

**Northwoods Avery Ranch, LLC
7811 Ranch Road 2338
Georgetown, TX 78633**

March 14, 2018

Northwoods Road Improvement District No. 1
c/o Sheets and Crossfield, P.C.
309 East Main Street
Round Rock, TX 78644

RE: \$9,500,000 Northwoods Road District No. 1 Unlimited Tax Road Bonds Series 2017 (the "Bonds")

Ladies and Gentlemen:

The undersigned, Northwoods Avery Ranch, LLC ("Developer"), hereby requests and instructs Northwoods Road District No.1 to disburse and distribute a portion of the funds payable to the Developer from the above-referenced bond issuance by wire transfer to the following account:

Send wire to:

IBC Bank, Laredo, TX
Routing Number [REDACTED]

Credit to:

Northwoods Avery Ranch LLC
500 West 5th Street, Suite 1210
Austin, TX 78701

Account# [REDACTED]

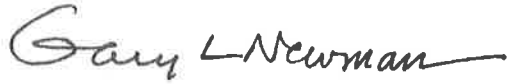
Under this request, the Developer seeks partial distribution of net proceeds of the Bonds in the amount of \$3,799,120.05 for the eligible costs relating to road improvements, as substantiated by the Williamson County Auditor's office.

Pursuant to our discussions with the Williamson County Auditor's Office, the Developer is in the process of preparing additional documentation to substantiate the eligibility of additional costs and expenses to be reimbursed with the proceeds of the Bonds. Based on prior discussions with the Auditor Office, we anticipate further discussions on the expenditures. An additional reimbursement will occur upon completion of the Lakeline Boulevard road improvements.

By making this request for partial distribution of bond proceeds, the Developer does not waive, and reserves for all purposes, its rights to additional reimbursement from the proceeds of the Bonds and future bonds issued by the District in accordance with the terms of the Development Agreement dated March 22, 2011.

If you have any questions about this matter, please contact Mr. Gary Newman at 512-751-3337.

Sincerely,

A handwritten signature in black ink that reads "Gary L. Newman". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Gary L. Newman, Manager
Northwoods Avery Ranch, LLC

Julie Kiley

From: Julie Kiley
Sent: Tuesday, March 13, 2018 8:48 AM
To: 'gnewman@trio-dev.com'
Subject: Update on Northwoods

Importance: High

Mr. Newman:

Below is an updated accounting for Staked Plains. We have adjusted the Land costs to include everything you included in your costs except for the 1.5 acres in the southern channel. This channel is an easement and not fee title. We spoke with staff at Charlie's office to verify how these are handled in our road program. We only pay 90% of the fee title cost for easements. So we reduced the 1.5 acres by 10%.

After reviewing the electrical submittal, the preference would be to pay the actual cost of the street lights and the wiring for the street lights for this project. I believe we have agreed to the lump sum street light and that this includes the wiring. If this is the case, then no further reimbursement is appropriate for electrical.

Regarding the water line, we have reviewed several recent projects done by the county in the city limits and the ETJ of Austin. We have also reviewed the Pearson Road District submission. There were no waterline costs in Pearson Road District. Neenah only has hydrants on the north side of the road and Pearson Ranch has no hydrants nor waterline. We do not believe any reimbursement is appropriate for a waterline and that the reimbursement should be limited to the irrigation system.

We are prepared to place an item on the agenda for March 20th if I can get a letter for \$3,799,120.05 which is the balance of proceeds currently available. I will need a request letter like we received for the 1st draw and banking information. I need this by Wednesday, March 14th at 5:00.

I have been in email communication with Charlie. The bill of sale needs to be postponed until we transfer funds for the Lakeline improvements and the balance of approved funds for Staked Plains (\$110,860.19) from the next bond sale.

Original Amount	9,724,988.91
Interest from IBC	1,453,518.10
Land costs	1,529,757.35 *
Deductions on spreadsheet	(4,005,284.12)
Trio mgmt fee Apr11-Feb13, 60% of \$15k	207,000.00
1st draw on December 19, 2017	(5,000,000.00)
Total	3,909,980.24
Available funds	8,799,120.05
Total Approved	8,909,980.24
Difference	\$(110,860.19)

* Land Calculation

Stake Plains ROW	12.104
Lot 4 Detention (10.195*.25)	2.54875
North Drainage Channel	1.25
South Drainage Channel (1.5*.9)	1.35
Total Acres	17.25
Price per Acre	\$88,667.45
Land Cost Total	\$1,529,757.35

Thank you,

Julie M. Kiley
 First Assistant County Auditor
 Williamson County
 512-943-1552
 512-943-1567 (fax)
jkiley@wilco.org