll.

The Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Assessment Roll of the Future Improvement Area of the District.

Section 5. Levy and Payment of Assessments for Actual Costs of the Future Improvement Area Projects.

(a) The Town Council hereby levies an assessment on each parcel of Future Improvement Area Assessed Property (excluding Non-Benefited Property, as defined in the Service and Assessment Plan), as shown and described in the Service and Assessment Plan and the Assessment Roll, in the respective amounts shown on the Assessment Roll, as a special assessment on the properties set forth in the Assessment Roll.

(b) The levy of the Assessments shall be effective on the date of execution of this Ordinance levying the Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Administrative Expenses for the Assessed Property shall be calculated and collected pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the Actual Costs of the Future Improvement Area Projects and Administrative Expenses is set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Future Improvement Area Assessed Property subject to an Assessment may prepay the Assessments levied by this Ordinance.

Section 9. Lien Priority.

The Town Council and the Landowners intend for the obligations, covenants and burdens on the Landowners of each parcel of Future Improvement Area Assessed Property, including

without limitation such Landowners' obligations related to payment of the Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Landowners, as the owners of each parcel of Future Improvement Area Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) **Appointment of Administrator.**

MuniCap, Inc., is hereby appointed and designated to initially serve, or until otherwise determined by the Town Council, as the Administrator of the Service and Assessment Plan and of the Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) **Appointment of Collector.**

The Tax Assessor/Collector of Denton County is hereby appointed and designated as the collector of the Assessments.

Section 11. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of the Assessments by the Town.

Section 12. Filing in Land Records.

The Town Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and the Assessment Roll, to be recorded in the real property records of Denton County not later than the seventh day after the date the Town Council adopts this ordinance approving the Service and Assessment Plan. The Town Secretary is further directed to similarly file each Annual Service Plan Update (as defined in the Service and Assessment Plan) approved by the Town Council.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of the same to 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 Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the Town Council that no portion hereof, or provision or regulation contained herein shall

become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

[Remainder of page intentionally left blank; signatures follow]

PASSED AND APPROVED, this the 18th day of June, 2024.

TOWN OF LITTLE ELM, TEXAS

Curtis J. Cornelious, Mayor

ATTEST:

Caitlan Biggs, Town Secretary

Matt Mueller, Town Manager

(Town Seal)

APPROVED AS TO FORM:

Robert Brown, Town Attorney

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on the _____ day of _____,
2024 by Curtis J. Cornelious, Mayor of the Town of Little Elm, Texas on behalf of said Town.

Notary Public, State of Texas

(SEAL)

EXHIBIT A

Service and Assessment Plan

SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT

TOWN OF LITTLE ELM, TEXAS

SERVICE AND ASSESSMENT PLAN

May 11, 2021 and updated for Additional Improvement
Area #1 Projects July 18, 2023 and updated for Future
Improvement Area Projects June 18, 2024

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On February 2, 2021, the Town Council of the Town of Little Elm, Texas passed and approved Resolution No. 0202202101 approving and authorizing the creation of Spiritas Ranch Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID, all of which is presently located within the Town of Little Elm, Texas.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements as the property within the PID is developed. Assessments will be imposed on the property for the public improvements to be constructed.

Chapter 372 of the Texas Local Government Code (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. This Spiritas Ranch Public Improvement District Service and Assessment Plan (this “SAP”) was prepared pursuant to the PID Act. The PID Act requires that a service plan “(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 of the Texas Property Code, as amended.” The PID Act also requires the City “review and update the service plan annually for the purpose of determining the annual budget for improvements.” The service plan for the PID is described in more detail in Section IV herein. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix D.

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 current Assessment Rolls for the PID are included as Appendix G and Appendix H-1 and Appendix H-2 and Appendix I of this Service and Assessment Plan. 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 Certification for Payment that has been reviewed and approved by the Town. 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 and 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, Town permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

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

“Additional Improvement Area #1 Improvements” mean the Authorized Improvements which only benefit Improvement Area #1 Assessed Property, which are described in Section III.C and funded through the Additional Improvement Area #1 Projects Reimbursement Agreement.

“Additional Improvement Area #1 Projects Reimbursement Agreement” means that certain Additional Improvement Area #1 Projects Reimbursement Agreement dated as of July 18, 2023 by and between the Town and the Developer in which the Developer agrees to fund certain Actual Costs of Additional Improvement Area #1 Projects (which consist of the Improvement Area #1 Improvements and Improvement Area #1’s pro rata share of the Additional Major Improvements), and the Town agrees to reimburse the Developer with interest as permitted by the PID Act solely from Improvement Area #1 Assessment Revenues on a subordinate basis to the Series 2021 PID Bonds and/or the net proceeds of Bonds, if issued, for a portion of such Actual Costs funded by the Developer for Additional Improvement Area #1 Projects constructed and accepted by the Town for the benefit of the Improvement Area #1 Assessed Property.

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

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

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

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

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

“Additional Major Improvements” mean the Authorized Improvements described in Section III.B that benefit all Assessed Property within the PID.

“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 Town, identified in any indenture of trust relating to any Bonds or in any other agreement approved by the Town Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: the Assessments, including any applicable interest, as shown on the Assessment Roll attached hereto

as Appendix G, Appendix H-1, Appendix H-2, and Appendix I, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, which annual payment includes amounts collected for the Additional Interest Component (if applicable) and Administrative Expenses.

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

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

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

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

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

“Assessment Roll” means, as applicable, the Major Improvement Area Assessment Roll – Initial Major Improvements, the Future Improvement Area – Future Improvement Area Projects, the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Improvements, the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects, or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

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

“Bonds” mean any bonds issued in one or more series for financing the Authorized Improvements and secured in whole or in part by the Assessment Revenues.

“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.

“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 MM Little Elm 548, LLC, a Texas limited liability company and its successors and assigns.

“Development Agreement” means that certain “Spiritas Ranch Development Agreement” by and between the Town and the Developer, and related to the development of the Property effective February 2, 2021, 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 E attached hereto.

“Future Improvement Areas” mean, collectively, all phases of construction in the District being constructed after Improvement Area #1, which area is also contiguous with the Major Improvement Area.

“Future Improvement Area Assessment Roll – Future Improvement Area Projects” means the document included in this Service and Assessment Plan as Appendix I, 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 any Annual Service Plan Update.

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

“Future Improvement Area Local Improvements” mean the Authorized Improvements which only benefit Future Improvement Area Assessed Property, which are described in Section III.C and funded in part with the Series 2024 PID Bonds.

“Future Improvement Area Projects” mean (i) the Additional Major Improvements Projects benefitting the Future Improvement Area, and (ii) the Future Improvement Area Local Improvements.

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

“Future Phase” means a phase of construction in the District being constructed after Improvement Area #1.

“Future Phase Bonds” means bonds issued to fund Future Phase Improvements (or a portion thereof) in a Future Phase. In connection with Future Phase Bonds, Assessments related to such

Future Phase Bonds will be levied only on property located within the applicable Future Phase to finance Future Phase Improvements which will only benefit such Future Phase.

“Future Phase Improvements” means those Authorized Improvements which will confer a special benefit to the related Future Phase.

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

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

“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 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” or **“IA #1”** means the initial Improvement Area to be developed and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

“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 – Initial Improvement Area #1 Improvements and the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects against which an Assessments relating to the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects are levied.

“Improvement Area #1 Assessment Revenues” mean the actual revenues received by or on behalf of the Town from the collection of Assessments levied against Improvement Area #1 Assessed Property, or the Annual Installments thereof, for the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects, as applicable. The Improvement Area #1 Assessment Revenues collected from Improvement Area #1 Assessed Property shall be used first to satisfy the portion of the debt service requirements of the Series 2021 PID Bonds allocable to Improvement Area #1 and then to secure the Town’s obligation in connection with the Additional Improvement Area #1 Projects Reimbursement Agreement.

“Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects” means the document included in this Service and Assessment Plan as Appendix H-2, 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 any Annual Service Plan Update.

“Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects” means the document included in this Service and Assessment Plan as Appendix H-1, 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 any Annual Service Plan Update.

“Initial Improvement Area #1 Improvements” mean the Authorized Improvements which only benefit Improvement Area #1 Assessed Property, which are described in Section III.C and funded with the Series 2021 PID Bonds.

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

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

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

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the Town Council. 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 (as shown in Appendix E for the calculation of Equivalent Units), 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 Town Council.

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

“Major Improvement Area” or **“MIA”** mean 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 (a) Non-Benefited Property, and (b) Parcels within Improvement Area #1 against which an Assessment to the Major Improvements is or anticipated to be levied.

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

“Major Improvement Area Assessment Roll – Initial Major Improvements” 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 any Annual Service Plan Update.

“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.E.

“Parcel” or “Parcels” means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Denton Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Denton 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 Town as a result of any prepayment of an Assessment.

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

“Series 2021 PID Bonds” mean those certain Town of Little Elm, Texas, Special Assessment Revenue Bonds, Series 2021 (Spiritas Ranch Public Improvement District Improvement Area #1 Projects and Major Improvement Area Projects) that are secured collectively by Improvement Area #1 Assessment Revenues and Major Improvement Area Assessment Revenues.

“Series 2024 PID Bonds” mean those certain Town of Little Elm, Texas, Special Assessment Revenue Bonds, Series 2024 (Spiritas Ranch Public Improvement District Future Improvement Area Projects) that are secured by Future Improvement Area Assessment Revenues.

“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.

“Town” means the Town of Little Elm, Texas.

“Town Council” means the duly elected governing body of the Town.

“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.

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the Town and contains approximately 545 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 2,156 single family residential 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 follows:

Table II-A
Proposed Development

| Proposed Development | Quantity | Measurement |
|-----------------------------|-----------------|--------------------|
| Single-Family - 40 Ft | 876 | Units |
| Single-Family - 50 Ft | 977 | Units |
| Single-Family - 60 Ft | 303 | Units |
| Total | 2,156 | Units |

B. PROPERTY INCLUDED IN IMPROVEMENT AREA #1 AND THE MAJOR IMPROVEMENT AREA

Improvement Area #1 consists of approximately 251 acres and is projected to consist of 1,057 single family residential units, to be developed as Improvement Area #1, as further described in Section III. The Major Improvement Area consists of approximately 294 acres and are projected to consist of approximately 1,099 residential units. A map of the property within Improvement Area #1 and the Major Improvement Area is shown in Appendix A.

C. PROPERTY INCLUDED IN FUTURE IMPROVEMENT AREAS

As the Future Improvement Areas are developed, Future Phase Bonds may be issued for each Future Phase. In connection with the issuance of each new Future Phase Bond, this Service and Assessment Plan will be updated to add additional details of each newly developed Future Phase as shown for Improvement Area #1 in Section II.B. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix G, Appendix H-1, Appendix H-2, and Appendix I.

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.

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 Town has determined at this time to undertake only Authorized Improvements listed in Section III.B and III.C. below and shown in the opinion of probable costs and on the diagrams included as Appendix B for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the Town and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS

Initial Major Improvements

The Initial Major Improvements benefit the entire PID. The costs of the Initial Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated number of Equivalent Units. Each of Improvement Area #1 and the Major Improvement Area have been proportionally allocated the costs of the Initial Major Improvements, as shown on Table III-A.1.

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

A description of the Initial Major Improvements follows:

Roadway Improvements

The roadway improvement portion of the Initial Major Improvements consists of the construction of Ryan Spiritas Parkway (FM 2931) with right-of-way, the New HEB Road with right-of-way, a Collector Road with right-of-way and entrance road improvements, including turn lanes. The roadway improvements include 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 Town standards and specifications and will be owned and maintained by the Town.

Water Improvements

The water improvement portion of the Initial Major Improvements consists of construction and installation of various sized 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 Mustang Special Utility District (“MSUD”) and Town standards and specifications and will be owned and operated by the MSUD.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Initial Major Improvements consists of construction and installation of a lift station, gravity sewer line, sewer force main, 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 MSUD and Town standards and specifications and will be owned and operated by the MSUD.

Storm Drainage Improvements

The storm drainage improvement portion of the Initial Major Improvements consist of retention/detention ponds, including excavation, fine grading, and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond, which benefit the Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and maintained by the Town.

Parks, Landscaping, and Hardscaping Improvements

Park, landscaping, and hardscaping improvements portion of the Initial Major Improvements, which consist of grading, irrigation, landscaping, site furnishings, and site elements. All park, landscaping, and hardscaping improvements will be designed and constructed in accordance with Town standards and specifications and will be maintained by a Homeowners Association.

Table III-A.1
Estimated Initial Major Improvement Costs

| Authorized Improvements | Original Estimated Budget | | | Revised Estimated Budget ¹ | | |
|--------------------------------------|--|---|---|--|---|---|
| | Total Initial Major Improvement Costs | IA #1 Allocated Amount (48.46%) ¹ | MIA Allocated Amount (51.54%) ¹ | Total Initial Major Improvement Costs | IA #1 Allocated Amount (48.46%) ¹ | MIA Allocated Amount (51.54%) ¹ |
| Roadway Improvements | \$4,006,306 | \$1,941,333 | \$2,064,973 | \$4,683,477 | \$2,269,470 | \$2,414,007 |
| Water Improvements | \$616,541 | \$298,757 | \$317,784 | \$1,627,333 | \$788,556 | \$838,777 |
| Sanitary Sewer Improvements | \$2,114,663 | \$1,024,701 | \$1,089,962 | \$2,407,712 | \$1,166,704 | \$1,241,008 |
| Storm Drainage Improvements | \$548,480 | \$265,777 | \$282,703 | \$1,420,019 | \$688,098 | \$731,921 |
| Parks, Landscaping, and Hardscaping | \$2,722,430 | \$1,319,206 | \$1,403,224 | \$2,172,264 | \$1,052,613 | \$1,119,651 |
| Other Soft and Miscellaneous Costs | \$4,907,105 | \$2,377,833 | \$2,529,272 | \$5,480,333 | \$2,655,602 | \$2,824,731 |
| Total Authorized Improvements | \$14,915,525 | \$7,227,607 | \$7,687,918 | \$17,791,138 | \$8,621,041 | \$9,170,097 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-A.1 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Initial Major Improvements financed with PID Bond proceeds does not increase.

1 – As provided by the Developer.

2 – Based on allocation and percentages as shown in Table V-A.

Additional Major Improvements

The Additional Major Improvements benefit the entire PID. The costs of the Additional 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 Future Improvement Area are being proportionally allocated the costs of the Additional Major Improvements, as shown on Table III-A.2.

The Additional Major Improvements descriptions are presented below as provided by the project engineer. The costs of Additional Major Improvements are shown in Table III-A.2. These costs were not included in the initial cost estimates of the Initial Major Improvements at the time the Assessments were levied to pay for the costs of the Initial Major Improvements as described on the Major Improvement Area Assessment Roll – Initial Major Improvement Area Projects, as further described in Appendix B. The costs shown in Table III-A.2 are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Additional Major Improvements follows:

The Additional Major Improvements consist of road, water, sewer, drainage improvements and soft and miscellaneous costs related to the construction of Perimeter Road, and right-of-way acreage, as shown in Appendix B.

Perimeter Road Improvements

Roadway Improvements

The roadway improvement portion of the Additional Major Improvements consists of the construction of Perimeter Road with right-of-way. The roadway improvements include 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 Town standards and specifications and will be owned and maintained by the Town.

Water Improvements

The water improvement portion of the Additional Major Improvements consists of construction and installation of various sized 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 Mustang Special Utility District (“MSUD”) and Town standards and specifications and will be owned and operated by the MSUD.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Additional Major Improvements consists of construction and installation of a lift station, gravity sewer line, sewer force main, 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 MSUD and Town standards and specifications and will be owned and operated by the MSUD.

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Storm Drainage Improvements

The storm drainage improvement portion of the Additional Major Improvements consist of retention/detention ponds, including excavation, fine grading, and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond, which benefit the Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and maintained by the Town.

Other Soft and Miscellaneous Costs

The other soft and miscellaneous costs portion of the Additional Major Improvements consist of engineering and other soft and miscellaneous costs.

Right-of-way

The Additional Major Improvements include right-of-way acquisitions for Ryan Spiritas Parkway, Hidden Oaks Trail and Spiritas Ranch Road as provided by the project engineer.

Table III-A.2
Estimated Additional Major Improvement Costs

| Authorized Improvements | Total Additional Major Improvement Costs¹ | IA #1 Allocated Amount (48.46%)² | MIA Allocated Amount (51.54%) |
|--------------------------------------|---|--|--------------------------------------|
| Roadway Improvements (including ROW) | \$1,360,555 | \$659,283 | \$701,272 |
| Water Improvements | \$434,285 | \$210,441 | \$223,844 |
| Sanitary Sewer Improvements | \$327,515 | \$158,704 | \$168,811 |
| Storm Drainage Improvements | \$383,160 | \$185,668 | \$197,492 |
| Other Soft and Miscellaneous Costs | \$292,485 | \$141,729 | \$150,756 |
| Right-of-way | \$1,665,000 | \$806,808 | \$858,192 |
| Total Authorized Improvements | \$4,463,000 | \$2,162,633 | \$2,300,367 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-A.2 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Additional Major Improvements does not increase.

1 – Additional Major Improvement costs represent costs not included in the original estimated costs of Authorized Improvements attached as Appendix B at the time the Assessments related to the Initial Major Improvements were levied. Appendix B was revised to include Additional Major Improvements.

2 – Based on allocation and percentages as shown in Table V-B.

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C. DESCRIPTIONS AND COSTS OF INITIAL IMPROVEMENT AREA #1 IMPROVEMENTS AND ADDITIONAL IMPROVEMENT AREA #1 IMPROVEMENTS

Initial Improvement Area #1 Improvements

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

A description of the Initial Improvement Area #1 Improvements follows, and a description of the Initial Major Improvements allocable to Improvement Area #1 that are a portion of the Initial Improvement Area #1 Projects can be found in Section III.B above.

Roadway Improvements

The road improvement portion of the Initial Improvement Area #1 Improvements consists of the construction of road improvements, including related 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 Town standards and specifications and will be owned and maintained by the Town.

Water Improvements

The water improvement portion of the Initial Improvement Area #1 Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves, 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 according to MSUD and Town standards and will be owned and operated by the MSUD.

Sanitary Sewer Improvements

The wastewater improvement portion of the Initial Improvement Area #1 Improvements consists of construction and installation of various sized gravity sewer lines, 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 according to MSUD and Town standards and specifications and will be owned and operated by the MSUD.

Storm Drainage Improvements

The storm drainage improvement portion of the Initial Improvement Area #1 Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Improvement Area #1 Assessed Property. The storm drainage collection system

improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and maintained by the Town.

Table III-B.1
Estimated Initial Improvement Area #1 Projects Costs

| Authorized Improvements | Original Estimated Budget | | | Revised Estimated Budget | | |
|--------------------------------------|---|--|--|---|---|--|
| | Proportional Share of Initial Major Improvements ¹ | Initial Improvement Area #1 Improvements Costs | Initial Improvement Area #1 Projects Total Costs | Proportional Share of Initial Major Improvements ¹ | Initial Improvement Area #1 Improvements Costs ² | Initial Improvement Area #1 Projects Total Costs |
| Roadway Improvements | \$1,941,333 | \$7,677,642 | \$9,618,975 | \$2,269,470 | \$9,901,795 | \$12,171,265 |
| Water Improvements | \$298,757 | \$2,143,135 | \$2,441,892 | \$788,556 | \$4,538,874 | \$5,327,430 |
| Sanitary Sewer Improvements | \$1,024,701 | \$3,728,596 | \$4,753,297 | \$1,166,704 | \$4,632,792 | \$5,799,496 |
| Storm Drainage Improvements | \$265,777 | \$4,456,317 | \$4,722,094 | \$688,098 | \$5,423,846 | \$6,111,944 |
| Parks, Landscaping, and Hardscaping | \$1,319,206 | \$0 | \$1,319,206 | \$1,052,613 | \$0 | \$1,052,613 |
| Other Soft and Miscellaneous Costs | \$2,377,833 | \$3,288,389 | \$5,666,222 | \$2,655,602 | \$3,953,778 | \$6,609,380 |
| Total Authorized Improvements | \$7,227,607 | \$21,294,079 | \$28,521,686 | \$8,621,041 | \$28,451,085 | \$37,072,126 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-B.1 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Initial Improvement Area #1 Projects does not increase.

1 – See Table III-A.1.

2 – As provided by the Developer.

Additional Improvement Area #1 Improvements

The Additional Improvement Area #1 Improvements include right-of-way acquisitions as provided by the project engineer. These costs were incorrectly not included in the initial cost estimates at the time the Assessments described on the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects were levied, as described in Appendix B. In light of this error, an additional assessment was levied to correct this mistake and in order to pay for these costs. The costs of the Additional Improvement Area #1 Projects (including the portion of the Additional Major Improvements allocable to Improvement Area #1) are shown in Table III-B. The costs shown in Table III-B.2 are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within Improvement Area #1.

A description of the Additional Major Improvements allocable to Improvement Area #1 that are a portion of the Additional Improvement Area #1 Projects can be found in Section III.B above.

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Table III-B.2
Estimated Additional Improvement Area #1 Projects Costs

| Authorized Improvements | Proportional Share of Additional Major Improvements² | Additional Improvement Area #1 Improvements Costs² | Additional Improvement Area #1 Projects Total Costs |
|--------------------------------------|--|--|--|
| Roadway Improvements | \$659,283 | \$0 | \$659,283 |
| Water Improvements | \$210,441 | \$0 | \$210,441 |
| Sanitary Sewer Improvements | \$158,704 | \$0 | \$158,704 |
| Storm Drainage Improvements | \$185,668 | \$0 | \$185,668 |
| Parks, Landscaping, and Hardscaping | \$0 | \$0 | \$0 |
| Other Soft and Miscellaneous Costs | \$141,729 | \$0 | \$141,729 |
| Right-of-way | \$806,808 | \$6,780,000 | \$7,586,808 |
| Total Authorized Improvements | \$2,162,633 | \$6,780,000 | \$8,942,633 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-B.2 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Additional Improvement Area #1 Projects does not increase.

1 – See Table III-A.2.

2 – Costs of the Additional Improvement Area #1 Improvements were incorrectly not included in the initial cost estimates at the time the Assessments described on the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects were levied, as described in Appendix B.

The costs of Authorized Improvements in Improvement Area #1 (including Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects) are shown in Table III-B.3.

Table III-B.3
Estimated Total Improvement Area #1 Costs

| Authorized Improvements | Initial Improvement Area #1 Projects Costs¹ | Additional Improvement Area #1 Projects Costs² | Total Improvement Area #1 Costs |
|--------------------------------------|---|--|--|
| Roadway Improvements | \$12,171,265 | \$659,283 | \$12,830,548 |
| Water Improvements | \$5,327,430 | \$210,441 | \$5,537,871 |
| Sanitary Sewer Improvements | \$5,799,496 | \$158,704 | \$5,958,199 |
| Storm Drainage Improvements | \$6,111,944 | \$185,668 | \$6,297,611 |
| Parks, Landscaping, and Hardscaping | \$1,052,613 | \$0 | \$1,052,613 |
| Other Soft and Miscellaneous Costs | \$6,609,380 | \$141,729 | \$6,751,109 |
| Right-of-way | \$0 | \$7,586,808 | \$7,586,808 |
| Total Authorized Improvements | \$37,072,126 | \$8,942,633 | \$46,014,760 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-B.3 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to Improvement Area #1 does not increase.

1 – See Table III-B.1.

2 – See Table III-B.2.

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D. DESCRIPTIONS AND COSTS OF FUTURE IMPROVEMENT AREA LOCAL IMPROVEMENTS

The Future Improvement Area Local Improvements benefit only the Future Improvement Area. The costs of the Future Improvement Area Local Improvements are allocated proportionally to all Parcels within the Future Improvement Areas, excluding Non-Benefited Property, in a manner that anticipates planned development of the Future Improvement Area based on the anticipated number of Equivalent Units. The costs of the Future Improvement Area Local Improvements have not previously been included in any levy of assessments. These costs are being levied now to permit development of the Future Improvement Areas to continue in light of increased demands for sanitary sewer improvements.

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

A description of the Future Improvement Area Local Improvements follows:

The Future Improvement Area Local Improvements consist of sewer improvements and soft and miscellaneous costs, as shown in Appendix B.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Future Improvement Area Local Improvements consists of construction and installation of a lift station, gravity sewer line, sewer force main, pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Future Improvement Area Assessed Property. The sanitary sewer improvements will be designed and constructed according to MSUD and Town standards and specifications and will be owned and operated by the MSUD.

Other Soft and Miscellaneous Costs

The other soft and miscellaneous costs portion of the Future Improvement Area Local Improvements consist of engineering and other soft and miscellaneous costs.

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Table III-C.1
Future Improvement Area Local Improvements

| Authorized Improvements | Total Costs |
|--------------------------------------|--------------------|
| Sanitary Sewer Improvements | \$1,959,417 |
| Other Soft and Miscellaneous Costs | \$822,421 |
| Total Authorized Improvements | \$2,781,838 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-C.1 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Future Improvement Area Local Improvements does not increase.

A description of the Additional Major Improvements allocable to the Future Improvement Area that are a portion of the Future Improvement Area Projects can be found in Section III.B above.

Table III-C.2
Estimated Future Improvement Area Project Costs

| Authorized Improvements | Proportional Share of Additional Major Improvements¹ | Future Improvement Area Local Improvements Costs² | Future Improvement Area Projects Total Costs |
|--------------------------------------|--|---|---|
| Roadway Improvements | \$701,272 | \$0 | \$701,272 |
| Water Improvements | \$223,844 | \$0 | \$223,844 |
| Sanitary Sewer Improvements | \$168,811 | \$1,959,417 | \$2,128,228 |
| Storm Drainage Improvements | \$197,492 | \$0 | \$197,492 |
| Other Soft and Miscellaneous Costs | \$150,756 | \$822,421 | \$973,177 |
| Right-of-way | \$858,192 | \$0 | \$858,192 |
| Total Authorized Improvements | \$2,300,367 | \$2,781,838 | \$5,082,205 |

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-C.2 may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to the Additional Improvement Area #1 Projects does not increase.

1 – See Table III-A.2.

2 – See Table III-C.1.

E. FUTURE IMPROVEMENT AREAS

As the Future Improvement Areas are developed and Future Phase Bonds are issued, this SAP will be amended to identify the specific Future Phase Improvements that confer a special benefit to the property inside each construction phases(s) of the Future Improvement Areas (e.g. a Table III-D will be added to show the costs for the specific Authorized Improvements financed within the specific portion of the Future Improvement Areas being developed.)

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IV. SERVICE PLAN

A. PROJECTED SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. All Initial Major Improvements (which include Improvement Area #1's pro rata share of the Initial Major Improvements) have been completed and accepted by the Town and MSUD, as applicable, with the exception of (i) the connection of Ryan Spiritas Parkway to U.S. 380, which is pending certain approvals from the Texas Department of Transportation, (ii) acceptance of a lift station, which is pending final acceptance from MSUD and expected in the second quarter of 2024, and (iii) parks and landscaping, which is expected in the second quarter of 2024. It is anticipated that the Additional Major Improvements (which include both Improvement Area #1's and the Future Improvement Areas' pro rata share of the Additional Major Improvements) will be completed and accepted by the Town in late second quarter or early third quarter of 2024. All Initial Improvement Area #1 Improvements have been completed and accepted by the Town and MSUD, as applicable. The Additional Improvement Area #1 Improvements have been completed and accepted by the Town. It is anticipated that the Future Improvement Area Local Improvements will be completed and accepted by the Town in the third quarter of 2024.

The estimated costs for the Initial Improvement Area #1 Projects and the Initial Major Improvement Projects, plus costs related to the issuance of the Series 2021 PID Bonds and payment of expenses incurred in the establishment, administration and operation of the PID is \$56,138,692 as shown in Table IV-A. To pay for these costs, (i) an assessment totaling \$32,920,000 has been levied against Improvement Area #1, as shown in Appendix H-1 and (ii) an assessment totaling \$10,280,000 has been levied against the Major Improvement Area, as shown in Appendix G. The Developer will be responsible for any additional costs of the Initial Improvement Area #1 Projects and the Initial Major Improvement Projects.

The estimated costs for the Additional Improvement Area #1 Projects (which consist of the Improvement Area #1 Improvements and Improvement Area #1's pro rata share of the Additional Major Improvements) is \$8,977,633 as shown in Table IV-B. To pay for these costs, an assessment totaling \$7,745,000 has been levied against the Future Improvement Areas, as shown in Appendix H-2. The Developer will be responsible for any additional costs of the Additional Improvement Area #1 Projects.

The estimated costs for the Future Improvement Area Projects (which consists of the Future Improvement Area Local Improvements and the Future Improvement Area's pro rata share of the Additional Major Improvements) is \$7,156,971 as shown in Table IV-C. To pay for these costs, an assessment totaling \$7,000,000 is levied against the Future Improvement Areas, as shown in Appendix I. The Developer will be responsible for any additional costs of the Future Improvement Area Projects.

As Future Improvement Areas are developed in connection with the issuance of Future Phase Bonds, this Service and Assessment Plan will be amended (e.g. Table IV-D will be added for Improvement Area #2, etc.). The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses and the Additional Interest Component, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

The Series 2021 PID Bonds shown in Table IV-A were issued in 2021 and are being used to finance a portion of the costs of the Initial Improvement Area #1 Projects and the Initial Major Improvement Projects.

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Table IV-A
Estimated Sources and Uses
Series 2021 PID Bonds

| Sources of Funds | Series 2021 PID Bonds |
|--|--------------------------|
| Par amount | \$43,200,000 |
| Other funding sources | \$12,938,692 |
| Total Sources | \$56,138,692 |
| Uses of Funds | |
| <u>Initial Major Improvement Projects:</u> | |
| Roadway Improvements | \$2,414,007 |
| Water Improvements | \$838,777 |
| Sanitary Sewer Improvements | \$1,241,008 |
| Storm Drainage Improvements | \$731,921 |
| Parks, Landscaping, and Hardscaping | \$1,119,651 |
| Other Soft and Miscellaneous Costs | \$2,824,731 |
| <i>Subtotal</i> | <i>\$9,170,097</i> |
| <u>Initial Improvement Area #1 Projects²:</u> | |
| Roadway Improvements | \$12,171,265 |
| Water Improvements | \$5,327,430 |
| Sanitary Sewer Improvements | \$5,799,496 |
| Storm Drainage Improvements | \$6,111,944 |
| Parks, Landscaping, and Hardscaping | \$1,052,613 |
| Other Soft and Miscellaneous Costs | \$6,609,380 |
| <i>Subtotal</i> | <i>\$37,072,126</i> |
| <u>Bond Issuance Costs:</u> | |
| Cost of Issuance | \$2,337,000 |
| Capitalized interest | \$4,257,000 |
| Reserve Fund | \$2,976,469 |
| Administrative Expense | \$110,000 |
| Placement Agent's Fee | \$216,000 |
| <i>Subtotal</i> | <i>\$9,896,469</i> |
| Total Uses | \$56,138,692 |

1 – See Table III-A.1 for details.

2 – See Table III-B for detailed breakdown of the Initial Improvement Area #1 Projects.

The Additional Improvement Area #1 Projects Reimbursement Agreement shown in Table IV-B was executed on July 18, 2023, between the Town and the Developer to finance a portion of the costs of the Additional Improvement Area #1 Projects. The Town is not under any obligation to issue Bonds to replace or refinance the Additional Improvement Area #1 Projects Reimbursement Agreement.

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Table IV-B
Estimated Sources and Uses
Additional Improvement Area #1 Projects Reimbursement Agreement

| Sources of Funds | Additional IA #1 Projects Reimbursement Agreement |
|--|--|
| Assessment amount | \$7,745,000 |
| Other funding sources | \$1,232,633 |
| Total Sources | \$8,977,633 |
| Uses of Funds | |
| Additional Major Improvements ¹ | |
| Roadway Improvements | \$659,283 |
| Water Improvements | \$210,441 |
| Sanitary Sewer Improvements | \$158,704 |
| Storm Drainage Improvements | \$185,668 |
| Other Soft and Miscellaneous Costs | \$141,729 |
| Right-of-way | \$806,808 |
| <i>Subtotal</i> | <i>\$2,162,633</i> |
| Additional Improvement Area #1 Improvements ¹ : | |
| Right-of-way | \$6,780,000 |
| <i>Subtotal</i> | <i>\$6,780,000</i> |
| Other Costs: | |
| Administrative Expenses | \$35,000 |
| <i>Subtotal</i> | <i>\$35,000</i> |
| Total Uses | \$8,977,633 |

¹ – See Table III-B for details.

The Series 2024 PID Bonds shown in Table IV-C are being issued in 2024 and are being used to finance a portion of the costs of the Future Improvement Area Projects, which consist of the Additional Major Improvement Projects and the Future Improvement Area Local Improvements.

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Table IV-C
Estimated Sources and Uses
Series 2024 PID Bonds

| Sources of Funds | Series 2024 PID Bonds |
|---|--------------------------|
| Par amount | \$7,000,000 |
| Other funding sources | \$156,971 |
| Total Sources | \$7,156,971 |
| Uses of Funds | |
| <u>Additional Major Improvements Projects:¹</u> | |
| Roadway Improvements | \$701,272 |
| Water Improvements | \$223,844 |
| Sanitary Sewer Improvements | \$168,811 |
| Storm Drainage Improvements | \$197,492 |
| Other Soft and Miscellaneous Costs | \$150,756 |
| Right-of-way | \$858,192 |
| <i>Subtotal Additional Major Improvement Projects</i> | <i>\$2,300,367</i> |
| <u>Future Improvement Area Local Improvements¹</u> | |
| Sanitary Sewer Improvements | \$1,959,417 |
| Other Soft and Miscellaneous Costs | \$822,421 |
| <i>Subtotal Future Improvement Area Local Improvements</i> | <i>\$2,781,838</i> |
| <u>Bond Issuance Costs:</u> | |
| Cost of Issuance | \$490,216 |
| Capitalized interest | \$735,000 |
| Reserve Fund | \$604,550 |
| Administrative Expense | \$35,000 |
| Placement Agent's Fee | \$210,000 |
| <i>Subtotal Bond Issuance Costs</i> | <i>\$2,074,766</i> |
| Total Uses | \$7,156,971 |

¹ – See Table III-C.2 for details.

B. PROJECTED FIVE YEAR SERVICE PLAN

The annual projected costs and annual projected indebtedness with respect to the Initial Major Improvement Projects and the Initial Improvement Area #1 Projects (including the portion of the Initial Major Improvements allocated to Improvement Area #1), shown by Table IV-D. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-D
Annual Projected Costs and Annual Projected Indebtedness
Initial Major Improvement Projects and Initial Improvement Area #1 Projects

| Year | Annual Projected Cost | Annual Projected Indebtedness | Other Funding Sources | Projected Initial Major Improvement Projects Annual Installments ¹ | Projected Initial IA #1 Projects Annual Installments ¹ |
|--------------|-----------------------------|-------------------------------------|--------------------------|--|---|
| 2022 & Prior | \$56,138,692 | \$43,200,000 | \$12,938,692 | \$0 | \$0 |
| 2023 | \$0 | \$0 | \$0 | \$461,634 | \$1,473,416 |
| 2024 | \$0 | \$0 | \$0 | \$796,258 | \$2,502,999 |
| 2025 | \$0 | \$0 | \$0 | \$797,292 | \$2,504,009 |
| 2026 | \$0 | \$0 | \$0 | \$792,754 | \$2,508,289 |
| 2027 | \$0 | \$0 | \$0 | \$792,937 | \$2,505,544 |
| 2028 | \$0 | \$0 | \$0 | \$792,547 | \$2,501,068 |
| Total | \$56,138,692 | \$43,200,000 | \$12,938,692 | \$4,433,421 | \$13,995,325 |

¹ – Projected Annual Installment amounts are net of available capitalized interest.

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Initial Major Improvement Projects shown in Table III-A.1, the Initial Improvement Area #1 Projects shown in Table III-B and the costs associated with setting up the PID and bond issuance costs for the Series 2021 PID Bonds 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.

The annual projected costs and annual projected indebtedness with respect to the Additional Improvement Area #1 Projects (including the portion of the Additional Major Improvements allocated to Improvement Area #1) is shown by Table IV-E. The annual projected costs and indebtedness is subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-E
Annual Projected Costs and Annual Projected Indebtedness
Additional Improvement Area #1 Projects

| Year | Annual Projected Cost | Annual Projected Indebtedness | Other Funding Sources | Projected Additional IA #1 Projects Annual Installments |
|-------------------|--------------------------------------|--|----------------------------------|--|
| 2023 ¹ | \$8,977,633 | \$7,745,000 | \$1,232,633 | \$0 |
| 2024 | \$0 | \$0 | \$0 | \$567,019 |
| 2025 | \$0 | \$0 | \$0 | \$569,195 |
| 2026 | \$0 | \$0 | \$0 | \$572,033 |
| 2027 | \$0 | \$0 | \$0 | \$575,474 |
| 2028 | \$0 | \$0 | \$0 | \$578,459 |
| 2029 | \$0 | \$0 | \$0 | \$580,989 |
| Total | \$8,977,633 | \$7,745,000 | \$1,232,633 | \$3,443,168 |

1 – Administrative Expenses for year 2023 will be paid by the Developer.

The annual projected costs shown in Table IV-E are the annual expenditures relating to the Additional Improvement Area #1 Projects shown in Table III-B. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

The annual projected costs and annual projected indebtedness with respect to the Future Improvement Area Projects (including the portion of the Additional Major Improvements allocated to the Future Improvement Area and the Future Improvement Area Local Improvements) is shown by Table IV-F. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-F
Annual Projected Costs and Annual Projected Indebtedness
Future Improvement Area Projects

| Year | Annual Projected Cost | Annual Projected Indebtedness | Other Funding Sources | Projected Future Improvement Area Projects Annual Installments |
|--------------|--------------------------------------|--|----------------------------------|---|
| 2024 | \$7,156,971 | \$7,000,000 | \$156,971 | \$0 |
| 2025 | \$0 | \$0 | \$0 | \$699 |
| 2026 | \$0 | \$0 | \$0 | \$700 |
| 2027 | \$0 | \$0 | \$0 | \$700 |
| 2028 | \$0 | \$0 | \$0 | \$702 |
| 2029 | \$0 | \$0 | \$0 | \$703 |
| 2030 | \$0 | \$0 | \$0 | \$703 |
| Total | \$7,156,971 | \$7,000,000 | \$156,971 | \$4,206 |

The annual projected costs shown in Table IV-F are the annual expenditures relating to the Future Improvement Area Projects shown in Table III-C.2. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

As the Future Improvement Areas are developed, in association with issuing Future Phase Bonds for portions of the Future Improvement Areas, a Table IV-G will be updated to identify the Authorized Improvements to be financed by each new series of the Future Phase Bonds and the projected indebtedness resulting from each additional series of the Future Phase Bonds.

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” is attached hereto as Appendix D and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the Town 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 and/or reimbursement agreements that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Series 2021 PID Bonds issued in 2021 to finance the Initial Improvement Area #1 Projects and the Initial Major Improvement Projects, the Additional Improvement Area #1 Projects Reimbursement Agreement obligation incurred in 2023 to finance the Additional Improvement Area #1 Projects, and the Series 2024 PID Bonds are being issued in 2024 to finance the Future Improvement Area Projects, subsequent financings may be issued and/or additional obligations created under a reimbursement agreement over the upcoming decade as the subsequent phases of the development are gradually constructed.

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

For purposes of this Service and Assessment Plan, the Town Council has determined that the costs of the Initial Major Improvement Projects, Additional Major Improvement Projects, Initial Improvement Area #1 Projects, Additional Improvement Area #1 Projects, and Future Improvement Area Local Improvements shall be allocated as described below:

1. The costs of the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects that only benefit Improvement Area #1 shall be allocated on the basis of Equivalent Units calculated using the average home price of each Lot Type once such property is developed, and that such method of allocation will result in the imposition of equal shares of

the costs of such Authorized Improvements of Improvement Area #1 Assessed Property to Parcels similarly benefited.

2. The costs of the Initial Major Improvements are proportionally allocated to the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property based on estimated Equivalent Units calculated using the average home price for the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property.
3. The costs of the Additional Major Improvements are proportionally allocated to the Future Improvement Area Assessed Property and the Improvement Area #1 Assessed Property based on estimated Equivalent Units calculated using the average home price for the Future Improvement Area Assessed Property and the Improvement Area #1 Assessed Property.
4. The Initial Major Improvement Projects and Additional Major Improvement Projects are allocated to each Parcel of Major Improvement Area Assessed Property based on estimated Equivalent Units calculated using the average home price of each Lot Type.
5. The Future Improvement Area Local Improvements are allocated to each Parcel of Future Improvement Area Assessed Property based on estimated Equivalent Units calculated using the average home price of each Lot Type.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements (including the Initial Major Improvements and the Additional Major Improvements) between Improvement Area #1 Assessed Property, Major Improvement Area Assessed Property or Future Improvement Area Assessed Property.

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

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

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Initial Major Improvement Projects, Additional Major Improvement Projects, Initial Improvement Area #1 Projects, Additional Improvement Area #1 Projects, and Future Improvement Area Projects, as applicable, (ii) provides

the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied or being levied, as applicable, on the Improvement Area #1 Assessed Property, and Major Improvement Area Assessed Property, and Future Improvement Area Assessed Property for such improvements, and (iii) establishes the methodologies by which the Town Council allocates and reallocates the special benefit of the Initial Major Improvement Projects, Additional Major Improvement Projects, Initial Improvement Area #1 Projects, Additional Improvement Area #1 Projects, and Future Improvement Area Projects, as applicable, 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 Town Council of the assessment methodologies set forth below is the result of the discretionary exercise by the Town Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Phases are developed, in connection with the issuance of Future Phase Bonds and/or the execution of a related reimbursement agreement, this Service and Assessment Plan will be updated based on the Town's determination of the assessment methodology for each Future Phase.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) 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 received notice 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 have been or 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 Town through the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property either has or will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the Town Council as to the special benefits described in this Service and Assessment Plan and any Assessment Ordinance; (ii) the Service and Assessment Plan and any 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 Town 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 Town 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, as the owner of the Assessed Property, at the time of the Assessment, 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 INITIAL MAJOR IMPROVEMENT COSTS TO ASSESSED PROPERTY

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

Improvement Area #1 is projected to contain 1,057 residential units. As shown in Appendix E, the total Equivalent Units for Improvement Area #1 is calculated as 824.33. The Major Improvement Area is projected to contain 1,099 residential units resulting in a total of 876.83 Equivalent Units as shown in Appendix E. The Total projected Equivalent Units in the PID is, therefore, calculated to be 1,701.17 (i.e., $824.33 + 876.83 = 1,701.17$). As a result, 48.46 percent of the estimated costs of the Initial Major Improvements (i.e., $824.33 \div 1,701.17 = 48.46\%$) are allocated to the Improvement Area #1 Assessed Property and 51.54 percent of the estimated costs of the Initial Major Improvements (i.e., $876.83 \div 1,701.17 = 51.54\%$) are allocated to the Major Improvement Area Assessed Property. The Series 2021 PID Bonds funded the Initial Major Improvements.

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Table V-A
Allocation of Initial Major Improvement Costs

| Authorized Improvement | Estimated Costs |
|---|---------------------|
| Roadway Improvements | \$4,683,477 |
| Water Improvements | \$1,627,333 |
| Sanitary Sewer Improvements | \$2,407,712 |
| Storm Drainage Improvements | \$1,420,019 |
| Parks, Landscaping, and Hardscaping | \$2,172,264 |
| Other Soft and Miscellaneous Costs | \$5,480,333 |
| Total Initial Major Improvements | \$17,791,138 |
| Improvement Area #1 | |
| Projected total Equivalent units | 824.33 |
| % of Total Equivalent Units | 48.46% |
| Proportionate Share of Costs | \$8,621,041 |
| Major Improvement Area | |
| Projected total Equivalent units | 876.83 |
| % of Total Equivalent Units | 51.54% |
| Proportionate Share of Costs | \$9,170,097 |

D. ALLOCATION OF ADDITIONAL MAJOR IMPROVEMENT COSTS TO ASSESSED PROPERTY

The Additional Major Improvements will provide a special benefit to all property in the PID. Accordingly, the estimated Additional Major Improvement costs must be allocated throughout all Assessed Property in the PID. Table V-A summarizes the allocation of Actual Costs for each type of Additional Major Improvement. 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.

Improvement Area #1 is projected to contain 1,057 residential units. As shown in Appendix E, the total Equivalent Units for Improvement Area #1 is calculated as 824.33. The Major Improvement Area is projected to contain 1,099 residential units resulting in a total of 876.83 Equivalent Units as shown in Appendix E. The Total projected Equivalent Units in the PID is, therefore, calculated to be 1,701.17 (i.e., $824.33 + 876.83 = 1,701.77$). As a result, 48.46 percent of the estimated costs of the Additional Major Improvements (i.e., $824.33 \div 1,701.77 = 48.46\%$) are allocated to the Improvement Area #1 Assessed Property and 51.54 percent of the estimated costs of the Additional Major Improvements (i.e., $876.83 \div 1,701.77 = 51.54\%$) are allocated to the Major Improvement Area Assessed Property. The Additional Major Improvements are anticipated to be funded, in part under the Additional Improvement Area #1 Projects Reimbursement Agreement (for that portion allocable to Improvement Area #1) and in part by the Series 2024 Bonds, as well as from contributions from the Developer without reimbursement.

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Table V-B
Allocation of Additional Major Improvement Costs

| Authorized Improvement | Estimated Costs |
|--|--------------------|
| Roadway Improvements | \$1,360,555 |
| Water Improvements | \$434,285 |
| Sanitary Sewer Improvements | \$327,515 |
| Storm Drainage Improvements | \$383,160 |
| Other Soft and Miscellaneous Costs | \$292,485 |
| Right-of-way | \$1,665,000 |
| Total Additional Major Improvements | \$4,463,000 |
| Improvement Area #1 | |
| Projected total Equivalent units | 824.33 |
| % of Total Equivalent Units | 48.46% |
| Proportionate Share of Costs | \$2,162,633 |
| Future Improvement Areas | |
| Projected total Equivalent units | 876.83 |
| % of Total Equivalent Units | 51.54% |
| Proportionate Share of Costs | \$2,300,367 |

E. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements may be assessed by the Town 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

For purpose of this Service and Assessment Plan, the Town Council determined that the Initial Major Improvement Projects shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Assessment for such improvements across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within the Major Improvement Area.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated number of Equivalent Units at the time residential Lots are platted to the total estimated number of Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the Town 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 – Initial Major Improvements, 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 Improvement Area #1

For purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects shall be allocated to the Improvement Area #1 Assessed Property by spreading the entire Assessments identified in Appendix H-1 (with respect to the Initial Improvement Area #1 Projects) and Appendix H-2 (with respect to the Additional Improvement Area #1 Projects) across the Parcels within Improvement Area #1 based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within Improvement Area #1.

Based on the estimates of the costs of the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects, as set forth in Table III-B, the Town Council has determined that the respective benefit of the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects to Improvement Area #1 Assessed Property is at least equal to the Assessments levied on the Improvement Area #1 Assessed Property as identified in Appendix H-1 (with respect to the Initial Improvement Area #1 Projects) and Appendix H-2 (with respect to the Additional Improvement Area #1 Projects).

Upon subsequent divisions of any Parcel, each 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, each Assessment 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 Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the Town Council.

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

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #1 levied in connection with the Additional Improvement Area #1 Projects is shown on the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects, attached as Appendix H-2, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

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3. *Assessment Methodology for the Future Improvement Area*

For purpose of this Service and Assessment Plan, the Town Council determined that the Future Improvement Area Projects shall be allocated to the Future Improvement Area Assessed Property by spreading the entire Assessment for such improvements across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within the Future Improvement Area.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated number of Equivalent Units at the time residential Lots are platted to the total estimated number of Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the Town Council.

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

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

F. ASSESSMENTS

The Assessments for the pro rata share of Initial Major Improvement Projects and the Initial Improvement Area #1 Projects to be paid with the proceeds from Series 2021 PID Bonds were levied on each Parcel or Lot according to the Major Improvement Area Assessment Roll – Initial Major Improvements and the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects, as applicable. The Assessments for the Additional Improvement Area #1 Projects to be paid by the Developer and reimbursed with the Additional Improvement Area #1 Projects Reimbursement Agreement were levied on each Parcel or Lot within Improvement Area #1 according to the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects. The Assessments for the Future Improvement Area Projects are to be paid with the proceeds from Series 2024 PID Bonds and are levied on each Parcel or Lot within the Future Improvement Area according to the Future Improvement Area Assessment Roll – Future Improvement Area Projects. The Annual Installments from the Major Improvement Area Assessed Property will be collected on the dates and in the amounts shown on the Major Improvement Area Assessment Roll – Initial Major Improvements, the Annual Installments from the Improvement Area #1 Assessed Property will be collected on the dates and in the amounts shown on the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects and the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects, and the Annual Installments from the Future Improvement Area Assessed Property will be collected on

the dates and in the amounts shown on the Future Improvement Area Assessment Roll – Future Improvement Area Projects, as applicable, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

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

G. 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.

H. ADDITIONAL INTEREST RESERVE

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds secured by such Assessments, 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 series of Bonds unless otherwise stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, the Additional Interest to be paid may be adjusted in a subsequent Annual Service Plan Update or the Town 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, including the obligation created under the Additional Improvement Area #1 Reimbursement Agreement, and not a series of Bonds.

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VI. TERMS OF THE ASSESSMENTS

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

The Assessment and Annual Installments for each Assessed Property located within the Major Improvement Area are shown on the Major Improvement Area Assessment Roll – Initial Major Improvements, 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 Major Improvement Area Assessed Property in an amount sufficient to pay (i) principal and interest on the Major Improvement Area Assessed Property's share of the Series 2021 PID Bonds, (ii) to fund the Additional Interest Reserve described in Section V, and (iii) to pay its allocated portion of Administrative Expenses related to the PID.

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

The Assessment and Annual Installments for each Assessed Property located within Improvement Area #1 is shown on the Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects and the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects, attached as Appendix H-1 and Appendix H-2, respectively, 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 Improvement Area #1 Assessed Property in an amount sufficient to pay (i) principal and interest on the Improvement Area #1 Assessed Property's share of the Series 2021 PID Bonds (ii) principal and interest on the Additional Improvement Area #1 Projects Reimbursement Agreement for the Additional Improvement Area #1 Projects, (iii) to fund the Additional Interest Reserve described in Section V (with respect to the portion of the assessment securing the Series 2021 PID Bonds), and (iv) to pay its allocated portion of Administrative Expenses related to the PID.

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

The Assessment and Annual Installments for each Assessed Property located within the Future Improvement Area are shown on the Future Improvement Area Assessment Roll – Future Improvement Area Projects attached as Appendix I, 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 Future Improvement Area Assessed Property in an amount sufficient to pay (i) principal and interest on the Future Improvement Area Assessed Property's share of the Series 2024 PID Bonds, (ii) to fund the Additional Interest Reserve

described in Section V, and (iii) to pay its allocated portion of Administrative Expenses related to the PID.

As any given Future Phase is developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within the Future Phase (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.

D. REALLOCATION OF ASSESSMENTS

1. Subdivision

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

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

Where the terms have the following meanings:

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

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

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town 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 Town 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 Town 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 Unit on a Parcel exceeds the Assessment per Lot 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 Town prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Lot for the Parcel exceeds the Assessment per Lot 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 obligation under a related reimbursement agreement have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds and/or obligation under related reimbursement agreement, resulting in excess Bond proceeds being available to redeem Bonds of such series and/or a need to reduce the obligation under a reimbursement agreement, as the case may be, then the Assessment securing such series of Bonds and/or obligation under the related reimbursement agreement for each Parcel of Assessed Property shall be reduced by the Town Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds or Assessment Revenues shall applied to redeem Bonds of such series as provided in the Trust Indenture or to reduce the obligation under a related reimbursement agreement. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds and/or amounts due under related reimbursement agreement. If all of the Authorized Improvements are not completed, the Town may reduce the Assessments in another method if it determined 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 Bond proceeds being available to redeem Bonds and/or a need to reduce the obligations under a related reimbursement agreement, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the Town Council to reflect only the amounts required to repay the Bonds and/or repay obligations under a related reimbursement agreement, including interest on the Bonds and Administrative Expenses, and such excess Bond proceeds shall be applied to

redeem Bonds. The Town 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 units, if determined by the Town 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 obligations under a related 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 related reimbursement agreement is equal to the outstanding principal amount of the Bonds and/or the amounts outstanding under a related reimbursement agreement.

G. PAYMENT OF ASSESSMENTS

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. Payment shall include all Prepayment Costs.

(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 Town shall deposit the payment in accordance with the Trust Indenture and/or account of the applicable reimbursement agreement; whereupon the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate. For purposes of Prepayments of the Assessments levied against the Improvement Area #1 Assessed Property, the obligation created under the Additional Improvement Area #1 Projects Reimbursement Agreement is and will remain subordinated to the portion of the Series 2021 Bonds allocable to Improvement Area #1 and the portion allocable to the Major Improvement Area. Prepayments of the Assessments levied against the Major Improvement Area Assessed Property and Future Improvement Area Assessed Property, shall be allocated, on an equal priority basis, in accordance with the corresponding Assessment Roll.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part 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 Town 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 Rolls, as updated as provided for herein, which include (i) interest, (ii) Administrative Expenses, and (iii) with respect to Assessments which secure a series of Bonds, payments required for the Additional Interest to fund the Additional Interest Reserve.

Series 2021 PID Bonds

Each Assessment levied against the Improvement Area #1 Assessed Property for the Initial Improvement Area #1 Projects and Major Improvement Area Assessed Property for the Major Improvement Area Projects shall be paid with interest of no more than the actual interest rate paid on the Series 2021 PID Bonds. The Major Improvement Area Assessment Roll – Initial Major Improvements sets forth for each year the Annual Installment for each Parcel within the Major Improvement Area based on an interest rate of 5.375% and Additional Interest for the Additional Interest Reserve. The Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects sets forth for each year the Annual Installment for each Parcel within Improvement Area #1 (and related to the Initial Improvement Area #1 Projects) based on an interest rate of 5.375% and Additional Interest at the rate of 0.5% for the Additional Interest Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the applicable Assessment Rolls. The Major Improvement Area Assessment Roll – Initial Major Improvements and Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects, have been updated with the actual interest rates on the Series 2021 PID Bonds, are shown as Appendix G and Appendix H-1.

The Town reserves and shall have the right and option to refund the Bonds and/or the obligations due under a related reimbursement agreement 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.

Additional Improvement Area #1 Projects Reimbursement Agreement

Each Assessment for the Improvement Area #1 Assessed Property for the Additional Improvement Area #1 Projects shall be paid with interest of no more than the actual interest rate paid on the Additional Improvement Area #1 Projects Reimbursement Agreement. Interest on the Additional Improvement Area #1 Projects Reimbursement Agreement shall be paid based on an interest rate of 5.875% per annum for years 1 through 5 and 5.875% per annum following the fifth Annual Installment. The interest on the Additional Improvement Area #1 Projects 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 Town and reported in the month prior to the establishment of the Assessments securing such portion of the Additional Improvement Area #1 Projects Reimbursement Agreement 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 Town is the *Bond Buyer Index* for which the highest average rate during the previous thirty days prior to the levy of Assessments on the Improvement Area #1 Assessed Property securing the Additional Improvement Area #1 Projects Reimbursement Agreement was 3.930%. The Town has determined that the Additional Improvement Area #1 Projects Reimbursement Agreement shall bear interest at the interest rate of 5.875% per annum for years 1 through 5 and 5.875% per annum following the fifth Annual Installment, which rates are equal to or less than the initial maximum allowable rate of interest of 8.93% for years 1 through 5 and equal to the maximum allowable rate of interest following the fifth Annual Installment, which would be 5.93%. Furthermore, the Annual Installments of the Assessments levied against Improvement Area #1 Assessed Property for the Additional Improvement Area #1 Projects may not exceed the amounts shown on the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects. The Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects, is shown as Appendix H-2.

With regard to the collection of Annual Installments from the Improvement Area #1 Assessed Property, the obligation created under the Additional Improvement Area #1 Projects Reimbursement Agreement will remain subordinated to the obligation under the Series 2021 PID Bonds allocable to Improvement Area #1.

Any amounts collected as Annual Installments from the Improvement Area #1 Assessed Property shall be allocated first to amounts due for the portion of the Series 2021 PID Bonds allocated to Improvement Area #1, including any amounts due for related reserve accounts, and second to the amounts due to pay the obligation created in connection with the Additional Improvement Area #1 Projects Reimbursement Agreement.

Series 2024 PID Bonds

Each Assessment levied against the Future Improvement Area Assessed Property for the Future Improvement Area Projects shall be paid with interest of no more than the actual interest rate paid on the Series 2024 PID Bonds. The Future Improvement Area Assessment Roll – Future Improvement Area Projects sets forth for each year the Annual Installment for each Parcel within the Major Improvement Area based on an interest rate of 7.00% and Additional Interest for the Additional Interest Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the applicable Assessment Roll, shown in Appendix I.

The Town reserves and shall have the right and option to refund the Bonds and/or the obligations due under a related reimbursement agreement 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 Town 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. Annual Installments shall be collected by the Town 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 Town. The Town 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.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds and/or the obligations due under a related reimbursement agreement, Additional Interest (if 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.

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.

Series 2021 PID Bonds

Each Annual Installment of an Assessment related to the Series 2021 PID Bonds, including the interest on the unpaid amount of such an Assessment, shall be calculated as of September 1 and updated annually. Each such 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 Series 2021 PID Bonds were collected following the issuance of the Series 2021 PID Bonds, and were due January 31, 2022.

Additional Improvement Area #1 Projects Reimbursement Agreement

The collection of the first Annual Installment of an Assessment related to the Additional Improvement Area #1 Projects Reimbursement Agreement secured by Improvement Area #1 Assessed Property for the Additional Improvement Area #1 Projects commenced upon September 1, 2023. Such first Annual Installment for a Lot or Parcel of Improvement Area #1 Assessed Property for which collection has begun, shall be due by January 31, 2024.

Series 2024 PID Bonds

Each Annual Installment of an Assessment related to the Series 2024 PID Bonds, including the interest on the unpaid amount of such an Assessment, shall be calculated as of September 1 and

updated annually. Each such 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 Series 2024 PID Bonds will commence with the issuance of the Series 2024 PID Bonds and will be due January 31, 2025.

I. SURPLUS FUNDS REMAINING IN THE SERIES 2021 PID PROJECT FUND

If proceeds from the Series 2021 PID Bonds still remain after all of the Major Improvement Area Projects and the Initial Improvement Area #1 Projects are constructed and accepted by the Town, the proceeds may be utilized in accordance with the Indenture for the Series 2021 PID Bonds.

J. SURPLUS FUNDS REMAINING IN THE SERIES 2024 PID PROJECT FUND

If proceeds from the Series 2024 PID Bonds still remain after all of the Future Improvement Area Projects are constructed and accepted by the Town, the proceeds may be utilized in accordance with the Indenture for the Series 2024 PID Bonds.

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VII. THE ASSESSMENT ROLL

A. MAJOR IMPROVEMENT AREA ASSESSMENT ROLL – INITIAL MAJOR IMPROVEMENTS

The Town 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 Town 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 Initial Major Improvement Projects. Table VII-A summarizes the \$11,762,179 in special benefit received by the Major Improvement Area Assessed Property from the Initial Major Improvement Projects, a portion of the costs of the PID formation, operation, and/or administration, and the pro rata share of the Series 2021 PID Bonds issuance costs. The portion of the Series 2021 PID Bonds allocable to Major Improvement Area Assessed Property is \$10,280,000, which is less equal to the benefit received by the Major Improvement Area Assessed Property for the Initial Major Improvements. Accordingly, the total Assessment to be applied to all the Major Improvement Area Assessed Property is \$10,280,000 plus the Additional Interest Component, and annual Administrative Expenses. The Assessment for each Major Improvement Area Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Major Improvement Area Assessment Roll – Initial Major Improvements is attached hereto as Appendix G.

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Table VII-A
Initial Major Improvement Projects
Special Benefit Summary

| Special Benefit | Total Cost |
|--|---------------------|
| Initial Major Improvement Projects | \$9,170,097 |
| <i>Total Authorized Improvements¹</i> | <i>\$9,170,097</i> |
| Pro rata share of PID Formation/Bond Costs of Issuance | |
| Cost of Issuance | \$784,385 |
| Capitalized interest | \$1,013,008 |
| Reserve Fund | \$708,289 |
| Administrative Expense | \$35,000 |
| Placement Agent's Fee | \$51,400 |
| <i>PID Formation/Bond Cost of Issuance</i> | <i>\$2,592,082</i> |
| Total Special Benefit | \$11,762,179 |
| Special Benefit | |
| Total Special Benefit | \$11,762,179 |
| Projected Assessment | \$10,280,000 |
| Excess Benefit | \$1,482,179 |

1 – See Table III-A for details.

B. IMPROVEMENT AREA #1 ASSESSMENT ROLL – INITIAL IMPROVEMENT AREA #1 PROJECTS AND IMPROVEMENT AREA #1 ASSESSMENT ROLL – ADDITIONAL IMPROVEMENT AREA #1 PROJECTS

The Town 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 Town Council) to determine the amount of Assessed Property within the Improvement Area #1.

The Improvement Area #1 Assessed Property is assessed separately for the special benefits conferred upon the property resulting from (i) the Initial Improvement Area #1 Projects, and (ii) the Additional Improvement Area #1 Projects. Table VII-B summarizes the \$53,354,146 in special benefit received by the Improvement Area #1 Assessed Property from the Initial Improvement Area #1 Projects, a portion of the costs of the PID formation, and the pro rata share of the Series 2021 PID Bonds issuance costs and the Additional Improvement Area #1 Projects. The portion of the Series 2021 PID Bonds allocable to Improvement Area #1 Assessed Property for the Initial Improvement Area #1 Projects is \$32,920,000. The Assessment levied under the Additional Improvement Area #1 Projects Reimbursement Agreement for the Additional Improvement Area #1 Projects is \$7,745,000. The total of these two Assessments levied against the Improvement Area #1 Assessed Property is \$40,665,000, which is less than the benefit received by the Improvement Area #1 Assessed Property from the Initial Improvement Area #1 Projects and the

Additional Improvement Area #1 Projects. Accordingly, the total Assessment (including (i) the portion related to the Initial Improvement Area #1 Projects and (ii) the portion related to the Additional Improvement Area #1 Projects) to be applied to all the Improvement Area #1 Assessed Property is \$40,665,000 plus the Additional Interest Component (with respect to the portion securing the Series 2021 PID Bonds only), 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 – Initial Improvement Area #1 Projects is attached hereto as Appendix H-1 and the Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects is attached hereto as Appendix H-2.

Table VII-B
Improvement Area #1
Special Benefit Summary

| Special Benefit | Series 2021 PID Bonds Cost | Additional IA #1 Reimbursement Agreement Cost | Total Cost |
|---|---|--|---------------------|
| Initial Improvement Area #1 Projects | \$37,072,126 | \$0 | \$37,072,126 |
| Additional Improvement Area #1 Projects | \$0 | \$8,942,633 | \$8,942,633 |
| <i>Total Authorized Improvements¹</i> | <i>\$37,072,126</i> | <i>\$8,942,633</i> | <i>\$46,014,760</i> |
| Pro rata share of PID Formation/Bond Costs of Issuance | | | |
| Cost of Issuance | \$1,552,615 | \$0 | \$1,552,616 |
| Capitalized interest | \$3,243,992 | \$0 | \$3,243,992 |
| Reserve Fund | \$2,268,179 | \$0 | \$2,268,179 |
| Administrative Expense | \$75,000 | \$35,000 | \$110,000 |
| Placement Agent's Fee | \$164,600 | \$0 | \$164,600 |
| <i>PID Formation/Bond Cost of Issuance</i> | <i>\$7,304,387</i> | <i>\$35,000</i> | <i>\$7,339,387</i> |
| Total Special Benefit | \$44,376,513 | \$8,977,634 | \$53,354,146 |
| Special Benefit | | | |
| Total Special Benefit | \$44,376,513 | \$8,977,634 | \$53,354,146 |
| Projected Assessment | \$32,920,000 | \$7,745,000 | \$40,665,000 |
| Excess Benefit | \$11,456,513 | \$1,232,634 | \$12,689,146 |

1 – See Table III-B for details.

C. FUTURE IMPROVEMENT AREA ASSESSMENT ROLL – FUTURE IMPROVEMENT AREA PROJECTS

The Town Council has evaluated each Parcel within the Future 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 Town Council) to determine the amount of Assessed Property within the Future Improvement Area.

The Future Improvement Area Assessed Property is assessed for the special benefits conferred upon the property resulting from the Future Improvement Area Projects. Table VII-C summarizes the \$7,156,971 in special benefit received by the Future Improvement Area Assessed Property from the Future Improvement Area Projects, a portion of the costs of the PID formation, operation, and/or administration, and the Series 2024 PID Bonds issuance costs. The Series 2024 PID Bonds allocable to Future Improvement Area Assessed Property is \$7,000,000, which is less than the benefit received by the Future Improvement Area Assessed Property for the Future Improvement Area Projects. Accordingly, the total Assessment to be applied to all the Major Improvement Area Assessed Property is \$7,000,000 plus the Additional Interest Component, and annual Administrative Expenses. The Assessment for each Future Improvement Area Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Future Improvement Area Assessment Roll – Future Improvement Area Projects is attached hereto as Appendix I.

Table VII-C
Future Improvement Area Projects
Special Benefit Summary

| Special Benefit | Total Cost |
|--|--------------------|
| Future Improvement Area Projects | \$5,082,205 |
| <i>Total Authorized Improvements¹</i> | <i>\$5,082,205</i> |
| Bond Issuance Costs | |
| Cost of Issuance | \$490,216 |
| Capitalized interest | \$735,000 |
| Reserve Fund | \$604,550 |
| Administrative Expense | \$35,000 |
| Underwriters Discount | \$210,000 |
| <i>Bond Issuance Costs</i> | <i>\$2,074,766</i> |
| Total Special Benefit | \$7,156,971 |
| Special Benefit | |
| Total Special Benefit | \$7,156,971 |
| Projected Assessment | \$7,000,000 |
| Excess Benefit | \$156,971 |

1 – See Table III-C.2 for details.

D. FUTURE IMPROVEMENT AREA ASSESSMENT ROLL

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

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E. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the Major Improvement Area Assessment Roll – Initial Major Improvements, Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects, Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects and the Future Improvement Area Assessment Roll – Future Improvement Area Projects, and in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the Town 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); The Additional Interest Component to be collected from the Assessed Property for the year (if the Assessment is payable in installments) and (v) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The Town may elect to designate a third party to serve as Administrator. The Town 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 Town not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error, and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the Town 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 the Assessment Roll may be appealed to the Town 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 Town Council, the decision of the Town 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 Town 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 Town 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 Town Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

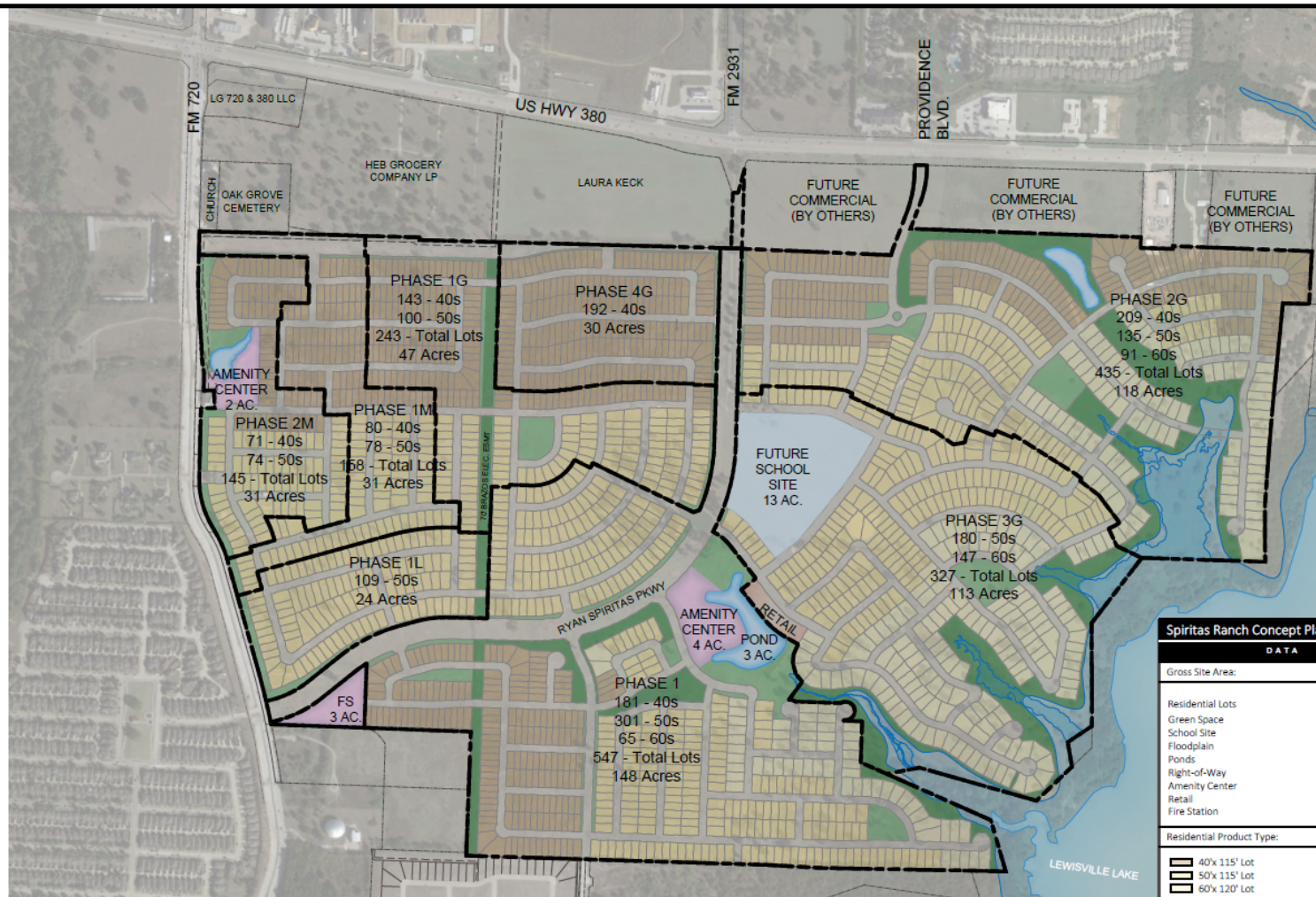
E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the Town 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 Town.

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APPENDIX A
PID MAP



| Spiritas Ranch Concept Plan 30 | | | |
|--------------------------------|---------|--------|-------|
| DATA TABLE | | | |
| Gross Site Area: | Acres | 545+/- | |
| Residential Lots | 431 | 80% | |
| Green Space | 51 | 9% | |
| School Site | 13 | 2% | |
| Floodplain | 16 | 3% | |
| Ponds | 5 | 1% | |
| Right-of-Way | 17 | 3% | |
| Amenity Center | 7 | 1% | |
| Retail | 2 | 0.5% | |
| Fire Station | 3 | 0.5% | |
| Residential Product Type: | Phase 1 | Future | Total |
| 40'x 115' Lot | 404 | 472 | 876 |
| 50'x 115' Lot | 588 | 389 | 977 |
| 60'x 120' Lot | 65 | 238 | 303 |
| Total Lots | 1,057 | 1,099 | 2,156 |
| Total Acres | 251 | 294 | 545 |

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

| | | | | | | | |
|--|----|----------------|---------------|--------------|--------------|---------------|---------------|
| COMMUNITY NAME: <u>Spiritas Ranch</u> | | GROSS ACREAGE: | | | | | 548.0 |
| PHASES: <u>Full Development</u> | | NET ACREAGE: | | | | | 439.0 |
| CITY OR TOWN: <u>Town of Little Elm, Denton County</u> | | TOTAL LOTS: | | | | | 2,156 |
| | | TOTAL DENSITY: | | | | | 4.91 |
| | | LANDPLAN: | | | | | 25 |
| | | CREATED BY: | | | | | MC |
| | | REVIEWED BY: | | | | | AB |
| | | CREATED: | | | | | 04/06/20 |
| | | REVISED: | | | | | 04/16/24 |
| Direct Phase Costs | | TOTALS | PHASE 1 | PHASE 1L | PHASE 1M | PHASE 1G (1H) | FUTURE PHASES |
| Lot Count | | 2156 | 547 | 109 | 158 | 243 | 1099 |
| 1 Engineering | \$ | 5,641,612 | \$ 1,388,588 | \$ 276,147 | \$ 383,593 | \$ 550,636 | \$ 3,042,647 |
| 2 Grading Site Preparation | \$ | 1,932,580 | \$ 593,844 | \$ 94,162 | \$ 136,491 | \$ 209,920 | \$ 898,164 |
| 3 Water | \$ | 9,549,154 | \$ 2,225,060 | \$ 505,183 | \$ 810,067 | \$ 998,564 | \$ 5,010,280 |
| 4 Sanitary Sewer | \$ | 13,437,382 | \$ 2,403,088 | \$ 540,343 | \$ 734,392 | \$ 954,969 | \$ 8,804,590 |
| 5 Storm Drain | \$ | 12,023,381 | \$ 3,083,651 | \$ 581,396 | \$ 915,048 | \$ 843,751 | \$ 6,599,535 |
| 6 Street Improvements | \$ | 19,677,740 | \$ 5,244,122 | \$ 967,866 | \$ 967,866 | \$ 1,687,524 | \$ 10,810,362 |
| 9 Contingency 5% | \$ | 3,113,092 | \$ 746,918 | \$ 148,255 | \$ 197,373 | \$ 262,268 | \$ 1,758,279 |
| 13 ROW Acreage ⁶ | \$ | 14,880,000 | \$ 3,705,000 | \$ 705,000 | \$ 1,080,000 | \$ 1,290,000 | \$ 8,100,000 |
| Total | \$ | 80,254,941 | \$ 19,390,271 | \$ 3,818,352 | \$ 5,224,830 | \$ 6,797,632 | \$ 45,023,856 |
| Cost per Lot | \$ | 37,224 | \$ 35,448 | \$ 35,031 | \$ 33,069 | \$ 27,974 | \$ 40,968 |
| Major Improvements Costs | | TOTALS | PHASE 1 | PHASE 1L | PHASE 1M | PHASE 1G (1H) | FUTURE PHASES |
| Lot Count | | 2156 | 547 | 109 | 158 | 243 | 1099 |
| 1 Engineering | \$ | 3,238,607 | \$ 1,759,771 | \$ - | \$ 204,383 | \$ 72,793 | \$ 1,201,660 |
| 3 Water | \$ | 2,703,776 | \$ 1,476,315 | \$ - | \$ 65,856 | \$ 85,162 | \$ 1,076,442 |
| 4 Sanitary Sewer | \$ | 2,825,912 | \$ 2,077,796 | \$ - | \$ 256,534 | \$ 73,382 | \$ 418,200 |
| 5 Storm Drain | \$ | 2,658,742 | \$ 1,239,260 | \$ - | \$ 168,555 | \$ 12,204 | \$ 1,238,722 |
| 6 Street Improvements | \$ | 5,234,675 | \$ 3,385,956 | \$ - | \$ 370,729 | \$ 257,448 | \$ 1,220,541 |
| 7a Screening/Landscape Walls | \$ | 3,095,500 | \$ 1,843,500 | \$ - | \$ - | \$ - | \$ 1,252,000 |
| 8 Dry Utilities - Spiritas Median | \$ | 1,551,189 | \$ 1,396,189 | \$ - | \$ - | \$ - | \$ 155,000 |
| 9 Contingency 5% | \$ | 1,268,459 | \$ 751,816 | \$ - | \$ 70,332 | \$ 25,049 | \$ 421,262 |
| 10 District Formation Costs | \$ | 1,200,000 | \$ 1,200,000 | \$ - | \$ - | \$ - | \$ - |
| 11 Turn Lane Improvements | \$ | 1,704,344 | \$ 328,764 | \$ - | \$ 340,580 | \$ - | \$ 1,035,000 |
| 12 Common Area Amenities & Trails | \$ | 1,156,444 | \$ 328,764 | \$ - | \$ - | \$ - | \$ 827,680 |
| 13 ROW Acreage ^{4,6,7} | \$ | 1,665,000 | \$ 615,000 | \$ - | \$ 375,000 | \$ 300,000 | \$ 375,000 |
| 14 Perimeter Road ^{6,7} | | | | | | | |
| a Engineering | \$ | 292,485 | \$ 292,485 | \$ - | \$ - | \$ - | \$ - |
| b Water | \$ | 434,285 | \$ 434,285 | \$ - | \$ - | \$ - | \$ - |
| c Sanitary Sewer | \$ | 327,515 | \$ 327,515 | \$ - | \$ - | \$ - | \$ - |
| d Storm Drain | \$ | 383,160 | \$ 383,160 | \$ - | \$ - | \$ - | \$ - |
| e Street Improvements | \$ | 805,555 | \$ 805,555 | \$ - | \$ - | \$ - | \$ - |
| f ROW Acreage | \$ | 555,000 | \$ 555,000 | \$ - | \$ - | \$ - | \$ - |
| Total | \$ | 31,100,648 | \$ 19,201,131 | \$ - | \$ 1,851,970 | \$ 826,039 | \$ 9,221,507 |
| Cost per Lot | \$ | 14,425 | \$ 35,103 | \$ - | \$ 11,721 | \$ 3,399 | \$ 8,391 |
| Private Costs | | TOTALS | PHASE 1 | PHASE 1L | PHASE 1M | PHASE 1G (1H) | FUTURE PHASES |
| Lot Count | | 2156 | 547 | 109 | 158 | 243 | 1099 |
| 1 Engineering | \$ | 1,605,279 | \$ 336,767 | \$ 67,107 | \$ 97,275 | \$ 149,606 | \$ 954,524 |
| 2 Grading Site Preparation | \$ | 10,877,373 | \$ 1,680,687 | \$ 334,908 | \$ 485,464 | \$ 746,631 | \$ 7,629,683 |
| 7b Ret Walls | \$ | 3,932,206 | \$ 678,656 | \$ 135,235 | \$ 196,029 | \$ 301,487 | \$ 2,620,800 |
| 8 Dry Utilities | \$ | 1,306,049 | \$ 51,043 | \$ 51,043 | \$ 38,855 | \$ 60,108 | \$ 1,105,000 |
| 9 Contingency 5% | \$ | 1,036,045 | \$ 237,358 | \$ 29,415 | \$ 40,881 | \$ 62,892 | \$ 665,500 |
| 12 Amenity Center | \$ | 3,000,000 | \$ 2,000,000 | \$ - | \$ - | \$ - | \$ 1,000,000 |
| Total | \$ | 21,756,953 | \$ 4,984,511 | \$ 617,708 | \$ 858,503 | \$ 1,320,723 | \$ 13,975,508 |
| Cost per Lot | \$ | 10,091 | \$ 9,112 | \$ 5,667 | \$ 5,434 | \$ 5,435 | \$ 12,717 |
| TOTALS per lot | \$ | 133,112,541 | \$ 43,575,913 | \$ 4,436,060 | \$ 7,935,303 | \$ 8,944,394 | \$ 68,220,872 |
| | \$ | 61,741 | \$ 79,663 | \$ 40,698 | \$ 50,223 | \$ 36,808 | \$ 62,075 |
| 40' Lots | | 876 | 181 | 0 | 80 | 143 | 472 |
| 50' Lots | | 977 | 301 | 109 | 78 | 100 | 389 |
| 60' Lots | | 303 | 65 | 0 | 0 | 0 | 238 |
| Total Lots | | 2156 | 547 | 109 | 158 | 243 | 1099 |
| Remainder Improvements ^{5,6} | | TOTALS | PHASE 1 | PHASE 1L | PHASE 1M | PHASE 1G (1H) | FUTURE PHASES |
| | | 2156 | 547 | 109 | 158 | 243 | 1099 |
| 1 Engineering | \$ | 309,000 | \$ - | \$ - | \$ - | \$ - | \$ 309,000 |
| 4 Sanitary Sewer | \$ | 1,959,417 | \$ - | \$ - | \$ - | \$ - | \$ 1,959,417 |
| 9 Contingency 5% | \$ | 113,421 | \$ - | \$ - | \$ - | \$ - | \$ 113,421 |
| 10 Developer Assessment/Bond Issuance Consulting Fee | \$ | 400,000 | \$ - | \$ - | \$ - | \$ - | \$ 400,000 |
| TOTALS per lot | \$ | 2,781,838 | \$ - | \$ - | \$ - | \$ - | \$ 2,781,838 |
| | \$ | 1,290 | \$ - | \$ - | \$ - | \$ - | \$ 2,531 |

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY.

NOTES

¹ Development cost does not include: City/District/County Fees, Bonds, & Permits

² Development cost does not include: Rock Excavation, Landscaping, Irrigation, Monumentation, or Common Area Amenities

³ Professional Fees do not include: Geotechnical, Environmental, or SWPPP Administration.

⁴ Streets include Ryan Spiritas Pkwy, Hidden Oaks Trail, Spiritas Ranch Road

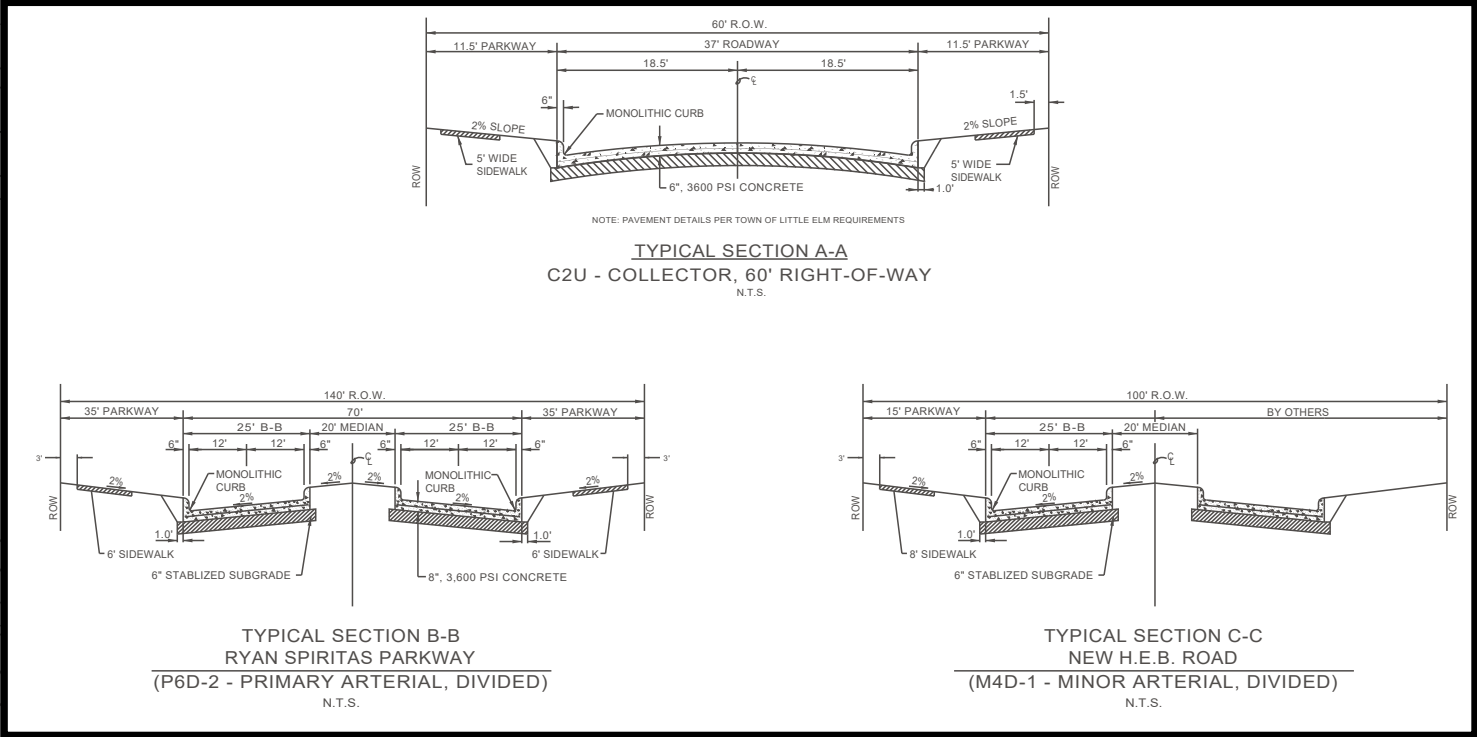
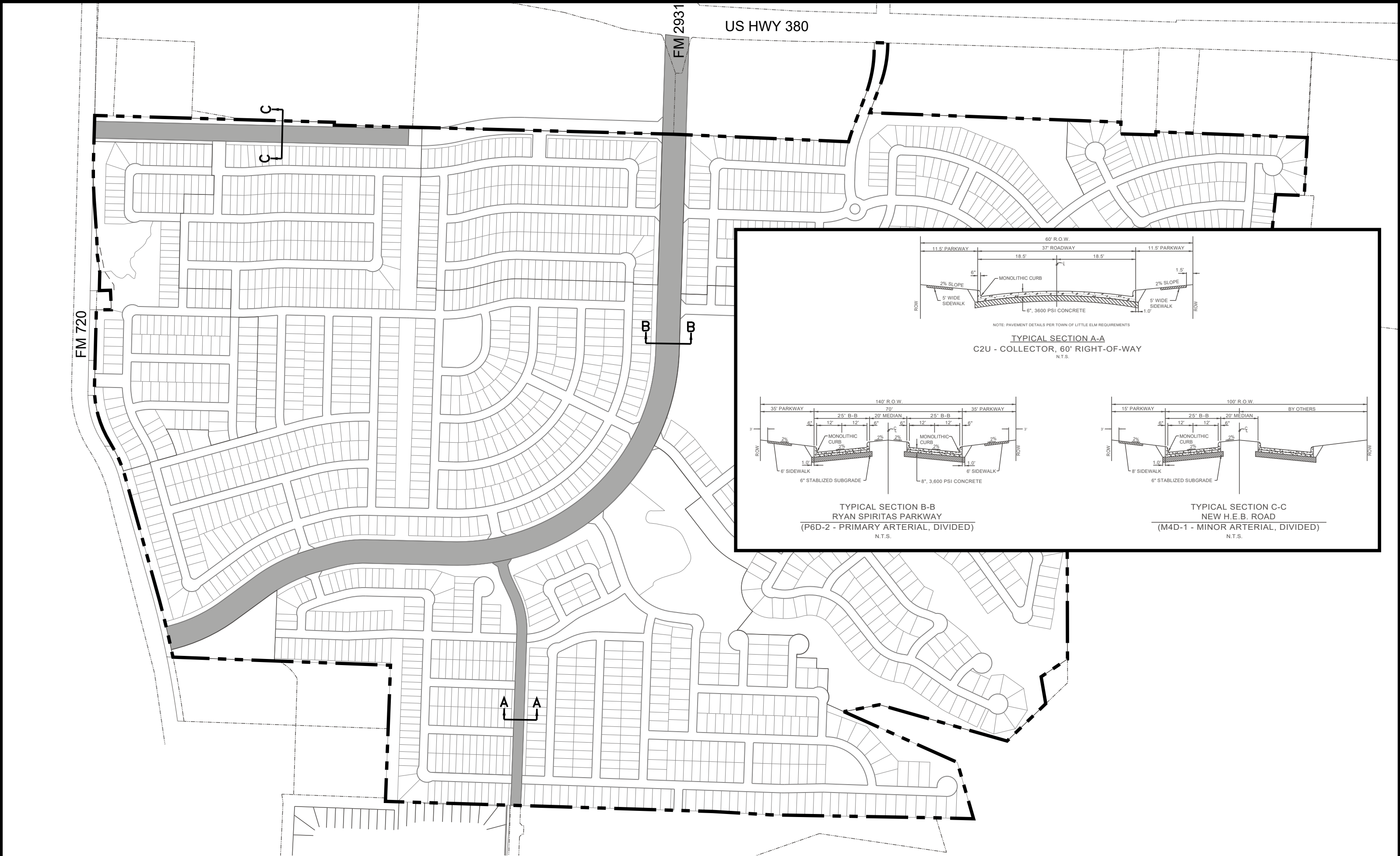
⁵ Remainder Improvements include Lift Station #2 and associated Force Main. Lift Station #2 total capacity is 1499 LUEs: 895 LUEs reserved for Spiritas Ranch, 146 for Spiritas East, 33 for Spiritas Ranch commercial acreage, 425 for neighbor commercial acreage. Cost shown is required for 895 LUE Spiritas Ranch, less \$230,000 in Spiritas East PID. Additional pumps will be required for future expansion.

⁶ Represents Additional Phase #1 costs incorporated in OPC updated as of June 12, 2023.

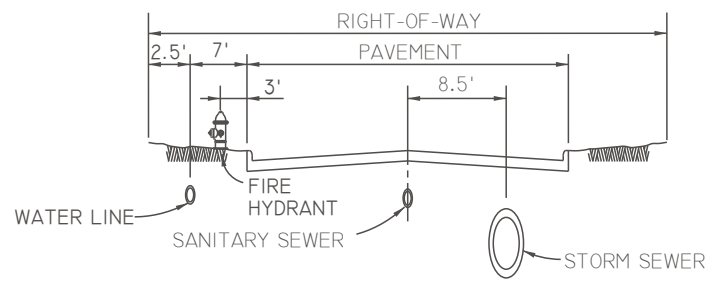
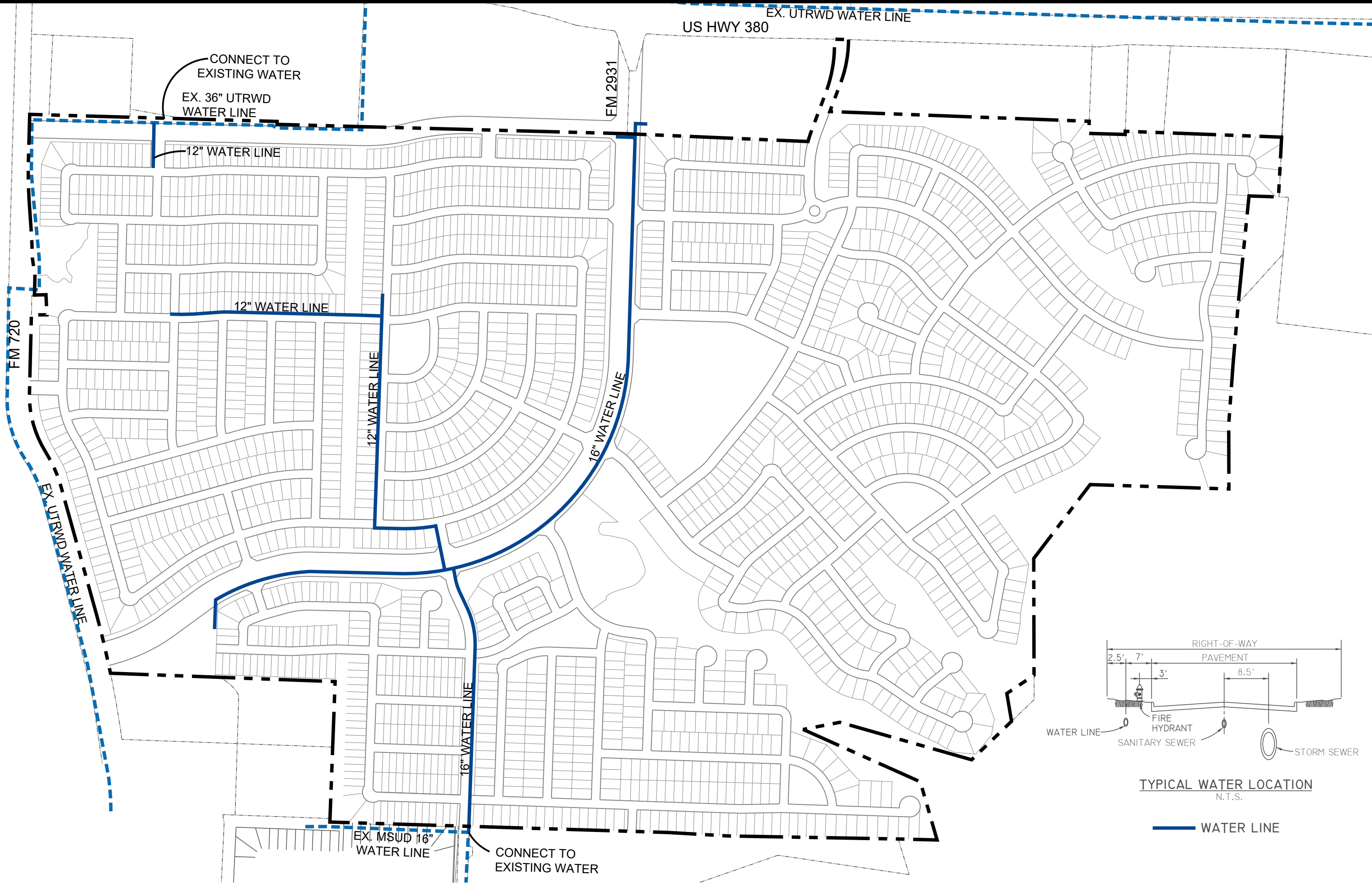
⁷ Represents Additional Major Improvements costs incorporated in OPC updated as of June 12, 2023.

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

S:\2019\2019017-00 Spiritas Ranch\CAD\EXHIBITS\201901700L P26SpiritasRanch MI Roads 02032021.dwg Feb 04, 2021 - 1:33 pm charcock



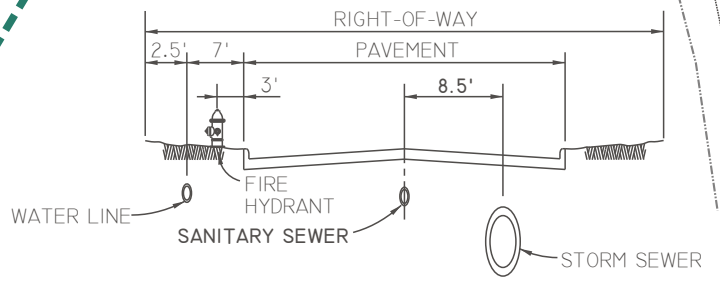
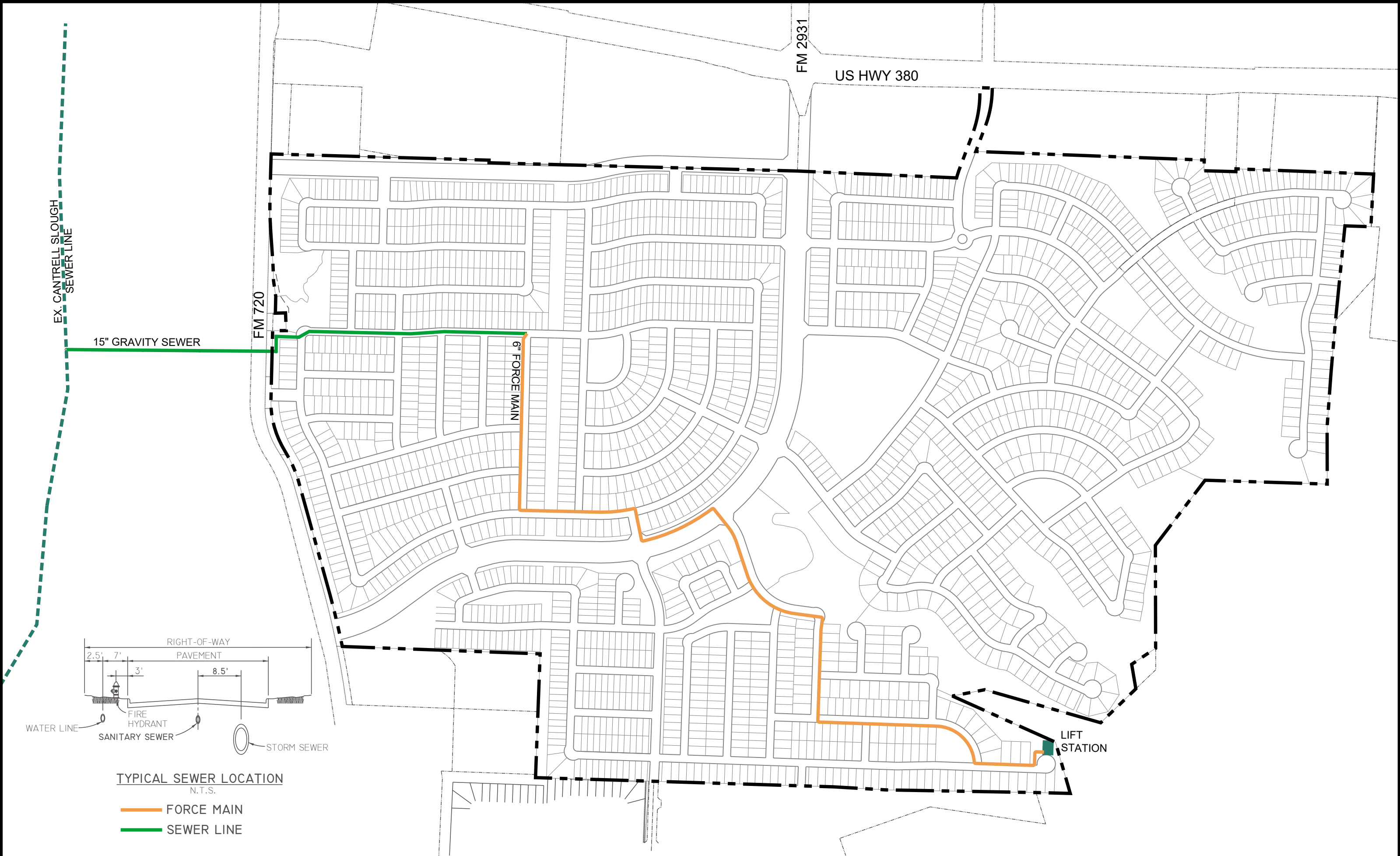
S:\2019\2019017-00 Spiritas Ranch\CAD\EXHIBITS\201901700LP25SpiritasRanchPID MI Water 02012021.dwg Feb 04, 2021 - 1:33 pm charcock



TYPICAL WATER LOCATION
N.T.S.

— WATER LINE

S:\2019\2019017-00 Spiritas Ranch\CADD\EXHIBITS\201901700LP25SpiritasRanchPID MI Sewer 01292021.dwg Feb 04 2021 - 2:32 pm - chancock

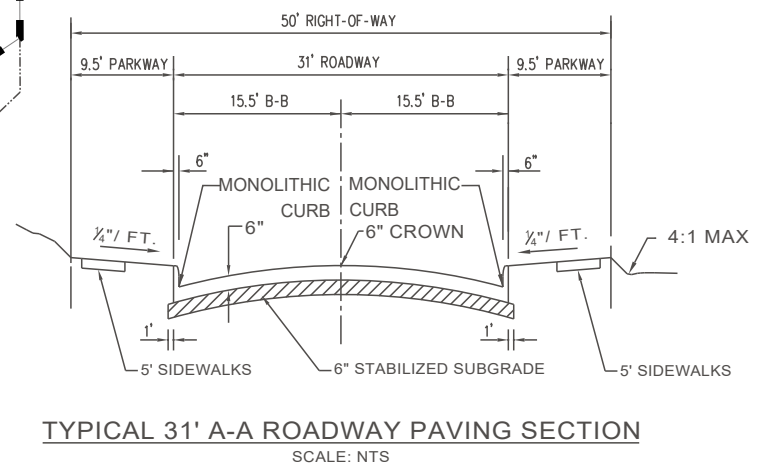
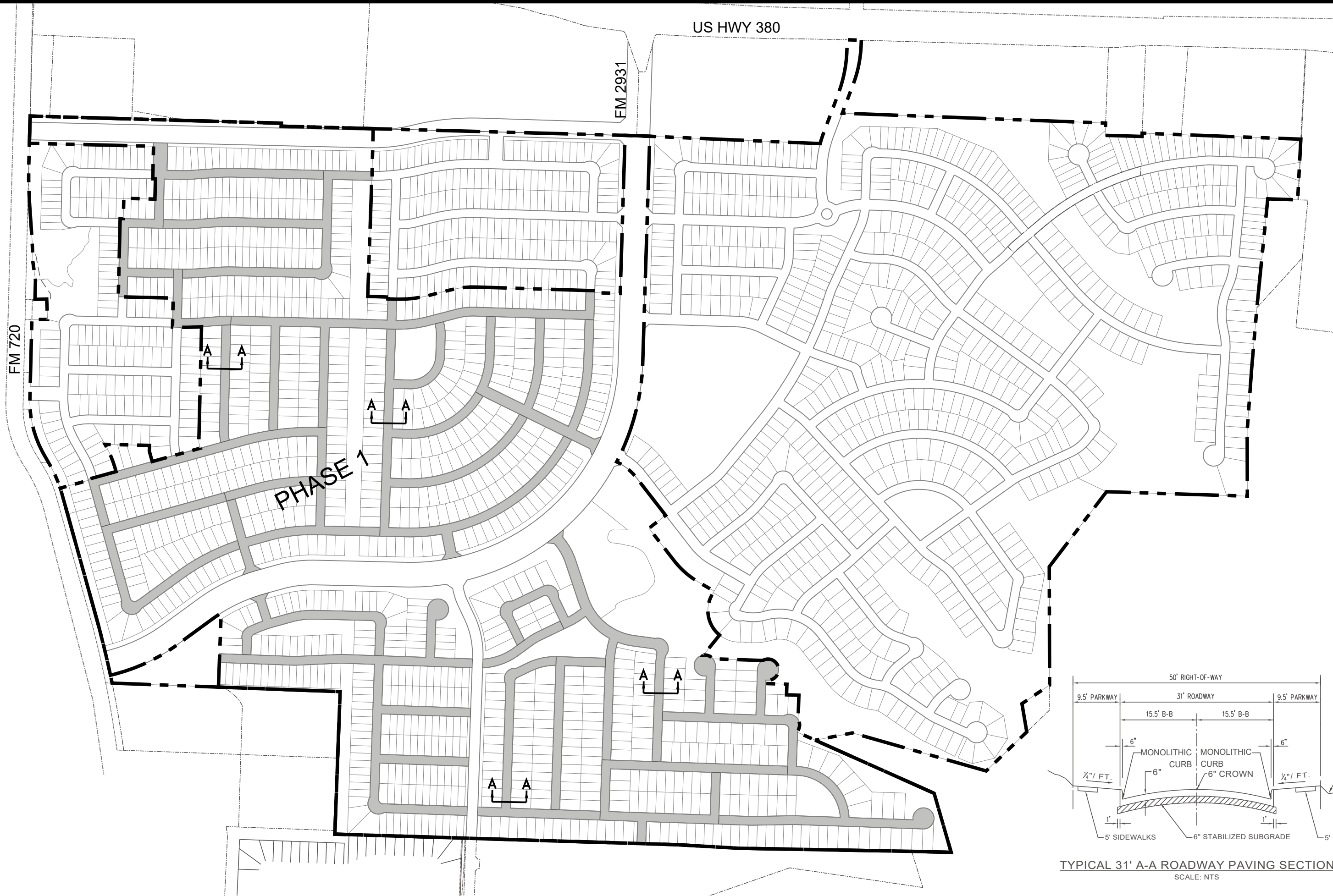


TYPICAL SEWER LOCATION
N.T.S.

— FORCE MAIN
— SEWER LINE

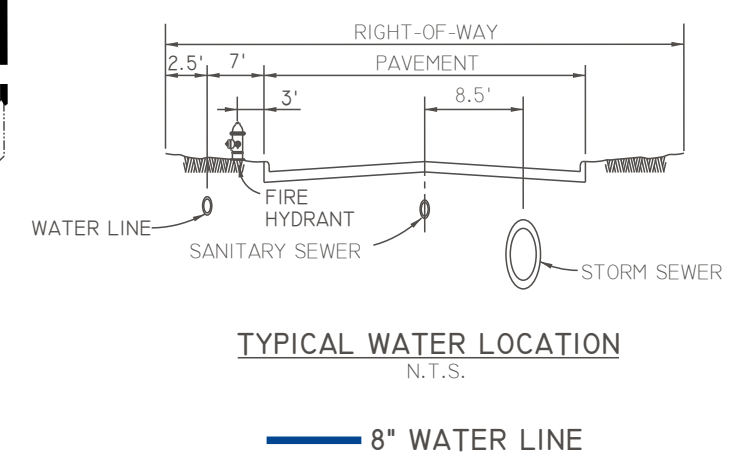
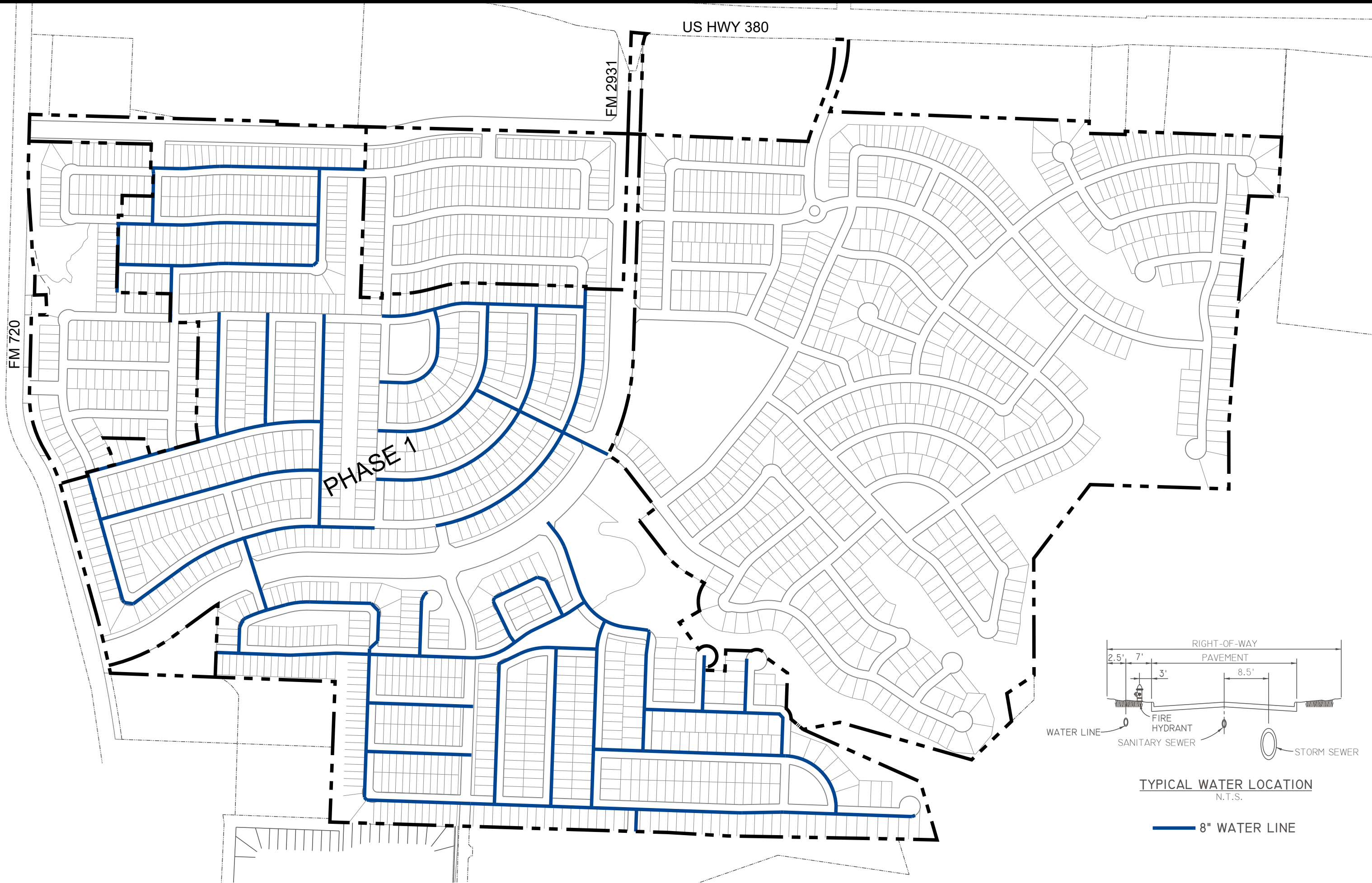
MAJOR SEWER IMPROVEMENTS
SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

S:\2019\2019017-00 Spiritas Ranch\CADD\EXHIBITS\201901700LP26SpiritasRanchPID PH1 Road 02032021.dwg Feb 04, 2021 - 9:51 am - chancock



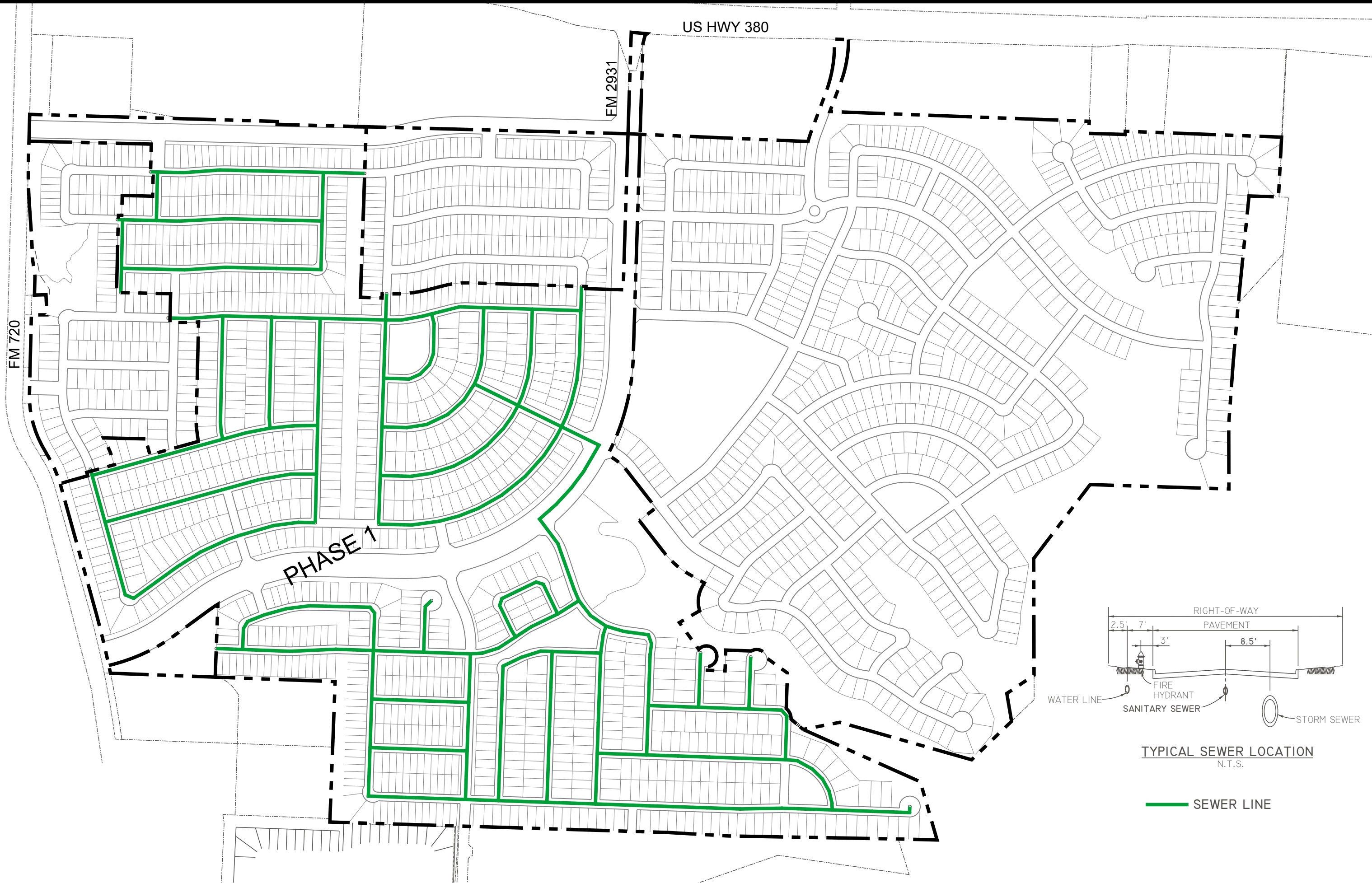
PHASE 1 ROADWAY IMPROVEMENTS
SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

S:\2019\2019017-00 Spiritas Ranch\CADD\EXHIBITS\201901700LP25SpiritasRanchPID PH1 Water 01292021.dwg Feb 04, 2021 - 1:37 pm chancock



PHASE 1 WATER IMPROVEMENTS
SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

S:\2019\2019017-00 Spiritas Ranch\CAD\EXHIBITS\201901700LP25SpiritasRanchPID PH1 Sewer 01292021.dwg Feb 04 2021 - 1:46 pm charcock



PHASE 1 SEWER IMPROVEMENTS
SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

APPENDIX D
PID ASSESSMENT NOTICE

AFTER RECORDING RETURN TO:

_____]¹

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
TOWN OF LITTLE ELM, 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 Town of Little Elm, Texas (the "Town"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Spiritas Ranch 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 Town. The exact amount of each annual installment will be approved each year by the Town 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 Town.

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

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

STATE OF TEXAS §
 §
COUNTY OF DENTON §

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF DENTON

§

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

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

Notary Public, State of Texas]⁴

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

APPENDIX E
**ASSESSMENT PER EQUIVALENT UNIT, PROJECTED LEVERAGE AND
PROJECTED TAX RATE EQUIVALENTS**

Appendix E

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

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

“**Lot Type 2**” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet.

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

A) Proposed Development

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

Table E-A.1
Proposed Development within the PID

| Description | Proposed Development | |
|--------------------|-----------------------------|--------------|
| 60 Ft Lots | 303 | Units |
| 50 Ft Lots | 977 | Units |
| 40 Ft Lots | 876 | Units |
| | 2,156 | Units |

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

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

| Description | Proposed Development | |
|--------------------|-----------------------------|--------------|
| 60 Ft Lots | 65 | Units |
| 50 Ft Lots | 588 | Units |
| 40 Ft Lots | 404 ^(a) | Units |
| | 1,057 | Units |

^(a)Includes five (5) model homes.

Table E-A.3 shows the proposed residential Lot Types within the Major Improvement Area.

Table E-A.3
Proposed Development – Major Improvement Area

| Description | Proposed Development | |
|--------------------|-----------------------------|--------------|
| 60 Ft Lots | 238 | Units |
| 50 Ft Lots | 389 | Units |
| 40 Ft Lots | 472 | Units |
| | 1,099 | Units |

B) Calculation of Equivalent Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the portion of the Initial Major Improvements to be financed with a portion of the Series 2021 PID Bonds shall be allocated to the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the Town Council has determined that the Assessments shall be allocated to the Major Improvement Area Assessed Property and the Improvement Area #1 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the Town Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 50 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the Town Council determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest value to Lot Type 3 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table E-C.4. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This was accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table E-B.1 shows the Equivalent Unit Factors within the PID.

Table E-B.1
Equivalent Unit Factors

| Lot Type | Estimated Average Unit Value¹ | Equivalent Unit Factor |
|----------------------|---|-----------------------------------|
| Lot Type 1 (60' Lot) | \$378,000 | 1.00 per dwelling unit |
| Lot Type 2 (50' Lot) | \$315,000 | 0.83 per dwelling unit |
| Lot Type 3 (40' Lot) | \$252,000 | 0.67 per dwelling unit |

1 – Updated estimated average unit values provided by the developer May 17, 2023. The updated estimated values are a proportional increase and do not impact Equivalent Units.

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

Table E-B.2
Projected Equivalent Units - Improvement Area #1

| Lot Type | Planned No. of units | Equivalent Unit Factor | Total Equivalent Units |
|-------------------------------|---------------------------------|-----------------------------------|---------------------------------------|
| Lot Type 1 (60' Lot) | 65 | 1.00 | 65.00 |
| Lot Type 2 (50' Lot) | 588 | 0.83 | 490.00 |
| Lot Type 3 (40' Lot) | 404 | 0.67 | 269.33 |
| Total Equivalent Units | 1,057 | | 824.33 |

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

Table E-B.3
Projected Equivalent Units - Major Improvement Area

| Lot Type | Planned No. of units | Equivalent Unit Factor | Total Equivalent Units |
|-------------------------------|---------------------------------|-----------------------------------|---------------------------------------|
| Lot Type 1 (60' Lot) | 238 | 1.00 | 238.00 |
| Lot Type 2 (50' Lot) | 389 | 0.83 | 324.17 |
| Lot Type 3 (40' Lot) | 472 | 0.67 | 314.67 |
| Total Equivalent Units | 1,099 | | 876.83 |

C) Allocation of Assessments to Lots within Improvement Area #1

Initial Improvement Area #1 Projects

As shown in Appendix H-1 of this Service and Assessment Plan, the share of Series 2021 PID Bonds allocable to the Improvement Area #1 Assessed Property, which represents the total Assessment allocated on all Parcels within Improvement Area #1 for the Initial Improvement Area #1 Projects, is \$32,920,000. As shown in Table E-B.2, there are a total of 824.33 estimated Equivalent Units in Improvement Area #1, resulting in an Assessment per Equivalent Unit of \$39,935.30 for the Initial Improvement Area #1 Projects.

The Assessment per dwelling unit in Improvement Area #1 (“Assessment Per Unit”) for the Initial Improvement Area #1 Projects is calculated as the product of (i) \$39,935.30 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 \$39,935.30 (i.e. $\$39,935.30 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$33,279.42 (i.e. $\$39,935.30 \times 0.83$). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$26,623.53 (i.e. $\$39,935.30 \times 0.67$). Table E-C.1 sets forth the Assessment Per Unit for each Lot Type in Improvement Area #1 for the Initial Improvement Area #1 Projects.

Table E-C.1
Assessment Per Unit – Initial Improvement Area #1 Projects

| Type | Planned No. of Units | Assessment per Equivalent Unit | Equivalent Unit Factor | Assessment Per Unit | Total Assessments |
|----------------------|----------------------------|---|------------------------------|-------------------------------|----------------------|
| Lot Type 1 (60' Lot) | 65 | \$39,935.30 | 1.00 | \$39,935.30 per dwelling unit | \$2,595,795 |
| Lot Type 2 (50' Lot) | 588 | \$39,935.30 | 0.83 | \$33,279.42 per dwelling unit | \$19,568,298 |
| Lot Type 3 (40' Lot) | 404 | \$39,935.30 | 0.67 | \$26,623.53 per dwelling unit | \$10,755,908 |
| Total | 1,057 | | | | \$32,920,000 |

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

Table E-C.2
Projected Leverage – Initial Improvement Area #1 Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit ¹ | Projected Home Value per unit | Assessment Per Unit ² | Leverage (Lot Value) | Leverage (Home Value) |
|-------------|----------------------------|--|-------------------------------------|-------------------------------------|----------------------------|-----------------------------|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$39,935.30 | 2.10 | 11.83 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$33,279.42 | 2.12 | 11.83 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$26,623.53 | 1.69 | 11.83 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

2 – Amounts are rounded to the nearest dollar amount.

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 E-C.3.

Table E-C.3
Projected Tax Rate Equivalent per unit – Initial Improvement Area #1 Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit¹ | 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) |
|--------------------|-------------------------------------|--|--|--|--|---|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$3,000.09 | \$3.57 | \$0.63 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$2,500.08 | \$3.54 | \$0.63 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$2,000.06 | \$4.45 | \$0.63 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

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

Additional Improvement Area #1 Projects

As shown in Appendix H-2 of this Service and Assessment Plan, the Additional Improvement Area #1 Projects Reimbursement Agreement secured by Assessments levied against the Improvement Area #1 Assessed Property, which represents the total Assessment to be allocated on all Parcels within Improvement Area #1 for the Additional Improvement Area #1 Projects, is \$8,977,633. As shown in Table E-B.1, there are a total of 824.33 estimated Equivalent Units in Improvement Area #1, resulting in an Assessment per Equivalent Unit of \$10,890.78 for the Additional Improvement Area #1 Projects.

The Assessment Per Unit in Improvement Area #1 for the Additional Improvement Area #1 Projects is calculated as the product of (i) \$9,395.47 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 \$9,395.47 (i.e. $\$9,395.47 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$7,829.56 (i.e. $\$9,395.47 \times 0.83$). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$6,263.65 (i.e. $\$9,395.47 \times 0.67$). Table E-C.4 sets forth the Assessment Per Unit for each Lot Type in Improvement Area #1 for the Additional Improvement Area #1 Projects.

Table E-C.4
Assessment Per Unit – Additional Improvement Area #1 Projects

| Type | Planned No. of Units | Assessment per Equivalent Unit | Equivalent Unit Factor | Assessment Per Unit | Total Assessments |
|----------------------|----------------------------|---|------------------------------|------------------------------|----------------------|
| Lot Type 1 (60' Lot) | 65 | \$9,395.47 | 1.00 | \$9,395.47 per dwelling unit | \$610,706 |
| Lot Type 2 (50' Lot) | 588 | \$9,395.47 | 0.83 | \$7,829.56 per dwelling unit | \$4,603,781 |
| Lot Type 3 (40' Lot) | 404 | \$9,395.47 | 0.67 | \$6,263.65 per dwelling unit | \$2,530,514 |
| Total | 1,057 | | | | \$7,745,000 |

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-C.5.

Table E-C.5
Projected Leverage – Additional Improvement Area #1 Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit ¹ | Projected Home Value per unit | Assessment Per Unit ² | Leverage (Lot Value) | Leverage (Home Value) |
|-------------|----------------------------|---|--|-------------------------------------|----------------------------|-----------------------------|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$9,395.47 | 8.94 | 50.29 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$7,829.56 | 9.02 | 50.29 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$6,263.65 | 7.17 | 50.29 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

2 – Amounts are rounded to the nearest dollar amount.

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 E-C.6.

Table E-C.6
Projected Tax Rate Equivalent per unit – Additional Improvement Area #1 Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit ¹ | 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) |
|-------------|----------------------------|---|--|---|--|--|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$742.26 | \$0.88 | \$0.16 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$618.55 | \$0.88 | \$0.16 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$494.84 | \$1.10 | \$0.16 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #1 for the Additional Improvement Area #1 Projects is shown on the Improvement Area #1

Assessment Roll – Additional Improvement Area #1 Projects, attached as Appendix H-2, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Improvement Area #1 (Combined Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects)

The combined Assessment Per Unit in Improvement Area #1 is calculated as the sum of the Assessment Per Unit for the Initial Improvement Area #1 Projects and Additional Improvement Area #1 Projects. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$49,330.77 (i.e. \$39,935.30 + \$9,395.47). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$41,108.98 (i.e. \$33,279.42 + \$7,829.56). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$32,887.18 (i.e. \$26,623.53 + \$6,263.65). Table E-C.7 sets forth the combined Assessment Per Unit for each Lot Type in Improvement Area #1.

Table E-C.7
Combined Assessment Per Unit – Improvement Area #1

| Type | Planned No. of Units | Assessment Per Unit (Initial IA #1 Projects) | Assessment Per Unit (Additional IA #1 Improvements) | Combined Assessment Per Unit | Total Assessments |
|----------------------|----------------------------|---|---|------------------------------------|---------------------|
| Lot Type 1 (60' Lot) | 65 | \$39,935.30 | \$9,395.47 | \$49,330.77 | \$3,206,500 |
| Lot Type 2 (50' Lot) | 588 | \$33,279.42 | \$7,829.56 | \$41,108.98 | \$24,172,078 |
| Lot Type 3 (40' Lot) | 404 | \$26,623.53 | \$6,263.65 | \$32,887.18 | \$13,286,421 |
| Total | 1,057 | | | | \$40,665,000 |

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

Table E-C.8
Combined Projected Leverage – Improvement Area #1

| Description | Planned No. of Units | Estimated Finished Lot Value per unit ¹ | Projected Home Value per unit | Combined Assessment Per Unit ² | Leverage (Lot Value) | Leverage (Home Value) |
|-------------|----------------------------|---|--|---|----------------------------|-----------------------------|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$49,330.77 | 1.70 | 9.58 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$41,108.98 | 1.72 | 9.58 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$32,887.18 | 1.37 | 9.58 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

2 – Amounts are rounded to the nearest dollar amount.

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 E-C.9.

Table E-C.9
Combined Projected Tax Rate Equivalent per unit – Improvement Area #1

| Description | Planned No. of Units | Estimated Finished Lot Value per unit¹ | 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) |
|--------------------|-------------------------------------|--|--|--|--|---|
| 60 Ft Lots | 65 | \$84,000 | \$472,500 | \$3,742.36 | \$4.46 | \$0.79 |
| 50 Ft Lots | 588 | \$70,629 | \$393,750 | \$3,118.63 | \$4.42 | \$0.79 |
| 40 Ft Lots | 404 | \$44,901 | \$315,000 | \$2,494.90 | \$5.56 | \$0.79 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

The projected Annual Installments for each Parcel or Lot located within Improvement Area #1 for the Initial Improvement Area #1 Projects and the Additional Improvement Area #1 Projects is shown on the combined Improvement Area #1 projected annual installment schedule, attached as Appendix H-3.

D) Allocation of Major Improvement Area Assessments to Lot Types in the Major Improvement Area

As shown in Appendix G of this Service and Assessment Plan, the share of Series 2021 PID Bonds allocable to the Major Improvement Area Assessed Property, which represents the total Assessment allocated on all Parcels within the Major Improvement Area for the Initial Major Improvements, is \$10,280,000. As shown in Table E-B.3, there are a total of 876.83 estimated Equivalent Units in the Major Improvement Area, resulting in an Assessment per Equivalent Unit of \$11,724.01.

The Assessment Per Unit is calculated as the product of (i) \$11,724.01 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 \$11,724.01 (i.e. \$11,724.01 × 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$9,770.01 (i.e. \$11,724.01 × 0.83). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$7,816.00 (i.e. \$11,724.01 × 0.67). Table E-D.1 sets forth the Assessment Per Unit for each Lot Type in the Major Improvement Area for the Initial Major Improvements.

Table E-D.1
Assessment Per Unit – Initial Major Improvements

| Type | Planned No. of Units | Assessment per Equivalent Unit | Equivalent Unit Factor | Assessment Per Unit | Total Assessments |
|----------------------|-------------------------------------|---|---------------------------------------|-------------------------------|------------------------------|
| Lot Type 1 (60' Lot) | 238 | \$11,724.01 | 1.00 | \$11,724.01 per dwelling unit | \$2,790,314 |
| Lot Type 2 (50' Lot) | 389 | \$11,724.01 | 0.83 | \$9,770.01 per dwelling unit | \$3,800,532 |
| Lot Type 3 (40' Lot) | 472 | \$11,724.01 | 0.67 | \$7,816.00 per dwelling unit | \$3,689,154 |
| Total | 1,099 | | | | \$10,280,000 |

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within the Major Improvement Area for the Initial Major Improvements is shown in Table E-D.2.

Table E-D.2
Projected Leverage – Initial Major Improvements

| Description | Planned No. of Units | Estimated Finished Lot Value per unit¹ | Projected Home Value per unit | Assessment Per Unit² | Leverage (Lot Value) | Leverage (Home Value) |
|--------------------|-------------------------------------|--|--|--|-------------------------------------|--------------------------------------|
| 60 Ft Lots | 238 | \$96,731 | \$472,500 | \$11,724.01 | 8.25 | 40.30 |
| 50 Ft Lots | 389 | \$79,826 | \$393,750 | \$9,770.01 | 8.17 | 40.30 |
| 40 Ft Lots | 472 | \$66,233 | \$315,000 | \$7,816.00 | 8.47 | 40.30 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

2 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within the Major Improvement Area for the Initial Major Improvements is shown in Table E-D.3.

Table E-D.3
Projected Tax Rate Equivalent per unit – Initial Major Improvements

| Description | Planned No. of Units | Estimated Finished Lot Value per unit¹ | 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) |
|--------------------|-------------------------------------|--|--|--|--|---|
| 60 Ft Lots | 238 | \$96,731 | \$472,500 | \$898.92 | \$0.93 | \$0.19 |
| 50 Ft Lots | 389 | \$79,826 | \$393,750 | \$749.10 | \$0.94 | \$0.19 |
| 40 Ft Lots | 472 | \$66,233 | \$315,000 | \$599.28 | \$0.90 | \$0.19 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area for the Initial Major Improvements is shown on the Major Improvement Area Assessment Roll – Initial Major Improvements, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

E) Allocation of Future Improvement Area Assessments to Lot Types in the Future Improvement Area

As shown in Appendix I of this Service and Assessment Plan, the share of Series 2024 PID Bonds allocable to the Future Improvement Area Assessed Property, which represents the total Assessment allocated on all Parcels within the Future Improvement Area for the Future

Improvement Area Projects, is \$7,000,000. As shown in Table E-B.3, there are a total of 876.83 estimated Equivalent Units in the Future Improvement Area, resulting in an Assessment per Equivalent Unit of \$7,983.27.

The Assessment Per Unit is calculated as the product of (i) \$7,983.27 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 \$7,983.27 (i.e. $\$7,983.27 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$6,652.73 (i.e. $\$7,983.27 \times 0.83$). The Assessment for a Lot Type 3 (40 Ft Lot) dwelling unit is \$5,322.18 (i.e. $\$7,983.27 \times 0.67$). Table E-E.1 sets forth the Assessment Per Unit for each Lot Type in the Future Improvement Area for the Future Improvement Area Projects.

Table E-E.1
Assessment Per Unit – Future Improvement Area Projects

| Type | Planned No. of Units | Assessment per Equivalent Unit | Equivalent Unit Factor | Assessment Per Unit | Total Assessments |
|----------------------|----------------------------|--------------------------------------|------------------------------|------------------------------|----------------------|
| Lot Type 1 (60' Lot) | 238 | \$7,983.27 | 1.00 | \$7,983.27 per dwelling unit | \$1,900,019 |
| Lot Type 2 (50' Lot) | 389 | \$7,983.27 | 0.83 | \$6,652.73 per dwelling unit | \$2,587,911 |
| Lot Type 3 (40' Lot) | 472 | \$7,983.27 | 0.67 | \$5,322.18 per dwelling unit | \$2,512,070 |
| Total | 1,099 | | | | \$7,000,000 |

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within the Future Improvement Area for the Future Improvement Area Projects is shown in Table E-E.2.

Table E-E.2
Projected Leverage – Future Improvement Area Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit ¹ | Projected Home Value per unit | Assessment Per Unit ² | Leverage (Lot Value) | Leverage (Home Value) |
|-------------|----------------------------|---|--|-------------------------------------|----------------------------|-----------------------------|
| 60 Ft Lots | 238 | \$96,731 | \$472,500 | \$7,983.27 | 12.12 | 59.19 |
| 50 Ft Lots | 389 | \$79,826 | \$393,750 | \$6,652.73 | 12.00 | 59.19 |
| 40 Ft Lots | 472 | \$66,233 | \$315,000 | \$5,322.18 | 12.44 | 59.19 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

2 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within the Future Improvement Area for the Future Improvement Area Projects is shown in Table E-E.3.

Table E-E.3
Projected Tax Rate Equivalent per unit – Future Improvement Area Projects

| Description | Planned No. of Units | Estimated Finished Lot Value per unit¹ | 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) |
|--------------------|-------------------------------------|--|--|--|--|---|
| 60 Ft Lots | 238 | \$96,731 | \$472,500 | \$756.53 | \$0.78 | \$0.16 |
| 50 Ft Lots | 389 | \$79,826 | \$393,750 | \$630.44 | \$0.79 | \$0.16 |
| 40 Ft Lots | 472 | \$66,233 | \$315,000 | \$504.36 | \$0.76 | \$0.16 |

1 – Based on the weighted average lot prices for each Lot Type as provided by the Developer.

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

APPENDIX F-1
SERIES 2021 PID BONDS ANNUAL INSTALLMENT SCHEDULE

Appendix F-1
Series 2021 PID Bonds Annual Installment Schedule

| Year ¹ | Principal | Interest | Administrative Expenses² | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest/Available Credits | Total Annual Installment³ |
|--------------------------|---------------------|---------------------|--|------------------------------------|----------------------------------|---|---|
| 9/30/21 | \$0 | \$599,850 | \$0 | \$0 | \$0 | (\$599,850) | \$0 |
| 9/30/22 | \$0 | \$2,322,000 | \$85,000 | \$0 | \$0 | (\$2,407,000) | \$0 |
| 9/30/23 | \$650,000 | \$2,322,000 | \$112,200 | \$216,000 | \$0 | (\$1,365,150) | \$1,935,050 |
| 9/30/24 | \$685,000 | \$2,287,063 | \$114,444 | \$212,750 | \$0 | \$0 | \$3,299,257 |
| 9/30/25 | \$725,000 | \$2,250,244 | \$116,733 | \$209,325 | \$0 | \$0 | \$3,301,302 |
| 9/30/26 | \$765,000 | \$2,211,275 | \$119,068 | \$205,700 | \$0 | \$0 | \$3,301,043 |
| 9/30/27 | \$805,000 | \$2,170,156 | \$121,449 | \$201,875 | \$0 | \$0 | \$3,298,480 |
| 9/30/28 | \$845,000 | \$2,126,888 | \$123,878 | \$197,850 | \$0 | \$0 | \$3,293,615 |
| 9/30/29 | \$895,000 | \$2,081,469 | \$126,355 | \$193,625 | \$0 | \$0 | \$3,296,449 |
| 9/30/30 | \$940,000 | \$2,033,363 | \$128,883 | \$189,150 | \$0 | \$0 | \$3,291,395 |
| 9/30/31 | \$990,000 | \$1,982,838 | \$131,460 | \$184,450 | \$0 | \$0 | \$3,288,748 |
| 9/30/32 | \$1,045,000 | \$1,929,625 | \$134,089 | \$179,500 | \$0 | \$0 | \$3,288,214 |
| 9/30/33 | \$1,100,000 | \$1,873,456 | \$136,771 | \$174,275 | \$0 | \$0 | \$3,284,502 |
| 9/30/34 | \$1,160,000 | \$1,814,331 | \$139,507 | \$168,775 | \$0 | \$0 | \$3,282,613 |
| 9/30/35 | \$1,220,000 | \$1,751,981 | \$142,297 | \$162,975 | \$0 | \$0 | \$3,277,253 |
| 9/30/36 | \$1,290,000 | \$1,686,406 | \$145,143 | \$156,875 | \$0 | \$0 | \$3,278,424 |
| 9/30/37 | \$1,355,000 | \$1,617,069 | \$148,046 | \$150,425 | \$0 | \$0 | \$3,270,539 |
| 9/30/38 | \$1,430,000 | \$1,544,238 | \$151,006 | \$143,650 | \$0 | \$0 | \$3,268,894 |
| 9/30/39 | \$1,505,000 | \$1,467,375 | \$154,027 | \$136,500 | \$0 | \$0 | \$3,262,902 |
| 9/30/40 | \$1,585,000 | \$1,386,481 | \$157,107 | \$128,975 | \$0 | \$0 | \$3,257,563 |
| 9/30/41 | \$1,670,000 | \$1,301,288 | \$160,249 | \$121,050 | \$0 | \$0 | \$3,252,587 |
| 9/30/42 | \$1,760,000 | \$1,211,525 | \$163,454 | \$112,700 | \$0 | \$0 | \$3,247,679 |
| 9/30/43 | \$1,855,000 | \$1,116,925 | \$166,723 | \$103,900 | \$0 | \$0 | \$3,242,548 |
| 9/30/44 | \$1,955,000 | \$1,017,219 | \$170,058 | \$94,625 | \$0 | \$0 | \$3,236,902 |
| 9/30/45 | \$2,060,000 | \$912,138 | \$173,459 | \$84,850 | \$0 | \$0 | \$3,230,446 |
| 9/30/46 | \$2,170,000 | \$801,413 | \$176,928 | \$74,550 | \$0 | \$0 | \$3,222,891 |
| 9/30/47 | \$2,290,000 | \$684,775 | \$180,467 | \$63,700 | \$0 | \$0 | \$3,218,942 |
| 9/30/48 | \$2,410,000 | \$561,688 | \$184,076 | \$52,250 | \$0 | \$0 | \$3,208,013 |
| 9/30/49 | \$2,540,000 | \$432,150 | \$187,758 | \$40,200 | \$0 | \$0 | \$3,200,108 |
| 9/30/50 | \$2,680,000 | \$295,625 | \$191,513 | \$27,500 | \$0 | \$0 | \$3,194,638 |
| 9/30/51 | \$2,820,000 | \$151,575 | \$195,343 | \$14,100 | (\$2,976,469) | \$0 | \$204,549 |
| Total | \$43,200,000 | \$45,944,425 | \$4,437,489 | \$4,002,100 | (\$2,976,469) | (\$4,372,000) | \$90,235,545 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

3- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

APPENDIX F-2
SERIES 2024 PID BONDS ANNUAL INSTALLMENT SCHEDULE

Appendix F-2
Series 2024 PID Bonds Annual Installment Schedule

| Year ¹ | Principal | Interest | Administrative Expenses ² | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest/Available Credits | Total Annual Installment ³ |
|-------------------|--------------------|---------------------|--------------------------------------|-----------------------------|---------------------------|--|---------------------------------------|
| 9/30/24 | \$0 | \$245,000 | \$0 | \$0 | \$0 | (\$245,000) | \$0 |
| 9/30/25 | \$0 | \$490,000 | \$0 | \$0 | \$0 | (\$490,000) | \$0 |
| 9/30/26 | \$76,000 | \$490,000 | \$61,200 | \$35,000 | \$0 | \$0 | \$662,200 |
| 9/30/27 | \$82,000 | \$484,680 | \$62,424 | \$34,620 | \$0 | \$0 | \$663,724 |
| 9/30/28 | \$88,000 | \$478,940 | \$63,672 | \$34,210 | \$0 | \$0 | \$664,822 |
| 9/30/29 | \$94,000 | \$472,780 | \$64,946 | \$33,770 | \$0 | \$0 | \$665,496 |
| 9/30/30 | \$101,000 | \$466,200 | \$66,245 | \$33,300 | \$0 | \$0 | \$666,745 |
| 9/30/31 | \$108,000 | \$459,130 | \$67,570 | \$32,795 | \$0 | \$0 | \$667,495 |
| 9/30/32 | \$124,000 | \$451,570 | \$55,000 | \$32,255 | \$0 | \$0 | \$662,825 |
| 9/30/33 | \$133,000 | \$442,890 | \$55,028 | \$31,635 | \$0 | \$0 | \$662,553 |
| 9/30/34 | \$143,000 | \$433,580 | \$55,055 | \$30,970 | \$0 | \$0 | \$662,605 |
| 9/30/35 | \$154,000 | \$423,570 | \$55,083 | \$30,255 | \$0 | \$0 | \$662,908 |
| 9/30/36 | \$165,000 | \$412,790 | \$55,110 | \$29,485 | \$0 | \$0 | \$662,385 |
| 9/30/37 | \$178,000 | \$401,240 | \$55,138 | \$28,660 | \$0 | \$0 | \$663,038 |
| 9/30/38 | \$191,000 | \$388,780 | \$55,165 | \$27,770 | \$0 | \$0 | \$662,715 |
| 9/30/39 | \$205,000 | \$375,410 | \$55,193 | \$26,815 | \$0 | \$0 | \$662,418 |
| 9/30/40 | \$221,000 | \$361,060 | \$55,220 | \$25,790 | \$0 | \$0 | \$663,070 |
| 9/30/41 | \$237,000 | \$345,590 | \$55,248 | \$24,685 | \$0 | \$0 | \$662,523 |
| 9/30/42 | \$255,000 | \$329,000 | \$55,276 | \$23,500 | \$0 | \$0 | \$662,776 |
| 9/30/43 | \$274,000 | \$311,150 | \$55,303 | \$22,225 | \$0 | \$0 | \$662,678 |
| 9/30/44 | \$295,000 | \$291,970 | \$55,331 | \$20,855 | \$0 | \$0 | \$663,156 |
| 9/30/45 | \$317,000 | \$271,320 | \$55,359 | \$19,380 | \$0 | \$0 | \$663,059 |
| 9/30/46 | \$341,000 | \$249,130 | \$55,386 | \$17,795 | \$0 | \$0 | \$663,311 |
| 9/30/47 | \$366,000 | \$225,260 | \$55,414 | \$16,090 | \$0 | \$0 | \$662,764 |
| 9/30/48 | \$394,000 | \$199,640 | \$55,442 | \$14,260 | \$0 | \$0 | \$663,342 |
| 9/30/49 | \$423,000 | \$172,060 | \$55,469 | \$12,290 | \$0 | \$0 | \$662,819 |
| 9/30/50 | \$455,000 | \$142,450 | \$55,497 | \$10,175 | \$0 | \$0 | \$663,122 |
| 9/30/51 | \$489,000 | \$110,600 | \$55,525 | \$7,900 | \$0 | \$0 | \$663,025 |
| 9/30/52 | \$526,000 | \$76,370 | \$55,553 | \$5,455 | \$0 | \$0 | \$663,378 |
| 9/30/53 | \$565,000 | \$39,550 | \$55,580 | \$2,825 | (\$604,550) | \$0 | \$58,405 |
| Total | \$7,000,000 | \$10,041,710 | \$1,602,431 | \$664,765 | (\$604,550) | (\$735,000) | \$17,969,356 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

3- Annual Installments are calculated using an interest rate of 7.00% on the Series 2024 PID Bonds plus the Additional Interest and Administrative Expenses.

APPENDIX G
**MAJOR IMPROVEMENT AREA ASSESSMENT ROLL - INITIAL MAJOR
IMPROVEMENTS**

Appendix G
Major Improvement Area Assessment Roll – Initial Major Improvements

**Parcel
Equivalent Units
Assessment**

**All Parcels
876.83**

\$10,280,000

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|--|--|---------------------------------|---|
| 9/30/21 | \$0 | \$142,742 | \$0 | \$0 | \$0 | (\$142,742) | \$0 |
| 9/30/22 | \$0 | \$552,550 | \$35,000 | \$0 | \$0 | (\$587,550) | \$0 |
| 9/30/23 | \$155,000 | \$552,550 | \$35,700 | \$51,400 | \$0 | (\$333,016) | \$461,634 |
| 9/30/24 | \$165,000 | \$544,219 | \$36,414 | \$50,625 | \$0 | \$0 | \$796,258 |
| 9/30/25 | \$175,000 | \$535,350 | \$37,142 | \$49,800 | \$0 | \$0 | \$797,292 |
| 9/30/26 | \$180,000 | \$525,944 | \$37,885 | \$48,925 | \$0 | \$0 | \$792,754 |
| 9/30/27 | \$190,000 | \$516,269 | \$38,643 | \$48,025 | \$0 | \$0 | \$792,937 |
| 9/30/28 | \$200,000 | \$506,056 | \$39,416 | \$47,075 | \$0 | \$0 | \$792,547 |
| 9/30/29 | \$215,000 | \$495,306 | \$40,204 | \$46,075 | \$0 | \$0 | \$796,585 |
| 9/30/30 | \$225,000 | \$483,750 | \$41,008 | \$45,000 | \$0 | \$0 | \$794,758 |
| 9/30/31 | \$235,000 | \$471,656 | \$41,828 | \$43,875 | \$0 | \$0 | \$792,359 |
| 9/30/32 | \$250,000 | \$459,025 | \$42,665 | \$42,700 | \$0 | \$0 | \$794,390 |
| 9/30/33 | \$260,000 | \$445,588 | \$43,518 | \$41,450 | \$0 | \$0 | \$790,556 |
| 9/30/34 | \$275,000 | \$431,613 | \$44,388 | \$40,150 | \$0 | \$0 | \$791,151 |
| 9/30/35 | \$290,000 | \$416,831 | \$45,276 | \$38,775 | \$0 | \$0 | \$790,882 |
| 9/30/36 | \$305,000 | \$401,244 | \$46,182 | \$37,325 | \$0 | \$0 | \$789,751 |
| 9/30/37 | \$320,000 | \$384,850 | \$47,105 | \$35,800 | \$0 | \$0 | \$787,755 |
| 9/30/38 | \$340,000 | \$367,650 | \$48,047 | \$34,200 | \$0 | \$0 | \$789,897 |
| 9/30/39 | \$360,000 | \$349,375 | \$49,008 | \$32,500 | \$0 | \$0 | \$790,883 |
| 9/30/40 | \$375,000 | \$330,025 | \$49,989 | \$30,700 | \$0 | \$0 | \$785,714 |
| 9/30/41 | \$395,000 | \$309,869 | \$50,988 | \$28,825 | \$0 | \$0 | \$784,682 |
| 9/30/42 | \$420,000 | \$288,638 | \$52,008 | \$26,850 | \$0 | \$0 | \$787,496 |
| 9/30/43 | \$440,000 | \$266,063 | \$53,048 | \$24,750 | \$0 | \$0 | \$783,861 |
| 9/30/44 | \$465,000 | \$242,413 | \$54,109 | \$22,550 | \$0 | \$0 | \$784,072 |
| 9/30/45 | \$490,000 | \$217,419 | \$55,191 | \$20,225 | \$0 | \$0 | \$782,835 |
| 9/30/46 | \$515,000 | \$191,081 | \$56,295 | \$17,775 | \$0 | \$0 | \$780,152 |
| 9/30/47 | \$545,000 | \$163,400 | \$57,421 | \$15,200 | \$0 | \$0 | \$781,021 |
| 9/30/48 | \$575,000 | \$134,106 | \$58,570 | \$12,475 | \$0 | \$0 | \$780,151 |
| 9/30/49 | \$605,000 | \$103,200 | \$59,741 | \$9,600 | \$0 | \$0 | \$777,541 |
| 9/30/50 | \$640,000 | \$70,681 | \$60,936 | \$6,575 | \$0 | \$0 | \$778,192 |
| 9/30/51 | \$675,000 | \$36,281 | \$62,155 | \$3,375 | (\$708,289) | \$0 | \$68,521 |
| Total | \$10,280,000 | \$10,935,742 | \$1,419,883 | \$952,600 | (\$708,289) | (\$1,063,308) | \$21,816,627 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix G
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 1 (60 Ft)
\$11,724
1.00

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/21 | \$0 | \$163 | \$0 | \$0 | \$0 | (\$163) | \$0 |
| 9/30/22 | \$0 | \$630 | \$40 | \$0 | \$0 | (\$670) | \$0 |
| 9/30/23 | \$177 | \$630 | \$41 | \$59 | \$0 | (\$380) | \$526 |
| 9/30/24 | \$188 | \$621 | \$42 | \$58 | \$0 | \$0 | \$908 |
| 9/30/25 | \$200 | \$611 | \$42 | \$57 | \$0 | \$0 | \$909 |
| 9/30/26 | \$205 | \$600 | \$43 | \$56 | \$0 | \$0 | \$904 |
| 9/30/27 | \$217 | \$589 | \$44 | \$55 | \$0 | \$0 | \$904 |
| 9/30/28 | \$228 | \$577 | \$45 | \$54 | \$0 | \$0 | \$904 |
| 9/30/29 | \$245 | \$565 | \$46 | \$53 | \$0 | \$0 | \$908 |
| 9/30/30 | \$257 | \$552 | \$47 | \$51 | \$0 | \$0 | \$906 |
| 9/30/31 | \$268 | \$538 | \$48 | \$50 | \$0 | \$0 | \$904 |
| 9/30/32 | \$285 | \$524 | \$49 | \$49 | \$0 | \$0 | \$906 |
| 9/30/33 | \$297 | \$508 | \$50 | \$47 | \$0 | \$0 | \$902 |
| 9/30/34 | \$314 | \$492 | \$51 | \$46 | \$0 | \$0 | \$902 |
| 9/30/35 | \$331 | \$475 | \$52 | \$44 | \$0 | \$0 | \$902 |
| 9/30/36 | \$348 | \$458 | \$53 | \$43 | \$0 | \$0 | \$901 |
| 9/30/37 | \$365 | \$439 | \$54 | \$41 | \$0 | \$0 | \$898 |
| 9/30/38 | \$388 | \$419 | \$55 | \$39 | \$0 | \$0 | \$901 |
| 9/30/39 | \$411 | \$398 | \$56 | \$37 | \$0 | \$0 | \$902 |
| 9/30/40 | \$428 | \$376 | \$57 | \$35 | \$0 | \$0 | \$896 |
| 9/30/41 | \$450 | \$353 | \$58 | \$33 | \$0 | \$0 | \$895 |
| 9/30/42 | \$479 | \$329 | \$59 | \$31 | \$0 | \$0 | \$898 |
| 9/30/43 | \$502 | \$303 | \$60 | \$28 | \$0 | \$0 | \$894 |
| 9/30/44 | \$530 | \$276 | \$62 | \$26 | \$0 | \$0 | \$894 |
| 9/30/45 | \$559 | \$248 | \$63 | \$23 | \$0 | \$0 | \$893 |
| 9/30/46 | \$587 | \$218 | \$64 | \$20 | \$0 | \$0 | \$890 |
| 9/30/47 | \$622 | \$186 | \$65 | \$17 | \$0 | \$0 | \$891 |
| 9/30/48 | \$656 | \$153 | \$67 | \$14 | \$0 | \$0 | \$890 |
| 9/30/49 | \$690 | \$118 | \$68 | \$11 | \$0 | \$0 | \$887 |
| 9/30/50 | \$730 | \$81 | \$69 | \$7 | \$0 | \$0 | \$888 |
| 9/30/51 | \$770 | \$41 | \$71 | \$4 | (\$808) | \$0 | \$78 |
| Total | \$11,724 | \$12,472 | \$1,619 | \$1,086 | (\$808) | (\$1,213) | \$24,881 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix G
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 2 (50 Ft)
\$9,770
0.83

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/21 | \$0 | \$136 | \$0 | \$0 | \$0 | (\$136) | \$0 |
| 9/30/22 | \$0 | \$525 | \$33 | \$0 | \$0 | (\$558) | \$0 |
| 9/30/23 | \$147 | \$525 | \$34 | \$49 | \$0 | (\$316) | \$439 |
| 9/30/24 | \$157 | \$517 | \$35 | \$48 | \$0 | \$0 | \$757 |
| 9/30/25 | \$166 | \$509 | \$35 | \$47 | \$0 | \$0 | \$758 |
| 9/30/26 | \$171 | \$500 | \$36 | \$46 | \$0 | \$0 | \$753 |
| 9/30/27 | \$181 | \$491 | \$37 | \$46 | \$0 | \$0 | \$754 |
| 9/30/28 | \$190 | \$481 | \$37 | \$45 | \$0 | \$0 | \$753 |
| 9/30/29 | \$204 | \$471 | \$38 | \$44 | \$0 | \$0 | \$757 |
| 9/30/30 | \$214 | \$460 | \$39 | \$43 | \$0 | \$0 | \$755 |
| 9/30/31 | \$223 | \$448 | \$40 | \$42 | \$0 | \$0 | \$753 |
| 9/30/32 | \$238 | \$436 | \$41 | \$41 | \$0 | \$0 | \$755 |
| 9/30/33 | \$247 | \$423 | \$41 | \$39 | \$0 | \$0 | \$751 |
| 9/30/34 | \$261 | \$410 | \$42 | \$38 | \$0 | \$0 | \$752 |
| 9/30/35 | \$276 | \$396 | \$43 | \$37 | \$0 | \$0 | \$752 |
| 9/30/36 | \$290 | \$381 | \$44 | \$35 | \$0 | \$0 | \$751 |
| 9/30/37 | \$304 | \$366 | \$45 | \$34 | \$0 | \$0 | \$749 |
| 9/30/38 | \$323 | \$349 | \$46 | \$33 | \$0 | \$0 | \$751 |
| 9/30/39 | \$342 | \$332 | \$47 | \$31 | \$0 | \$0 | \$752 |
| 9/30/40 | \$356 | \$314 | \$48 | \$29 | \$0 | \$0 | \$747 |
| 9/30/41 | \$375 | \$294 | \$48 | \$27 | \$0 | \$0 | \$746 |
| 9/30/42 | \$399 | \$274 | \$49 | \$26 | \$0 | \$0 | \$748 |
| 9/30/43 | \$418 | \$253 | \$50 | \$24 | \$0 | \$0 | \$745 |
| 9/30/44 | \$442 | \$230 | \$51 | \$21 | \$0 | \$0 | \$745 |
| 9/30/45 | \$466 | \$207 | \$52 | \$19 | \$0 | \$0 | \$744 |
| 9/30/46 | \$489 | \$182 | \$54 | \$17 | \$0 | \$0 | \$741 |
| 9/30/47 | \$518 | \$155 | \$55 | \$14 | \$0 | \$0 | \$742 |
| 9/30/48 | \$546 | \$127 | \$56 | \$12 | \$0 | \$0 | \$741 |
| 9/30/49 | \$575 | \$98 | \$57 | \$9 | \$0 | \$0 | \$739 |
| 9/30/50 | \$608 | \$67 | \$58 | \$6 | \$0 | \$0 | \$740 |
| 9/30/51 | \$642 | \$34 | \$59 | \$3 | (\$673) | \$0 | \$65 |
| Total | \$9,770 | \$10,393 | \$1,349 | \$905 | (\$673) | (\$1,011) | \$20,734 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix G
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 3 (40 Ft)
\$7,816
0.67

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/21 | \$0 | \$109 | \$0 | \$0 | \$0 | (\$109) | \$0 |
| 9/30/22 | \$0 | \$420 | \$27 | \$0 | \$0 | (\$447) | \$0 |
| 9/30/23 | \$118 | \$420 | \$27 | \$39 | \$0 | (\$253) | \$351 |
| 9/30/24 | \$125 | \$414 | \$28 | \$38 | \$0 | \$0 | \$605 |
| 9/30/25 | \$133 | \$407 | \$28 | \$38 | \$0 | \$0 | \$606 |
| 9/30/26 | \$137 | \$400 | \$29 | \$37 | \$0 | \$0 | \$603 |
| 9/30/27 | \$144 | \$393 | \$29 | \$37 | \$0 | \$0 | \$603 |
| 9/30/28 | \$152 | \$385 | \$30 | \$36 | \$0 | \$0 | \$603 |
| 9/30/29 | \$163 | \$377 | \$31 | \$35 | \$0 | \$0 | \$606 |
| 9/30/30 | \$171 | \$368 | \$31 | \$34 | \$0 | \$0 | \$604 |
| 9/30/31 | \$179 | \$359 | \$32 | \$33 | \$0 | \$0 | \$602 |
| 9/30/32 | \$190 | \$349 | \$32 | \$32 | \$0 | \$0 | \$604 |
| 9/30/33 | \$198 | \$339 | \$33 | \$32 | \$0 | \$0 | \$601 |
| 9/30/34 | \$209 | \$328 | \$34 | \$31 | \$0 | \$0 | \$602 |
| 9/30/35 | \$220 | \$317 | \$34 | \$29 | \$0 | \$0 | \$601 |
| 9/30/36 | \$232 | \$305 | \$35 | \$28 | \$0 | \$0 | \$600 |
| 9/30/37 | \$243 | \$293 | \$36 | \$27 | \$0 | \$0 | \$599 |
| 9/30/38 | \$259 | \$280 | \$37 | \$26 | \$0 | \$0 | \$601 |
| 9/30/39 | \$274 | \$266 | \$37 | \$25 | \$0 | \$0 | \$601 |
| 9/30/40 | \$285 | \$251 | \$38 | \$23 | \$0 | \$0 | \$597 |
| 9/30/41 | \$300 | \$236 | \$39 | \$22 | \$0 | \$0 | \$597 |
| 9/30/42 | \$319 | \$219 | \$40 | \$20 | \$0 | \$0 | \$599 |
| 9/30/43 | \$335 | \$202 | \$40 | \$19 | \$0 | \$0 | \$596 |
| 9/30/44 | \$354 | \$184 | \$41 | \$17 | \$0 | \$0 | \$596 |
| 9/30/45 | \$373 | \$165 | \$42 | \$15 | \$0 | \$0 | \$595 |
| 9/30/46 | \$392 | \$145 | \$43 | \$14 | \$0 | \$0 | \$593 |
| 9/30/47 | \$414 | \$124 | \$44 | \$12 | \$0 | \$0 | \$594 |
| 9/30/48 | \$437 | \$102 | \$45 | \$9 | \$0 | \$0 | \$593 |
| 9/30/49 | \$460 | \$78 | \$45 | \$7 | \$0 | \$0 | \$591 |
| 9/30/50 | \$487 | \$54 | \$46 | \$5 | \$0 | \$0 | \$592 |
| 9/30/51 | \$513 | \$28 | \$47 | \$3 | (\$539) | \$0 | \$52 |
| Total | \$7,816 | \$8,315 | \$1,080 | \$724 | (\$539) | (\$808) | \$16,587 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

APPENDIX H-1
IMPROVEMENT AREA #1 ASSESSMENT ROLL – INITIAL IMPROVEMENT AREA
#1 PROJECTS

Appendix H-1
Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects

**Parcel
Equivalent Units
Assessment**

**All Parcels
824.33
\$32,920,000**

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|--|--|---------------------------------|---|
| 9/30/21 | \$0 | \$457,108 | \$0 | \$0 | \$0 | (\$457,108) | \$0 |
| 9/30/22 | \$0 | \$1,769,450 | \$50,000 | \$0 | \$0 | (\$1,819,450) | \$0 |
| 9/30/23 | \$495,000 | \$1,769,450 | \$76,500 | \$164,600 | \$0 | (\$1,032,134) | \$1,473,416 |
| 9/30/24 | \$520,000 | \$1,742,844 | \$78,030 | \$162,125 | \$0 | \$0 | \$2,502,999 |
| 9/30/25 | \$550,000 | \$1,714,894 | \$79,591 | \$159,525 | \$0 | \$0 | \$2,504,009 |
| 9/30/26 | \$585,000 | \$1,685,331 | \$81,182 | \$156,775 | \$0 | \$0 | \$2,508,289 |
| 9/30/27 | \$615,000 | \$1,653,888 | \$82,806 | \$153,850 | \$0 | \$0 | \$2,505,544 |
| 9/30/28 | \$645,000 | \$1,620,831 | \$84,462 | \$150,775 | \$0 | \$0 | \$2,501,068 |
| 9/30/29 | \$680,000 | \$1,586,163 | \$86,151 | \$147,550 | \$0 | \$0 | \$2,499,864 |
| 9/30/30 | \$715,000 | \$1,549,613 | \$87,874 | \$144,150 | \$0 | \$0 | \$2,496,637 |
| 9/30/31 | \$755,000 | \$1,511,181 | \$89,632 | \$140,575 | \$0 | \$0 | \$2,496,388 |
| 9/30/32 | \$795,000 | \$1,470,600 | \$91,425 | \$136,800 | \$0 | \$0 | \$2,493,825 |
| 9/30/33 | \$840,000 | \$1,427,869 | \$93,253 | \$132,825 | \$0 | \$0 | \$2,493,947 |
| 9/30/34 | \$885,000 | \$1,382,719 | \$95,118 | \$128,625 | \$0 | \$0 | \$2,491,462 |
| 9/30/35 | \$930,000 | \$1,335,150 | \$97,020 | \$124,200 | \$0 | \$0 | \$2,486,370 |
| 9/30/36 | \$985,000 | \$1,285,163 | \$98,961 | \$119,550 | \$0 | \$0 | \$2,488,673 |
| 9/30/37 | \$1,035,000 | \$1,232,219 | \$100,940 | \$114,625 | \$0 | \$0 | \$2,482,784 |
| 9/30/38 | \$1,090,000 | \$1,176,588 | \$102,959 | \$109,450 | \$0 | \$0 | \$2,478,996 |
| 9/30/39 | \$1,145,000 | \$1,118,000 | \$105,018 | \$104,000 | \$0 | \$0 | \$2,472,018 |
| 9/30/40 | \$1,210,000 | \$1,056,456 | \$107,118 | \$98,275 | \$0 | \$0 | \$2,471,850 |
| 9/30/41 | \$1,275,000 | \$991,419 | \$109,261 | \$92,225 | \$0 | \$0 | \$2,467,905 |
| 9/30/42 | \$1,340,000 | \$922,888 | \$111,446 | \$85,850 | \$0 | \$0 | \$2,460,184 |
| 9/30/43 | \$1,415,000 | \$850,863 | \$113,675 | \$79,150 | \$0 | \$0 | \$2,458,687 |
| 9/30/44 | \$1,490,000 | \$774,806 | \$115,948 | \$72,075 | \$0 | \$0 | \$2,452,830 |
| 9/30/45 | \$1,570,000 | \$694,719 | \$118,267 | \$64,625 | \$0 | \$0 | \$2,447,611 |
| 9/30/46 | \$1,655,000 | \$610,331 | \$120,633 | \$56,775 | \$0 | \$0 | \$2,442,739 |
| 9/30/47 | \$1,745,000 | \$521,375 | \$123,045 | \$48,500 | \$0 | \$0 | \$2,437,920 |
| 9/30/48 | \$1,835,000 | \$427,581 | \$125,506 | \$39,775 | \$0 | \$0 | \$2,427,863 |
| 9/30/49 | \$1,935,000 | \$328,950 | \$128,016 | \$30,600 | \$0 | \$0 | \$2,422,566 |
| 9/30/50 | \$2,040,000 | \$224,944 | \$130,577 | \$20,925 | \$0 | \$0 | \$2,416,446 |
| 9/30/51 | \$2,145,000 | \$115,294 | \$133,188 | \$10,725 | (\$2,268,179) | \$0 | \$136,028 |
| Total | \$32,920,000 | \$35,008,683 | \$3,017,606 | \$3,049,500 | (\$2,268,179) | (\$3,308,692) | \$68,418,918 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix H-1

Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects Assessment Roll by Lot Type

**Lot Type
Assessment
Equivalent Unit**

**Lot Type 1 (60 Ft)
\$39,935
1.00**

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|--|--|---------------------------------|---|
| 9/30/21 | \$0 | \$555 | \$0 | \$0 | \$0 | (\$555) | \$0 |
| 9/30/22 | \$0 | \$2,147 | \$61 | \$0 | \$0 | (\$2,207) | \$0 |
| 9/30/23 | \$600 | \$2,147 | \$93 | \$200 | \$0 | (\$1,252) | \$1,787 |
| 9/30/24 | \$631 | \$2,114 | \$95 | \$197 | \$0 | \$0 | \$3,036 |
| 9/30/25 | \$667 | \$2,080 | \$97 | \$194 | \$0 | \$0 | \$3,038 |
| 9/30/26 | \$710 | \$2,044 | \$98 | \$190 | \$0 | \$0 | \$3,043 |
| 9/30/27 | \$746 | \$2,006 | \$100 | \$187 | \$0 | \$0 | \$3,039 |
| 9/30/28 | \$782 | \$1,966 | \$102 | \$183 | \$0 | \$0 | \$3,034 |
| 9/30/29 | \$825 | \$1,924 | \$105 | \$179 | \$0 | \$0 | \$3,033 |
| 9/30/30 | \$867 | \$1,880 | \$107 | \$175 | \$0 | \$0 | \$3,029 |
| 9/30/31 | \$916 | \$1,833 | \$109 | \$171 | \$0 | \$0 | \$3,028 |
| 9/30/32 | \$964 | \$1,784 | \$111 | \$166 | \$0 | \$0 | \$3,025 |
| 9/30/33 | \$1,019 | \$1,732 | \$113 | \$161 | \$0 | \$0 | \$3,025 |
| 9/30/34 | \$1,074 | \$1,677 | \$115 | \$156 | \$0 | \$0 | \$3,022 |
| 9/30/35 | \$1,128 | \$1,620 | \$118 | \$151 | \$0 | \$0 | \$3,016 |
| 9/30/36 | \$1,195 | \$1,559 | \$120 | \$145 | \$0 | \$0 | \$3,019 |
| 9/30/37 | \$1,256 | \$1,495 | \$122 | \$139 | \$0 | \$0 | \$3,012 |
| 9/30/38 | \$1,322 | \$1,427 | \$125 | \$133 | \$0 | \$0 | \$3,007 |
| 9/30/39 | \$1,389 | \$1,356 | \$127 | \$126 | \$0 | \$0 | \$2,999 |
| 9/30/40 | \$1,468 | \$1,282 | \$130 | \$119 | \$0 | \$0 | \$2,999 |
| 9/30/41 | \$1,547 | \$1,203 | \$133 | \$112 | \$0 | \$0 | \$2,994 |
| 9/30/42 | \$1,626 | \$1,120 | \$135 | \$104 | \$0 | \$0 | \$2,984 |
| 9/30/43 | \$1,717 | \$1,032 | \$138 | \$96 | \$0 | \$0 | \$2,983 |
| 9/30/44 | \$1,808 | \$940 | \$141 | \$87 | \$0 | \$0 | \$2,976 |
| 9/30/45 | \$1,905 | \$843 | \$143 | \$78 | \$0 | \$0 | \$2,969 |
| 9/30/46 | \$2,008 | \$740 | \$146 | \$69 | \$0 | \$0 | \$2,963 |
| 9/30/47 | \$2,117 | \$632 | \$149 | \$59 | \$0 | \$0 | \$2,957 |
| 9/30/48 | \$2,226 | \$519 | \$152 | \$48 | \$0 | \$0 | \$2,945 |
| 9/30/49 | \$2,347 | \$399 | \$155 | \$37 | \$0 | \$0 | \$2,939 |
| 9/30/50 | \$2,475 | \$273 | \$158 | \$25 | \$0 | \$0 | \$2,931 |
| 9/30/51 | \$2,602 | \$140 | \$162 | \$13 | (\$2,752) | \$0 | \$165 |
| Total | \$39,935 | \$42,469 | \$3,661 | \$3,699 | (\$2,752) | (\$4,014) | \$82,999 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix H-1

Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects Assessment Roll by Lot Type

**Lot Type
Assessment
Equivalent Unit**

**Lot Type 2 (50 Ft)
\$33,279
0.83**

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|--|--|---------------------------------|---|
| 9/30/21 | \$0 | \$462 | \$0 | \$0 | \$0 | (\$462) | \$0 |
| 9/30/22 | \$0 | \$1,789 | \$51 | \$0 | \$0 | (\$1,839) | \$0 |
| 9/30/23 | \$500 | \$1,789 | \$77 | \$166 | \$0 | (\$1,043) | \$1,490 |
| 9/30/24 | \$526 | \$1,762 | \$79 | \$164 | \$0 | \$0 | \$2,530 |
| 9/30/25 | \$556 | \$1,734 | \$80 | \$161 | \$0 | \$0 | \$2,531 |
| 9/30/26 | \$591 | \$1,704 | \$82 | \$158 | \$0 | \$0 | \$2,536 |
| 9/30/27 | \$622 | \$1,672 | \$84 | \$156 | \$0 | \$0 | \$2,533 |
| 9/30/28 | \$652 | \$1,639 | \$85 | \$152 | \$0 | \$0 | \$2,528 |
| 9/30/29 | \$687 | \$1,603 | \$87 | \$149 | \$0 | \$0 | \$2,527 |
| 9/30/30 | \$723 | \$1,567 | \$89 | \$146 | \$0 | \$0 | \$2,524 |
| 9/30/31 | \$763 | \$1,528 | \$91 | \$142 | \$0 | \$0 | \$2,524 |
| 9/30/32 | \$804 | \$1,487 | \$92 | \$138 | \$0 | \$0 | \$2,521 |
| 9/30/33 | \$849 | \$1,443 | \$94 | \$134 | \$0 | \$0 | \$2,521 |
| 9/30/34 | \$895 | \$1,398 | \$96 | \$130 | \$0 | \$0 | \$2,519 |
| 9/30/35 | \$940 | \$1,350 | \$98 | \$126 | \$0 | \$0 | \$2,514 |
| 9/30/36 | \$996 | \$1,299 | \$100 | \$121 | \$0 | \$0 | \$2,516 |
| 9/30/37 | \$1,046 | \$1,246 | \$102 | \$116 | \$0 | \$0 | \$2,510 |
| 9/30/38 | \$1,102 | \$1,189 | \$104 | \$111 | \$0 | \$0 | \$2,506 |
| 9/30/39 | \$1,158 | \$1,130 | \$106 | \$105 | \$0 | \$0 | \$2,499 |
| 9/30/40 | \$1,223 | \$1,068 | \$108 | \$99 | \$0 | \$0 | \$2,499 |
| 9/30/41 | \$1,289 | \$1,002 | \$110 | \$93 | \$0 | \$0 | \$2,495 |
| 9/30/42 | \$1,355 | \$933 | \$113 | \$87 | \$0 | \$0 | \$2,487 |
| 9/30/43 | \$1,430 | \$860 | \$115 | \$80 | \$0 | \$0 | \$2,486 |
| 9/30/44 | \$1,506 | \$783 | \$117 | \$73 | \$0 | \$0 | \$2,480 |
| 9/30/45 | \$1,587 | \$702 | \$120 | \$65 | \$0 | \$0 | \$2,474 |
| 9/30/46 | \$1,673 | \$617 | \$122 | \$57 | \$0 | \$0 | \$2,469 |
| 9/30/47 | \$1,764 | \$527 | \$124 | \$49 | \$0 | \$0 | \$2,465 |
| 9/30/48 | \$1,855 | \$432 | \$127 | \$40 | \$0 | \$0 | \$2,454 |
| 9/30/49 | \$1,956 | \$333 | \$129 | \$31 | \$0 | \$0 | \$2,449 |
| 9/30/50 | \$2,062 | \$227 | \$132 | \$21 | \$0 | \$0 | \$2,443 |
| 9/30/51 | \$2,168 | \$117 | \$135 | \$11 | (\$2,293) | \$0 | \$138 |
| Total | \$33,279 | \$35,391 | \$3,051 | \$3,083 | (\$2,293) | (\$3,345) | \$69,166 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix H-1

Improvement Area #1 Assessment Roll – Initial Improvement Area #1 Projects Assessment Roll by Lot Type

**Lot Type
Assessment
Equivalent Unit**

**Lot Type 3 (40 Ft)
\$26,624
0.67**

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|--|--|---------------------------------|---|
| 9/30/21 | \$0 | \$370 | \$0 | \$0 | \$0 | (\$370) | \$0 |
| 9/30/22 | \$0 | \$1,431 | \$40 | \$0 | \$0 | (\$1,471) | \$0 |
| 9/30/23 | \$400 | \$1,431 | \$62 | \$133 | \$0 | (\$835) | \$1,192 |
| 9/30/24 | \$421 | \$1,409 | \$63 | \$131 | \$0 | \$0 | \$2,024 |
| 9/30/25 | \$445 | \$1,387 | \$64 | \$129 | \$0 | \$0 | \$2,025 |
| 9/30/26 | \$473 | \$1,363 | \$66 | \$127 | \$0 | \$0 | \$2,029 |
| 9/30/27 | \$497 | \$1,338 | \$67 | \$124 | \$0 | \$0 | \$2,026 |
| 9/30/28 | \$522 | \$1,311 | \$68 | \$122 | \$0 | \$0 | \$2,023 |
| 9/30/29 | \$550 | \$1,283 | \$70 | \$119 | \$0 | \$0 | \$2,022 |
| 9/30/30 | \$578 | \$1,253 | \$71 | \$117 | \$0 | \$0 | \$2,019 |
| 9/30/31 | \$611 | \$1,222 | \$72 | \$114 | \$0 | \$0 | \$2,019 |
| 9/30/32 | \$643 | \$1,189 | \$74 | \$111 | \$0 | \$0 | \$2,017 |
| 9/30/33 | \$679 | \$1,155 | \$75 | \$107 | \$0 | \$0 | \$2,017 |
| 9/30/34 | \$716 | \$1,118 | \$77 | \$104 | \$0 | \$0 | \$2,015 |
| 9/30/35 | \$752 | \$1,080 | \$78 | \$100 | \$0 | \$0 | \$2,011 |
| 9/30/36 | \$797 | \$1,039 | \$80 | \$97 | \$0 | \$0 | \$2,013 |
| 9/30/37 | \$837 | \$997 | \$82 | \$93 | \$0 | \$0 | \$2,008 |
| 9/30/38 | \$882 | \$952 | \$83 | \$89 | \$0 | \$0 | \$2,005 |
| 9/30/39 | \$926 | \$904 | \$85 | \$84 | \$0 | \$0 | \$1,999 |
| 9/30/40 | \$979 | \$854 | \$87 | \$79 | \$0 | \$0 | \$1,999 |
| 9/30/41 | \$1,031 | \$802 | \$88 | \$75 | \$0 | \$0 | \$1,996 |
| 9/30/42 | \$1,084 | \$746 | \$90 | \$69 | \$0 | \$0 | \$1,990 |
| 9/30/43 | \$1,144 | \$688 | \$92 | \$64 | \$0 | \$0 | \$1,988 |
| 9/30/44 | \$1,205 | \$627 | \$94 | \$58 | \$0 | \$0 | \$1,984 |
| 9/30/45 | \$1,270 | \$562 | \$96 | \$52 | \$0 | \$0 | \$1,979 |
| 9/30/46 | \$1,338 | \$494 | \$98 | \$46 | \$0 | \$0 | \$1,976 |
| 9/30/47 | \$1,411 | \$422 | \$100 | \$39 | \$0 | \$0 | \$1,972 |
| 9/30/48 | \$1,484 | \$346 | \$102 | \$32 | \$0 | \$0 | \$1,963 |
| 9/30/49 | \$1,565 | \$266 | \$104 | \$25 | \$0 | \$0 | \$1,959 |
| 9/30/50 | \$1,650 | \$182 | \$106 | \$17 | \$0 | \$0 | \$1,954 |
| 9/30/51 | \$1,735 | \$93 | \$108 | \$9 | (\$1,834) | \$0 | \$110 |
| Total | \$26,624 | \$28,313 | \$2,440 | \$2,466 | (\$1,834) | (\$2,676) | \$55,333 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Principal and interest amounts shown are pro rata estimates based the estimated bond debt service schedule shown in Appendix F-1 for the Series 2021 PID Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year

4- Annual Installments are calculated using a 5.375% interest rate on the Series 2021 PID Bonds plus the Additional Interest and Administrative Expenses.

APPENDIX H-2
**IMPROVEMENT AREA #1 ASSESSMENT ROLL – ADDITIONAL IMPROVEMENT
AREA #1 PROJECTS**

Appendix H-2
Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects

**Parcel
Equivalent Units
Assessment**

**All Parcels
824.33
\$7,745,000**

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|---|
| 9/30/24 | \$61,000 | \$455,019 | \$60,000 | \$576,019 |
| 9/30/25 | \$64,000 | \$451,435 | \$61,200 | \$576,635 |
| 9/30/26 | \$67,000 | \$447,675 | \$62,424 | \$577,099 |
| 9/30/27 | \$71,000 | \$443,739 | \$63,672 | \$578,411 |
| 9/30/28 | \$75,000 | \$439,568 | \$64,946 | \$579,513 |
| 9/30/29 | \$78,000 | \$435,161 | \$66,245 | \$579,406 |
| 9/30/30 | \$83,000 | \$430,579 | \$67,570 | \$581,148 |
| 9/30/31 | \$87,000 | \$425,703 | \$68,921 | \$581,624 |
| 9/30/32 | \$129,000 | \$420,591 | \$25,000 | \$574,591 |
| 9/30/33 | \$141,000 | \$413,013 | \$25,013 | \$579,025 |
| 9/30/34 | \$154,000 | \$404,729 | \$25,025 | \$583,754 |
| 9/30/35 | \$168,000 | \$395,681 | \$25,038 | \$588,719 |
| 9/30/36 | \$182,000 | \$385,811 | \$25,050 | \$592,861 |
| 9/30/37 | \$197,000 | \$375,119 | \$25,063 | \$597,181 |
| 9/30/38 | \$213,000 | \$363,545 | \$25,075 | \$601,620 |
| 9/30/39 | \$230,000 | \$351,031 | \$25,088 | \$606,119 |
| 9/30/40 | \$249,000 | \$337,519 | \$25,100 | \$611,619 |
| 9/30/41 | \$268,000 | \$322,890 | \$25,113 | \$616,003 |
| 9/30/42 | \$288,000 | \$307,145 | \$25,125 | \$620,270 |
| 9/30/43 | \$310,000 | \$290,225 | \$25,138 | \$625,363 |
| 9/30/44 | \$333,000 | \$272,013 | \$25,150 | \$630,163 |
| 9/30/45 | \$358,000 | \$252,449 | \$25,163 | \$635,612 |
| 9/30/46 | \$384,000 | \$231,416 | \$25,176 | \$640,592 |
| 9/30/47 | \$411,000 | \$208,856 | \$25,188 | \$645,044 |
| 9/30/48 | \$440,000 | \$184,710 | \$25,201 | \$649,911 |
| 9/30/49 | \$471,000 | \$158,860 | \$25,213 | \$655,073 |
| 9/30/50 | \$504,000 | \$131,189 | \$25,226 | \$660,415 |
| 9/30/51 | \$539,000 | \$101,579 | \$25,239 | \$665,817 |
| 9/30/52 | \$575,000 | \$69,913 | \$25,251 | \$670,164 |
| 9/30/53 | \$615,000 | \$36,131 | \$25,264 | \$676,395 |
| Total | \$7,745,000 | \$9,543,291 | \$1,067,875 | \$18,356,167 |

1 – The 9/30/XX dates represent the assessment year end for the Additional Improvement Area #1 Projects Reimbursement Agreement.

2- Represents the principal and interest due under the Additional Improvement Area #1 Projects Reimbursement Agreement. Interest is calculated using an interest rate of 5.875% per annum for years 1 to 5 and 5.875% per annum thereafter.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

Appendix H-2
Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects Assessment
Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 1 (60 Ft)
\$9,395
1.00

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|---|
| 9/30/24 | \$74 | \$552 | \$73 | \$699 |
| 9/30/25 | \$78 | \$548 | \$74 | \$700 |
| 9/30/26 | \$81 | \$543 | \$76 | \$700 |
| 9/30/27 | \$86 | \$538 | \$77 | \$702 |
| 9/30/28 | \$91 | \$533 | \$79 | \$703 |
| 9/30/29 | \$95 | \$528 | \$80 | \$703 |
| 9/30/30 | \$101 | \$522 | \$82 | \$705 |
| 9/30/31 | \$106 | \$516 | \$84 | \$706 |
| 9/30/32 | \$156 | \$510 | \$30 | \$697 |
| 9/30/33 | \$171 | \$501 | \$30 | \$702 |
| 9/30/34 | \$187 | \$491 | \$30 | \$708 |
| 9/30/35 | \$204 | \$480 | \$30 | \$714 |
| 9/30/36 | \$221 | \$468 | \$30 | \$719 |
| 9/30/37 | \$239 | \$455 | \$30 | \$724 |
| 9/30/38 | \$258 | \$441 | \$30 | \$730 |
| 9/30/39 | \$279 | \$426 | \$30 | \$735 |
| 9/30/40 | \$302 | \$409 | \$30 | \$742 |
| 9/30/41 | \$325 | \$392 | \$30 | \$747 |
| 9/30/42 | \$349 | \$373 | \$30 | \$752 |
| 9/30/43 | \$376 | \$352 | \$30 | \$759 |
| 9/30/44 | \$404 | \$330 | \$31 | \$764 |
| 9/30/45 | \$434 | \$306 | \$31 | \$771 |
| 9/30/46 | \$466 | \$281 | \$31 | \$777 |
| 9/30/47 | \$499 | \$253 | \$31 | \$783 |
| 9/30/48 | \$534 | \$224 | \$31 | \$788 |
| 9/30/49 | \$571 | \$193 | \$31 | \$795 |
| 9/30/50 | \$611 | \$159 | \$31 | \$801 |
| 9/30/51 | \$654 | \$123 | \$31 | \$808 |
| 9/30/52 | \$698 | \$85 | \$31 | \$813 |
| 9/30/53 | \$746 | \$44 | \$31 | \$821 |
| Total | \$9,395 | \$11,577 | \$1,295 | \$22,268 |

1 – The 9/30/XX dates represent the assessment year end for the Additional Improvement Area #1 Projects Reimbursement Agreement.

2- Represents the principal and interest due under the Additional Improvement Area #1 Projects Reimbursement Agreement. Interest is calculated using an interest rate of 5.875% per annum for years 1 to 5 and 5.875% per annum thereafter.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

Appendix H-2
Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects Assessment
Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 2 (50 Ft)
\$7,830
0.83

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|---|
| 9/30/24 | \$62 | \$460 | \$61 | \$582 |
| 9/30/25 | \$65 | \$456 | \$62 | \$583 |
| 9/30/26 | \$68 | \$453 | \$63 | \$583 |
| 9/30/27 | \$72 | \$449 | \$64 | \$585 |
| 9/30/28 | \$76 | \$444 | \$66 | \$586 |
| 9/30/29 | \$79 | \$440 | \$67 | \$586 |
| 9/30/30 | \$84 | \$435 | \$68 | \$587 |
| 9/30/31 | \$88 | \$430 | \$70 | \$588 |
| 9/30/32 | \$130 | \$425 | \$25 | \$581 |
| 9/30/33 | \$143 | \$418 | \$25 | \$585 |
| 9/30/34 | \$156 | \$409 | \$25 | \$590 |
| 9/30/35 | \$170 | \$400 | \$25 | \$595 |
| 9/30/36 | \$184 | \$390 | \$25 | \$599 |
| 9/30/37 | \$199 | \$379 | \$25 | \$604 |
| 9/30/38 | \$215 | \$368 | \$25 | \$608 |
| 9/30/39 | \$233 | \$355 | \$25 | \$613 |
| 9/30/40 | \$252 | \$341 | \$25 | \$618 |
| 9/30/41 | \$271 | \$326 | \$25 | \$623 |
| 9/30/42 | \$291 | \$310 | \$25 | \$627 |
| 9/30/43 | \$313 | \$293 | \$25 | \$632 |
| 9/30/44 | \$337 | \$275 | \$25 | \$637 |
| 9/30/45 | \$362 | \$255 | \$25 | \$643 |
| 9/30/46 | \$388 | \$234 | \$25 | \$648 |
| 9/30/47 | \$415 | \$211 | \$25 | \$652 |
| 9/30/48 | \$445 | \$187 | \$25 | \$657 |
| 9/30/49 | \$476 | \$161 | \$25 | \$662 |
| 9/30/50 | \$510 | \$133 | \$26 | \$668 |
| 9/30/51 | \$545 | \$103 | \$26 | \$673 |
| 9/30/52 | \$581 | \$71 | \$26 | \$677 |
| 9/30/53 | \$622 | \$37 | \$26 | \$684 |
| Total | \$7,830 | \$9,647 | \$1,080 | \$18,557 |

1 – The 9/30/XX dates represent the assessment year end for the Additional Improvement Area #1 Projects Reimbursement Agreement.

2- Represents the principal and interest due under the Additional Improvement Area #1 Projects Reimbursement Agreement. Interest is calculated using an interest rate of 5.875% per annum for years 1 to 5 and 5.875% per annum thereafter.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

Appendix H-2
Improvement Area #1 Assessment Roll – Additional Improvement Area #1 Projects Assessment
Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 3 (40 Ft)
\$6,264
0.67

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|---|
| 9/30/24 | \$49 | \$368 | \$49 | \$466 |
| 9/30/25 | \$52 | \$365 | \$49 | \$466 |
| 9/30/26 | \$54 | \$362 | \$50 | \$467 |
| 9/30/27 | \$57 | \$359 | \$51 | \$468 |
| 9/30/28 | \$61 | \$355 | \$53 | \$469 |
| 9/30/29 | \$63 | \$352 | \$54 | \$469 |
| 9/30/30 | \$67 | \$348 | \$55 | \$470 |
| 9/30/31 | \$70 | \$344 | \$56 | \$470 |
| 9/30/32 | \$104 | \$340 | \$20 | \$465 |
| 9/30/33 | \$114 | \$334 | \$20 | \$468 |
| 9/30/34 | \$125 | \$327 | \$20 | \$472 |
| 9/30/35 | \$136 | \$320 | \$20 | \$476 |
| 9/30/36 | \$147 | \$312 | \$20 | \$479 |
| 9/30/37 | \$159 | \$303 | \$20 | \$483 |
| 9/30/38 | \$172 | \$294 | \$20 | \$487 |
| 9/30/39 | \$186 | \$284 | \$20 | \$490 |
| 9/30/40 | \$201 | \$273 | \$20 | \$495 |
| 9/30/41 | \$217 | \$261 | \$20 | \$498 |
| 9/30/42 | \$233 | \$248 | \$20 | \$502 |
| 9/30/43 | \$251 | \$235 | \$20 | \$506 |
| 9/30/44 | \$269 | \$220 | \$20 | \$510 |
| 9/30/45 | \$290 | \$204 | \$20 | \$514 |
| 9/30/46 | \$311 | \$187 | \$20 | \$518 |
| 9/30/47 | \$332 | \$169 | \$20 | \$522 |
| 9/30/48 | \$356 | \$149 | \$20 | \$526 |
| 9/30/49 | \$381 | \$128 | \$20 | \$530 |
| 9/30/50 | \$408 | \$106 | \$20 | \$534 |
| 9/30/51 | \$436 | \$82 | \$20 | \$538 |
| 9/30/52 | \$465 | \$57 | \$20 | \$542 |
| 9/30/53 | \$497 | \$29 | \$20 | \$547 |
| Total | \$6,264 | \$7,718 | \$864 | \$14,845 |

1 – The 9/30/XX dates represent the assessment year end for the Additional Improvement Area #1 Projects Reimbursement Agreement.

2- Represents the principal and interest due under the Additional Improvement Area #1 Projects Reimbursement Agreement. Interest is calculated using an interest rate of 5.875% per annum for years 1 to 5 and 5.875% per annum thereafter.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

APPENDIX H-3
COMBINED IMPROVEMENT AREA #1 ANNUAL INSTALLMENT SCHEDULE

Appendix H-3
Combined Improvement Area #1 Annual Installment Schedule

| Year ¹ | Principal² | Interest² | Principal³ | Interest³ | Administrative Expenses^{2,3} | Additional Interest Reserve³ | Debt Service Reserve Fund³ | Capitalized Interest/ Available Credits³ | Total Annual Installment |
|--------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|--|--|--|--|---------------------------------|
| 9/30/21 | \$0 | \$457,108 | \$0 | \$0 | \$0 | \$0 | \$0 | (\$457,108) | \$0 |
| 9/30/22 | \$0 | \$1,769,450 | \$0 | \$0 | \$50,000 | \$0 | \$0 | (\$1,819,450) | \$0 |
| 9/30/23 | \$495,000 | \$1,769,450 | \$0 | \$0 | \$76,500 | \$164,600 | \$0 | (\$1,032,134) | \$1,473,416 |
| 9/30/24 | \$520,000 | \$1,742,844 | \$61,000 | \$455,019 | \$138,030 | \$162,125 | \$0 | \$0 | \$3,079,018 |
| 9/30/25 | \$550,000 | \$1,714,894 | \$64,000 | \$451,435 | \$140,791 | \$159,525 | \$0 | \$0 | \$3,080,644 |
| 9/30/26 | \$585,000 | \$1,685,331 | \$67,000 | \$447,675 | \$143,606 | \$156,775 | \$0 | \$0 | \$3,085,388 |
| 9/30/27 | \$615,000 | \$1,653,888 | \$71,000 | \$443,739 | \$146,479 | \$153,850 | \$0 | \$0 | \$3,083,955 |
| 9/30/28 | \$645,000 | \$1,620,831 | \$75,000 | \$439,568 | \$149,408 | \$150,775 | \$0 | \$0 | \$3,080,582 |
| 9/30/29 | \$680,000 | \$1,586,163 | \$78,000 | \$435,161 | \$152,396 | \$147,550 | \$0 | \$0 | \$3,079,270 |
| 9/30/30 | \$715,000 | \$1,549,613 | \$83,000 | \$430,579 | \$155,444 | \$144,150 | \$0 | \$0 | \$3,077,785 |
| 9/30/31 | \$755,000 | \$1,511,181 | \$87,000 | \$425,703 | \$158,553 | \$140,575 | \$0 | \$0 | \$3,078,012 |
| 9/30/32 | \$795,000 | \$1,470,600 | \$129,000 | \$420,591 | \$116,425 | \$136,800 | \$0 | \$0 | \$3,068,416 |
| 9/30/33 | \$840,000 | \$1,427,869 | \$141,000 | \$413,013 | \$118,266 | \$132,825 | \$0 | \$0 | \$3,072,972 |
| 9/30/34 | \$885,000 | \$1,382,719 | \$154,000 | \$404,729 | \$120,143 | \$128,625 | \$0 | \$0 | \$3,075,216 |
| 9/30/35 | \$930,000 | \$1,335,150 | \$168,000 | \$395,681 | \$122,058 | \$124,200 | \$0 | \$0 | \$3,075,089 |
| 9/30/36 | \$985,000 | \$1,285,163 | \$182,000 | \$385,811 | \$124,011 | \$119,550 | \$0 | \$0 | \$3,081,535 |
| 9/30/37 | \$1,035,000 | \$1,232,219 | \$197,000 | \$375,119 | \$126,003 | \$114,625 | \$0 | \$0 | \$3,079,965 |
| 9/30/38 | \$1,090,000 | \$1,176,588 | \$213,000 | \$363,545 | \$128,034 | \$109,450 | \$0 | \$0 | \$3,080,617 |
| 9/30/39 | \$1,145,000 | \$1,118,000 | \$230,000 | \$351,031 | \$130,106 | \$104,000 | \$0 | \$0 | \$3,078,137 |
| 9/30/40 | \$1,210,000 | \$1,056,456 | \$249,000 | \$337,519 | \$132,219 | \$98,275 | \$0 | \$0 | \$3,083,469 |
| 9/30/41 | \$1,275,000 | \$991,419 | \$268,000 | \$322,890 | \$134,374 | \$92,225 | \$0 | \$0 | \$3,083,907 |
| 9/30/42 | \$1,340,000 | \$922,888 | \$288,000 | \$307,145 | \$136,571 | \$85,850 | \$0 | \$0 | \$3,080,454 |
| 9/30/43 | \$1,415,000 | \$850,863 | \$310,000 | \$290,225 | \$138,813 | \$79,150 | \$0 | \$0 | \$3,084,050 |
| 9/30/44 | \$1,490,000 | \$774,806 | \$333,000 | \$272,013 | \$141,099 | \$72,075 | \$0 | \$0 | \$3,082,993 |
| 9/30/45 | \$1,570,000 | \$694,719 | \$358,000 | \$252,449 | \$143,430 | \$64,625 | \$0 | \$0 | \$3,083,223 |
| 9/30/46 | \$1,655,000 | \$610,331 | \$384,000 | \$231,416 | \$145,808 | \$56,775 | \$0 | \$0 | \$3,083,331 |
| 9/30/47 | \$1,745,000 | \$521,375 | \$411,000 | \$208,856 | \$148,234 | \$48,500 | \$0 | \$0 | \$3,082,965 |
| 9/30/48 | \$1,835,000 | \$427,581 | \$440,000 | \$184,710 | \$150,707 | \$39,775 | \$0 | \$0 | \$3,077,773 |
| 9/30/49 | \$1,935,000 | \$328,950 | \$471,000 | \$158,860 | \$153,230 | \$30,600 | \$0 | \$0 | \$3,077,640 |
| 9/30/50 | \$2,040,000 | \$224,944 | \$504,000 | \$131,189 | \$155,803 | \$20,925 | \$0 | \$0 | \$3,076,860 |
| 9/30/51 | \$2,145,000 | \$115,294 | \$539,000 | \$101,579 | \$158,427 | \$10,725 | (\$2,268,179) | \$0 | \$801,845 |
| 9/30/52 | \$0 | \$0 | \$575,000 | \$69,913 | \$25,251 | \$0 | \$0 | \$0 | \$670,164 |
| 9/30/53 | \$0 | \$0 | \$615,000 | \$36,131 | \$25,264 | \$0 | \$0 | \$0 | \$676,395 |
| Total | \$32,920,000 | \$35,008,683 | \$7,745,000 | \$9,543,291 | \$4,085,481 | \$3,049,500 | (\$2,268,179) | (\$3,308,692) | \$86,775,084 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds and/or reimbursement agreement.

2 – See Appendix H-1.

3 – See Appendix H-2.

APPENDIX I
**FUTURE IMPROVEMENT AREA ASSESSMENT ROLL – FUTURE IMPROVEMENT
AREA PROJECTS**

Appendix I

Future Improvement Area Assessment Roll – Future Improvement Area Projects

Parcel
Equivalent Units
Assessment

All Parcels
876.83
\$7,000,000

| Year ¹ | Principal | Interest | Administrative Expenses ² | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment ³ |
|-------------------|--------------------|---------------------|--------------------------------------|-----------------------------|---------------------------|----------------------|---------------------------------------|
| 9/30/24 | \$0 | \$245,000 | \$0 | \$0 | \$0 | (\$245,000) | \$0 |
| 9/30/25 | \$0 | \$490,000 | \$0 | \$0 | \$0 | (\$490,000) | \$0 |
| 9/30/26 | \$76,000 | \$490,000 | \$61,200 | \$35,000 | \$0 | \$0 | \$662,200 |
| 9/30/27 | \$82,000 | \$484,680 | \$62,424 | \$34,620 | \$0 | \$0 | \$663,724 |
| 9/30/28 | \$88,000 | \$478,940 | \$63,672 | \$34,210 | \$0 | \$0 | \$664,822 |
| 9/30/29 | \$94,000 | \$472,780 | \$64,946 | \$33,770 | \$0 | \$0 | \$665,496 |
| 9/30/30 | \$101,000 | \$466,200 | \$66,245 | \$33,300 | \$0 | \$0 | \$666,745 |
| 9/30/31 | \$108,000 | \$459,130 | \$67,570 | \$32,795 | \$0 | \$0 | \$667,495 |
| 9/30/32 | \$124,000 | \$451,570 | \$55,000 | \$32,255 | \$0 | \$0 | \$662,825 |
| 9/30/33 | \$133,000 | \$442,890 | \$55,028 | \$31,635 | \$0 | \$0 | \$662,553 |
| 9/30/34 | \$143,000 | \$433,580 | \$55,055 | \$30,970 | \$0 | \$0 | \$662,605 |
| 9/30/35 | \$154,000 | \$423,570 | \$55,083 | \$30,255 | \$0 | \$0 | \$662,908 |
| 9/30/36 | \$165,000 | \$412,790 | \$55,110 | \$29,485 | \$0 | \$0 | \$662,385 |
| 9/30/37 | \$178,000 | \$401,240 | \$55,138 | \$28,660 | \$0 | \$0 | \$663,038 |
| 9/30/38 | \$191,000 | \$388,780 | \$55,165 | \$27,770 | \$0 | \$0 | \$662,715 |
| 9/30/39 | \$205,000 | \$375,410 | \$55,193 | \$26,815 | \$0 | \$0 | \$662,418 |
| 9/30/40 | \$221,000 | \$361,060 | \$55,220 | \$25,790 | \$0 | \$0 | \$663,070 |
| 9/30/41 | \$237,000 | \$345,590 | \$55,248 | \$24,685 | \$0 | \$0 | \$662,523 |
| 9/30/42 | \$255,000 | \$329,000 | \$55,276 | \$23,500 | \$0 | \$0 | \$662,776 |
| 9/30/43 | \$274,000 | \$311,150 | \$55,303 | \$22,225 | \$0 | \$0 | \$662,678 |
| 9/30/44 | \$295,000 | \$291,970 | \$55,331 | \$20,855 | \$0 | \$0 | \$663,156 |
| 9/30/45 | \$317,000 | \$271,320 | \$55,359 | \$19,380 | \$0 | \$0 | \$663,059 |
| 9/30/46 | \$341,000 | \$249,130 | \$55,386 | \$17,795 | \$0 | \$0 | \$663,311 |
| 9/30/47 | \$366,000 | \$225,260 | \$55,414 | \$16,090 | \$0 | \$0 | \$662,764 |
| 9/30/48 | \$394,000 | \$199,640 | \$55,442 | \$14,260 | \$0 | \$0 | \$663,342 |
| 9/30/49 | \$423,000 | \$172,060 | \$55,469 | \$12,290 | \$0 | \$0 | \$662,819 |
| 9/30/50 | \$455,000 | \$142,450 | \$55,497 | \$10,175 | \$0 | \$0 | \$663,122 |
| 9/30/51 | \$489,000 | \$110,600 | \$55,525 | \$7,900 | \$0 | \$0 | \$663,025 |
| 9/30/52 | \$526,000 | \$76,370 | \$55,553 | \$5,455 | \$0 | \$0 | \$663,378 |
| 9/30/53 | \$565,000 | \$39,550 | \$55,580 | \$2,825 | (\$604,550) | \$0 | \$58,405 |
| Total | \$7,000,000 | \$10,041,710 | \$1,602,431 | \$664,765 | (\$604,550) | (\$735,000) | \$17,969,356 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

3- Annual Installments are calculated using an interest rate of 7.00% on the Series 2024 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix I
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 1 (60 Ft)
\$7,983
1.00

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/24 | \$0 | \$279 | \$0 | \$0 | \$0 | (\$279) | \$0 |
| 9/30/25 | \$0 | \$559 | \$0 | \$0 | \$0 | (\$559) | \$0 |
| 9/30/26 | \$87 | \$559 | \$70 | \$40 | \$0 | \$0 | \$755 |
| 9/30/27 | \$94 | \$553 | \$71 | \$39 | \$0 | \$0 | \$757 |
| 9/30/28 | \$100 | \$546 | \$73 | \$39 | \$0 | \$0 | \$758 |
| 9/30/29 | \$107 | \$539 | \$74 | \$39 | \$0 | \$0 | \$759 |
| 9/30/30 | \$115 | \$532 | \$76 | \$38 | \$0 | \$0 | \$760 |
| 9/30/31 | \$123 | \$524 | \$77 | \$37 | \$0 | \$0 | \$761 |
| 9/30/32 | \$141 | \$515 | \$63 | \$37 | \$0 | \$0 | \$756 |
| 9/30/33 | \$152 | \$505 | \$63 | \$36 | \$0 | \$0 | \$756 |
| 9/30/34 | \$163 | \$494 | \$63 | \$35 | \$0 | \$0 | \$756 |
| 9/30/35 | \$176 | \$483 | \$63 | \$35 | \$0 | \$0 | \$756 |
| 9/30/36 | \$188 | \$471 | \$63 | \$34 | \$0 | \$0 | \$755 |
| 9/30/37 | \$203 | \$458 | \$63 | \$33 | \$0 | \$0 | \$756 |
| 9/30/38 | \$218 | \$443 | \$63 | \$32 | \$0 | \$0 | \$756 |
| 9/30/39 | \$234 | \$428 | \$63 | \$31 | \$0 | \$0 | \$755 |
| 9/30/40 | \$252 | \$412 | \$63 | \$29 | \$0 | \$0 | \$756 |
| 9/30/41 | \$270 | \$394 | \$63 | \$28 | \$0 | \$0 | \$756 |
| 9/30/42 | \$291 | \$375 | \$63 | \$27 | \$0 | \$0 | \$756 |
| 9/30/43 | \$312 | \$355 | \$63 | \$25 | \$0 | \$0 | \$756 |
| 9/30/44 | \$336 | \$333 | \$63 | \$24 | \$0 | \$0 | \$756 |
| 9/30/45 | \$362 | \$309 | \$63 | \$22 | \$0 | \$0 | \$756 |
| 9/30/46 | \$389 | \$284 | \$63 | \$20 | \$0 | \$0 | \$756 |
| 9/30/47 | \$417 | \$257 | \$63 | \$18 | \$0 | \$0 | \$756 |
| 9/30/48 | \$449 | \$228 | \$63 | \$16 | \$0 | \$0 | \$757 |
| 9/30/49 | \$482 | \$196 | \$63 | \$14 | \$0 | \$0 | \$756 |
| 9/30/50 | \$519 | \$162 | \$63 | \$12 | \$0 | \$0 | \$756 |
| 9/30/51 | \$558 | \$126 | \$63 | \$9 | \$0 | \$0 | \$756 |
| 9/30/52 | \$600 | \$87 | \$63 | \$6 | \$0 | \$0 | \$757 |
| 9/30/53 | \$644 | \$45 | \$63 | \$3 | (\$689) | \$0 | \$67 |
| Total | \$7,983 | \$11,452 | \$1,828 | \$758 | (\$689) | (\$838) | \$20,493 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

3- Annual Installments are calculated using an interest rate of 7.00% on the Series 2024 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix I
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 2 (50 Ft)
\$6,653
0.83

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/24 | \$0 | \$233 | \$0 | \$0 | \$0 | (\$233) | \$0 |
| 9/30/25 | \$0 | \$466 | \$0 | \$0 | \$0 | (\$466) | \$0 |
| 9/30/26 | \$72 | \$466 | \$58 | \$33 | \$0 | \$0 | \$629 |
| 9/30/27 | \$78 | \$461 | \$59 | \$33 | \$0 | \$0 | \$631 |
| 9/30/28 | \$84 | \$455 | \$61 | \$33 | \$0 | \$0 | \$632 |
| 9/30/29 | \$89 | \$449 | \$62 | \$32 | \$0 | \$0 | \$632 |
| 9/30/30 | \$96 | \$443 | \$63 | \$32 | \$0 | \$0 | \$634 |
| 9/30/31 | \$103 | \$436 | \$64 | \$31 | \$0 | \$0 | \$634 |
| 9/30/32 | \$118 | \$429 | \$52 | \$31 | \$0 | \$0 | \$630 |
| 9/30/33 | \$126 | \$421 | \$52 | \$30 | \$0 | \$0 | \$630 |
| 9/30/34 | \$136 | \$412 | \$52 | \$29 | \$0 | \$0 | \$630 |
| 9/30/35 | \$146 | \$403 | \$52 | \$29 | \$0 | \$0 | \$630 |
| 9/30/36 | \$157 | \$392 | \$52 | \$28 | \$0 | \$0 | \$630 |
| 9/30/37 | \$169 | \$381 | \$52 | \$27 | \$0 | \$0 | \$630 |
| 9/30/38 | \$182 | \$369 | \$52 | \$26 | \$0 | \$0 | \$630 |
| 9/30/39 | \$195 | \$357 | \$52 | \$25 | \$0 | \$0 | \$630 |
| 9/30/40 | \$210 | \$343 | \$52 | \$25 | \$0 | \$0 | \$630 |
| 9/30/41 | \$225 | \$328 | \$53 | \$23 | \$0 | \$0 | \$630 |
| 9/30/42 | \$242 | \$313 | \$53 | \$22 | \$0 | \$0 | \$630 |
| 9/30/43 | \$260 | \$296 | \$53 | \$21 | \$0 | \$0 | \$630 |
| 9/30/44 | \$280 | \$277 | \$53 | \$20 | \$0 | \$0 | \$630 |
| 9/30/45 | \$301 | \$258 | \$53 | \$18 | \$0 | \$0 | \$630 |
| 9/30/46 | \$324 | \$237 | \$53 | \$17 | \$0 | \$0 | \$630 |
| 9/30/47 | \$348 | \$214 | \$53 | \$15 | \$0 | \$0 | \$630 |
| 9/30/48 | \$374 | \$190 | \$53 | \$14 | \$0 | \$0 | \$630 |
| 9/30/49 | \$402 | \$164 | \$53 | \$12 | \$0 | \$0 | \$630 |
| 9/30/50 | \$432 | \$135 | \$53 | \$10 | \$0 | \$0 | \$630 |
| 9/30/51 | \$465 | \$105 | \$53 | \$8 | \$0 | \$0 | \$630 |
| 9/30/52 | \$500 | \$73 | \$53 | \$5 | \$0 | \$0 | \$630 |
| 9/30/53 | \$537 | \$38 | \$53 | \$3 | (\$575) | \$0 | \$56 |
| Total | \$6,653 | \$9,544 | \$1,523 | \$632 | (\$575) | (\$699) | \$17,078 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

3- Annual Installments are calculated using an interest rate of 7.00% on the Series 2024 PID Bonds plus the Additional Interest and Administrative Expenses.

Appendix I
Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 3 (40 Ft)
\$5,322
0.67

| Year¹ | Principal² | Interest² | Administrative Expenses³ | Additional Interest Reserve | Debt Service Reserve Fund | Capitalized Interest | Total Annual Installment⁴ |
|-------------------------|------------------------------|-----------------------------|--|------------------------------------|----------------------------------|-----------------------------|---|
| 9/30/24 | \$0 | \$186 | \$0 | \$0 | \$0 | (\$186) | \$0 |
| 9/30/25 | \$0 | \$373 | \$0 | \$0 | \$0 | (\$373) | \$0 |
| 9/30/26 | \$58 | \$373 | \$47 | \$27 | \$0 | \$0 | \$503 |
| 9/30/27 | \$62 | \$369 | \$47 | \$26 | \$0 | \$0 | \$505 |
| 9/30/28 | \$67 | \$364 | \$48 | \$26 | \$0 | \$0 | \$505 |
| 9/30/29 | \$71 | \$359 | \$49 | \$26 | \$0 | \$0 | \$506 |
| 9/30/30 | \$77 | \$354 | \$50 | \$25 | \$0 | \$0 | \$507 |
| 9/30/31 | \$82 | \$349 | \$51 | \$25 | \$0 | \$0 | \$508 |
| 9/30/32 | \$94 | \$343 | \$42 | \$25 | \$0 | \$0 | \$504 |
| 9/30/33 | \$101 | \$337 | \$42 | \$24 | \$0 | \$0 | \$504 |
| 9/30/34 | \$109 | \$330 | \$42 | \$24 | \$0 | \$0 | \$504 |
| 9/30/35 | \$117 | \$322 | \$42 | \$23 | \$0 | \$0 | \$504 |
| 9/30/36 | \$125 | \$314 | \$42 | \$22 | \$0 | \$0 | \$504 |
| 9/30/37 | \$135 | \$305 | \$42 | \$22 | \$0 | \$0 | \$504 |
| 9/30/38 | \$145 | \$296 | \$42 | \$21 | \$0 | \$0 | \$504 |
| 9/30/39 | \$156 | \$285 | \$42 | \$20 | \$0 | \$0 | \$504 |
| 9/30/40 | \$168 | \$275 | \$42 | \$20 | \$0 | \$0 | \$504 |
| 9/30/41 | \$180 | \$263 | \$42 | \$19 | \$0 | \$0 | \$504 |
| 9/30/42 | \$194 | \$250 | \$42 | \$18 | \$0 | \$0 | \$504 |
| 9/30/43 | \$208 | \$237 | \$42 | \$17 | \$0 | \$0 | \$504 |
| 9/30/44 | \$224 | \$222 | \$42 | \$16 | \$0 | \$0 | \$504 |
| 9/30/45 | \$241 | \$206 | \$42 | \$15 | \$0 | \$0 | \$504 |
| 9/30/46 | \$259 | \$189 | \$42 | \$14 | \$0 | \$0 | \$504 |
| 9/30/47 | \$278 | \$171 | \$42 | \$12 | \$0 | \$0 | \$504 |
| 9/30/48 | \$300 | \$152 | \$42 | \$11 | \$0 | \$0 | \$504 |
| 9/30/49 | \$322 | \$131 | \$42 | \$9 | \$0 | \$0 | \$504 |
| 9/30/50 | \$346 | \$108 | \$42 | \$8 | \$0 | \$0 | \$504 |
| 9/30/51 | \$372 | \$84 | \$42 | \$6 | \$0 | \$0 | \$504 |
| 9/30/52 | \$400 | \$58 | \$42 | \$4 | \$0 | \$0 | \$504 |
| 9/30/53 | \$430 | \$30 | \$42 | \$2 | (\$460) | \$0 | \$44 |
| Total | \$5,322 | \$7,635 | \$1,218 | \$505 | (\$460) | (\$559) | \$13,662 |

1 – The 9/30/XX dates represent the assessment year (bond year) end for the applicable Bonds.

2- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year for years 2024 through 2031 and a 0.05% increase per year thereafter.

3- Annual Installments are calculated using an interest rate of 7.00% on the Series 2024 PID Bonds plus the Additional Interest and Administrative Expenses.