

CERTIFICATE OF DISTRICT SECRETARY

STATE OF TEXAS §

COUNTY OF WALLER §

EAST WALLER COUNTY MANAGEMENT DISTRICT §

I, the undersigned, Secretary of the East Waller County Management District (the "District") DO HEREBY CERTIFY as follows:

1. That on the 10th day of July, 2025, a special meeting of the Board of Directors of the District (the "Board of Directors"), was held in special session, at R.G. Miller Engineers, Inc., 1080 Eldridge Pkwy, Suite 600, Houston, Texas 77077, outside the boundaries of the District; whereupon the roll was called of the members of the Board of Directors, to-wit:

|                  |                     |
|------------------|---------------------|
| Lisa Cooper      | Chairman            |
| Samuel McArthur  | Vice-Chairman       |
| Kevin Vader      | Secretary           |
| Monette Stephens | Assistant Secretary |
| Stephen McGrath  | Assistant Secretary |

and all of said persons were present except Director Stephens and Director McGrath, thus constituting a quorum. Whereupon, among other business, a written ordinance bearing the following caption:

AN ORDER OF THE EAST WALLER COUNTY MANAGEMENT DISTRICT;  
ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN  
AND SECTIONS 1 AND 2 ASSESSMENT ROLL FOR SECTIONS 1 AND 2  
PROJECTS FOR SECTIONS 1 AND 2 OF THE DISTRICT; MAKING A  
FINDING OF SPECIAL BENEFIT TO CERTAIN PROPERTY IN SECTIONS  
1 AND 2 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS  
AGAINST CERTAIN PROPERTY WITHIN SECTIONS 1 AND 2 OF THE  
DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY;  
PROVIDING FOR PAYMENT OF THE ASSESSMENTS IN ACCORDANCE  
WITH CHAPTER 375, TEXAS LOCAL GOVERNMENT CODE, AS  
AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE  
PAYMENT OF ASSESSMENTS; PROVIDING PENALTIES AND INTEREST  
ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY  
AND PROVIDING AN EFFECTIVE DATE

was introduced and submitted to the Board of Directors for passage and adoption. After presentation and due consideration of the ordinance, and upon a motion being made and seconded, the ordinance was finally passed and adopted by the Board of Directors to be effective immediately by the following vote:

Aye: 3 No: 0

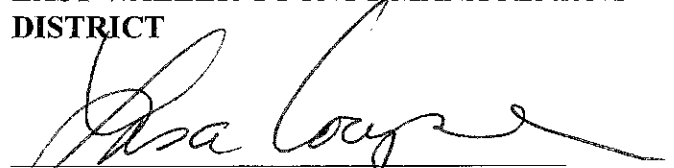
2. A true, full and correct copy of the Order passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Order has been duly recorded in the District's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the Board of Director's minutes of the Meeting pertaining to the passage of the Order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting Directors as indicated therein; that each of the Directors of the Board of Directors was duly and sufficiently notified, officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Order would be introduced and considered for passage at the Meeting, and each of the elected officials and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Government Code, as amended.

3. The Board of Directors has approved the aforementioned attached Order and the Chairman and the Secretary of the District have duly signed the Order; and that the Secretary hereby declares that the attached Order is a true and correct copy of the Order for all purposes.

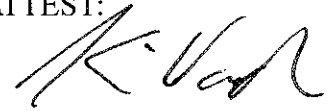
*[Signature page to follow]*

PASSED AND APPROVED this July 10, 2025.

**EAST WALLER COUNTY MANAGEMENT  
DISTRICT**

  
Lisa Cooper, Chairman

ATTEST:

  
Kevin Vader, Secretary

STATE OF TEXAS

§

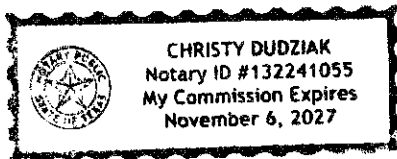
COUNTY OF WALLER

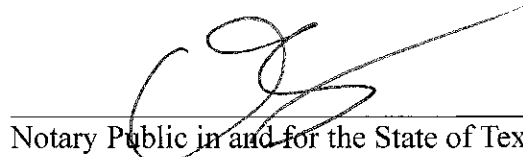
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Before me, the undersigned authority, on this day personally appeared Lisa Cooper, Chairman and Kevin Vader, Secretary of East Waller County Management District, a political subdivision of the State of Texas, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for purposes and consideration therein expressed, in the capacity herein stated and as the act and deed of said District,

Given under my hand and seal of office on this 10<sup>th</sup> day of July, 2025.



  
Notary Public in and for the State of Texas

**AN ORDER OF THE EAST WALLER COUNTY MANAGEMENT DISTRICT; ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND SECTIONS 1 AND 2 ASSESSMENT ROLL FOR SECTIONS 1 AND 2 IMPROVEMENTS FOR SECTIONS 1 AND 2 OF THE DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO CERTAIN PROPERTY IN SECTIONS 1 AND 2 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST CERTAIN PROPERTY WITHIN SECTIONS 1 AND 2 OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 375, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF ASSESSMENTS; PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE**

WHEREAS, East Waller County Management District (the “District”), is created and authorized under Chapter 3937, Texas Special District Local Laws Code (the “District Legislation”), to levy special assessments within its boundaries pursuant to Chapter 375, Texas Local Government Code (the “MMD Act”); and

WHEREAS, on September 24, 2024, the Board of Directors of the District (the “Board”) received a request (the “Request”) in the form and manner required for a petition under the District Legislation and Section 375.114 of the MMD Act, from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Waller County) in the District and the record owners of taxable real property that constitute more than 50% of all of the area of all taxable real property that is liable for assessment under the proposed District; and

WHEREAS, the Request contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Waller County Appraisal District and the signatures of property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, after due notice, the Board held the public hearing on November 4, 2024 in the manner required by law on the advisability of the improvement projects and services described in the Request, and the Board made the findings required by Section 375.116 of the MMD Act, and by resolution dated November 4, 2024 (the “Advisability Resolution”), passed and approved by a majority of the members of the Board, authorized, in accordance with its findings, the advisability of certain public improvement projects and services to be provided by the District (the “Authorized Improvements”); and

WHEREAS, on November 8, 2024, the District filed the Resolution Declaring the Advisability of Improvements and Method of Assessment Within the District with Waller County;

WHEREAS, no written protests from any owners of record or property within the District were filed with the District within 20 days after authorization of the Advisability Resolution; and

WHEREAS, 622 Sofi Lakes, L.P., a Texas limited partnership (the “Developer”), the developer of property within the District, is ready to commence the construction and acquisition of certain Authorized Improvements benefiting Sections 1 and 2 (as defined in the Service and Assessment Plan) of the District (the “Sections 1 and 2 Improvements”) as further described in the Service and Assessment Plan for the District dated July 10, 2025 attached hereto as Exhibit “A” (the “Service and Assessment Plan”); and

WHEREAS, the Developer will be reimbursed by the District for the Actual Costs of the Sections 1 and 2 Improvements in accordance with the terms of that certain Amended and Restated Agreement for the Construction of Improvements and Reimbursement of Advances, between the District and the Developer (the “Reimbursement Agreement”);

WHEREAS, the District wishes to levy the assessments designated as “Assessments” in the Service and Assessment Plan on the property within Sections 1 and 2 of the District for such Sections 1 and 2 Improvements (the “Assessments”); and

WHEREAS, the District published notice on June 24, 2025 in a newspaper of general circulation in Waller County and the District to consider the proposed Service and Assessment Plan for the District and the levy of the Assessments on property in Sections 1 and 2 of the District; and

WHEREAS, the Board the caused the mailing of notice of the public hearing to consider the proposed Service and Assessment Plan and the related assessment roll attached to the Service and Assessment Plan as Appendix F (the “Sections 1 and 2 Assessment Roll”) and the levy of Assessments on property in Sections 1 and 2 of the District to the address of the last known address of the owners of the property liable for the Assessments; and

WHEREAS, after convening the hearing on July 10, 2025, 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 Service and Assessment Plan, the Sections 1 and 2 Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the costs of the Sections 1 and 2 Improvements, the purposes of the Assessment, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the Board finds and determines that the Service and Assessment Plan and Sections 1 and 2 Assessment Roll should be approved and that the Assessments (as defined in the Service and Assessment Plan) should be levied on property within Sections 1 and 2 of the District as provided in this Order and the Service and Assessment Plan and Sections 1 and 2 Assessment Roll; and

WHEREAS, the Board further finds that there were no oral or written objections or evidence submitted to the District Secretary in opposition to the Service and Assessment Plan, the allocation of the costs of the Sections 1 and 2 Improvements, the Sections 1 and 2 Assessment Roll and the levy of Assessments; and

WHEREAS, the Board closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements

filed with the District, determined to proceed with the adoption of this Order in conformity with the requirements of the MMD Act.

**NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF EAST WALLER COUNTY MANAGEMENT DISTRICT, THAT:**

Section 1. Terms. Terms not otherwise defined herein are defined in the Service and Assessment Plan attached hereto as Exhibit "A".

Section 2. Findings. The findings and determinations set forth in the preambles are hereby incorporated by reference for all purposes. The Board hereby finds, determined and orders, as follows:

- a. The apportionment of the Sections 1 and 2 Improvements and the Administrative Expenses pursuant to the Service and Assessment Plan are fair and reasonable, reflect an accurate presentation of the special benefit each property will receive from the Sections 1 and 2 Improvements identified in the Service and Assessment Plan, and are hereby approved;
- b. The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Sections 1 and 2 Improvements;
- c. The Service and Assessment Plan apportions the cost of the Sections 1 and 2 Improvements to be assessed against property in Sections 1 and 2 of the District and such apportionment is made on the basis of special benefits accruing to the property because of the Sections 1 and 2 Improvements;
- d. All of the real property in Sections 1 and 2 of the District which is being assessed in the amounts shown in the Service and Assessment Plan and Sections 1 and 2 Assessment Roll will be benefited by the Sections 1 and 2 Improvements proposed to be provided through the District in the Service and Assessment Plan, and each assessed parcel of real property in Sections 1 and 2 of the District will receive special benefits in each year equal to or greater than each annual Assessment and 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 costs of the Sections 1 and 2 Improvements and Administrative Expenses set forth in the Service and Assessment Plan results in imposing fair and equitable shares of the costs of the Sections 1 and 2 Improvements and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of such costs;
- f. The Service and Assessment Plan should be approved as the service plan and assessment plan for the District;
- g. The Sections 1 and 2 Assessment Roll attached to the Service and Assessment Plan as Appendix F should be approved as the assessment roll for Sections 1 and 2 of the District, as described in the MMD Act;

- h. The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest of 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 improvements needed and required for Sections 1 and 2 of the District; and
- i. A written notice of the date, hour, place and subject of this meeting of the Board 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 that this meeting has been open to the public as required by law at all times during which this Order 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 the MMD Act as a service plan and an assessment plan for the District. The Service and Assessment Plan shall be updated by the District no less frequently than annually and more frequently as may be required by the Service and Assessment Plan or as deemed necessary or appropriate by the Board.

**Section 4. Sections 1 and 2 Assessment Roll.** The Sections 1 and 2 Assessment Roll is hereby accepted and approved pursuant to Section 375.120 of the MMD Act as an assessment roll for the Sections 1 and 2 Improvements within Sections 1 and 2 of the District.

**Section 5. Levy and Payment of Special Assessment for Costs of Sections 1 and 2 Improvements.**

- a. The Board hereby levies an assessment on each tract of property located within Sections 1 and 2 of the District (the "Assessed Property"), as shown and described in the Service and Assessment Plan and the Sections 1 and 2 Assessment Roll, in the respective amounts shown on the Sections 1 and 2 Assessment Roll, as a special assessment on the properties within Sections 1 and 2 of the District as set forth in the Service and Assessment Plan and Sections 1 and 2 Assessment Roll.
- b. The lien of the Assessments shall be effective on the date of execution of this Order levying assessments and strictly in accordance with the terms of the Service and Assessment Plan.
- c. The collection of the Assessments shall be as described in the Service and Assessment Plan.
- d. Each Assessment may be paid in a lump sum 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 pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment. The method of apportioning the estimated costs of the Sections 1 and 2 Improvements is as 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.

Section 8. Prepayments of Assessments. As provided in Section 375.121 of the MMD Act and in the Service and Assessment Plan, the landowners (the "Owners") of any Assessed Property within Sections 1 and 2 may prepay the Assessments levied by this Order.

Section 9. Lien Priority. As provided in the MMD Act and Section 3937.115 of the District Legislation, the Board and Owners of the Assessed Property intend for the obligations, covenants and burdens on the owners of Assessed Properties, including without limitation such Owner's obligations related to payment of the Assessments and the Annual Installments, to constitute a covenant running with the land. The Assessments and the Annual Installments levied hereby shall be binding upon each landowner, as the Owners of 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, the MMD Act, and the District Legislation.

Section 10. Collector of Assessments. The District will contract with Waller County for the collection of the Assessments. The District may also contract with any other qualified collection agent selected by the District or may collect the Assessments on its own behalf. The costs of such collection contracts shall constitute Administrative Expenses.

Section 11. Applicability of Tax Code. To the extent not inconsistent with this Order and the MMD Act, or other laws governing municipal management districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Assessments by the District.

Section 12. Severability. If any provision, section, subsection, sentence, clause or phrase of this Order, or the application of 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 Order or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the Board that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion here, and all provisions of this Order are declared to be severable for that purpose.

Section 13. Filing in Land Records. The attorney for the District is directed to cause a copy of this Order, including the Service and Assessment Plan, to be recorded in the real property records of Waller County, Texas on or before July 17, 2025. The attorney for the District is further directed to similarly file each Annual Service Plan Update approved by the Board, with each such



filing to occur within seven days of the date each respective Annual Service Plan Update is approved.

Section 14. Effective Date. This Order 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 thereof.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

PASSED AND APPROVED this July 10, 2025.

**EAST WALLER COUNTY MANAGEMENT DISTRICT**

~~Lisa~~ Cooper, Chairman

ATTEST:

Kevin Vader, Secretary

STATE OF TEXAS

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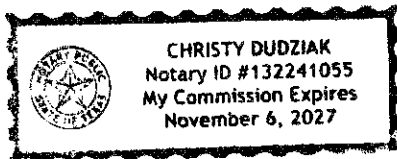
COUNTY OF WALLER

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Before me, the undersigned authority, on this day personally appeared Lisa Cooper, Chairman and Kevin Vader, Secretary of East Waller County Management District, a political subdivision of the State of Texas, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for purposes and consideration therein expressed, in the capacity herein stated and as the act and deed of said District,

Given under my hand and seal of office on this 10<sup>th</sup> day of July, 2025.



Notary Public in and for the State of Texas

EXHIBIT "A"

Service and Assessment Plan and Sections 1 and 2 Assessment Roll

*(attached)*

# EAST WALLER COUNTY MANAGEMENT DISTRICT

## SERVICE AND ASSESSMENT PLAN

July 10, 2025

**PREPARED BY:**

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

# EAST WALLER COUNTY MANAGEMENT DISTRICT

## SERVICE AND ASSESSMENT PLAN

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

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### **A. INTRODUCTION**

The 84th Texas Legislature passed House Bill 4158 approving and authorizing the creation of the East Waller County Management District (the “District”), and empowering the District to impose assessments and to issue bonds to finance the costs of certain public improvements for the benefit of property in the District, all of which is located within the corporate boundaries of Waller County, Texas (the “County”).

The Sofi Lakes development within the District is proposed to be developed in phases (each, a “Section”, as defined herein,), and the District will finance improvements for each Section as each Section is developed. Assessments will be imposed for each Section for the public improvements to be provided for that Section.

The public improvements are anticipated to be financed through bonds to be issued under Chapter 3937, Texas Special District Local Laws Code (the “Creation Legislation”) and Chapter 375 of the Texas Local Government Code, “Municipal Management Districts in General” (as amended, the “Chapter 375”), which governs the operation of municipal management districts within the State of Texas. This Service and Assessment Plan (the “Service and Plan”) has been prepared pursuant to Sections 375.112, 375.118, 375.119, and 375.120 of Chapter 375.

Section 375.118 of Chapter 375 states that “the portion of the cost of an improvement project or services to be assessed against the property in the district shall be apportioned by the board based on the special benefits accruing to the property because of the improvement project or services.” The annual installments for Sections 1 and 2 are shown in Appendix F, of this Service and Assessment Plan.

Section 375.119 of Chapter 375 states that “the board, by order or resolution, shall levy the assessments as special assessments on the property and shall specify the method of payment of the assessments and may provide that those assessments be paid in periodic installments, including interest.” The method of assessing the costs of the Authorized Improvements to the property within the District is included in Section IV of this Service and Assessment Plan.

Section 375.120 of Chapter 375 states that “if the total cost of an improvement project or services is determined, the board shall levy the assessments against each parcel of land against which an assessment may be levied in the district. With regard to an assessment for services, the board may levy an annual assessment that may be lower but not higher than the initial assessment. The board shall have an assessment roll prepared showing the assessments against each property and the board's basis for the assessment. The assessment roll shall be filed with the secretary of the board or other officer who performs the function of secretary and be open for public inspection.” The Sections 1 and 2 Assessment Roll is attached hereto as Appendix F of this Service and Assessment Plan and additional Assessment Rolls may be added in the future. The Assessments as shown on the Sections 1 and 2 Assessment Roll is based on the method of assessment described in Section IV 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 District. 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, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs shall not include general contractor’s fees in an amount that exceeds a percentage equal to the percentage of work completed and accepted by the District or construction management fees in an amount that exceeds five (5) 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. Actual Costs also may be paid to the Developer or any other person or entity only in the capacity of construction manager or only in the capacity of general contractor but not both.

**“Additional Interest”** means the up to 0.50% additional interest rate charged on Assessments, if applicable.

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

**“Administrative Expenses”** mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the District, including, but not limited to, the costs of: (i) creating and organizing the District, including conducting hearings, preparing notices and petitions, and all costs incidental 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 District, (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 Creation Legislation, Chapter 375 and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (x) administering the construction of the Authorized Improvements, and (xi) all of the types of costs described in (i) through (x) owed to the District that were incurred fulfilling obligations under the Creation Legislation, local ordinance, order, or regulation, contractual agreements with the County, or other applicable law or regulation. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of Administrative Expenses.

**“Administrator”** means the employee or designee of the District who shall have the responsibilities provided for herein, in the Trust Indenture, or in another agreement approved by the Board of Directors.

**“Annual Installment”** means, with respect to the Assessed Property, each annual payment of: (i) the Assessment including both principal and the applicable interest, as shown on the Assessment Roll attached hereto as Appendix F, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, and (iii) Additional Interest, if applicable.

**“Annual Service Plan Update”** means an annual update to this Service and Assessment Plan for the services and improvements to be provided by the District hereunder.

**“Assessed Property”** means the property that benefits from the Authorized Improvements to be provided by the District 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 Parcels within the District other than Non-Benefited Property.

**“Assessment”** means an assessment levied against a Parcel imposed pursuant to an Assessment Order and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions herein and Chapter 375.

**“Assessment Order”** means an Assessment Order adopted by the Board of Directors 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 the District from Assessments.

**“Assessment Roll”** means, as applicable, the Sections 1 and 2 Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this Service and Assessment Plan.

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

**“Authorized Improvements”** mean those public improvements described in the Creation Legislation or Section 375.112 of the Texas Local Government Code, as amended, designed, constructed, and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

**“Board of Directors”** means the duly elected board of directors of the District.

**“Bonds”** mean any bonds secured by the Assessment Revenues issued by the District in one or more series.

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

**“Certification for Payment”** means the document to be provided by the Developer or construction manager to substantiate the Actual Cost of one or more Authorized Improvements.

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

**“Creation Legislation”** means Chapter 3937 of the Texas Special District Local Laws Code, as amended.

**“Delinquent Collection Costs”** mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with Chapter 375 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, 622 Sofi Lakes, L.P., a Texas limited partnership and any of its successors or assigns developing lands within the District.

**“Development”** means, approximately 622.400 acres comprising the Sofi Lakes development within the District.

**“District”** has the meaning set forth in Section I.A.

**“Equivalent Units”** means, as to any Parcel the number of dwelling units or gross square feet expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix D attached hereto.

**“Future Sections”** means, collectively, all phases of construction in the District being constructed after Sections 1 and 2.

**“Future Sections Improvements”** means Authorized Improvements which only benefit a particular Future Section.

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

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

**“Non-Benefited Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements, including Property Owners’ Association Property and Public Property. 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 Section VI.B remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.C.

**“Parcel”** means a parcel identified by either a tax map identification number assigned by the Waller County Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the County.

**“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 District as a result of any prepayment of an Assessment.

**“Property Owners’ Association Property”** means property within the boundaries of the Development that is owned by or dedicated to, whether in fee simple or through an exclusive use easement, a property owners’ association established for the benefit of a group of homeowners or property owners within the District.

**“Public Property”** means property within the boundaries of the District that is owned by or dedicated to the federal government, the State of Texas, the District, the County, a public school district, a public utility provider or any other public agency, whether in fee simple or through an exclusive use easement.

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

**“Sections 1 and 2”** means the initial Section to be developed within the District generally shown on Appendix A-2 and as specifically depicted and described as the sum of all Parcels shown in Appendix F.

**“Sections 1 and 2 Assessed Property”** means all Parcels within Sections 1 and 2 other than Non-Benefited Property.

**“Sections 1 and 2 Assessment Roll”** means the document included in this Service and Assessment Plan as Appendix F, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in Chapter 375, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

**“Sections 1 and 2 Bonds”** means the East Waller County Management District Special Assessment Revenue Bonds, Series 2025 (Sections 1 and 2 Project), that are secured by Assessments levied on Sections 1 and 2 Assessed Property.

**“Sections 1 and 2 Improvements”** means Authorized Improvements which only benefit Sections 1 and 2 Assessed Property and are described in Section III.B.

**“Sections 1 and 2 Maximum Assessment Per Unit”** means for Sections 1 and 2 an Assessment per Unit for each applicable Lot Type as follows:

|                                  |             |
|----------------------------------|-------------|
| Lot Type 1A (60 Ft – Waterfront) | \$90,469.98 |
| Lot Type 1B (60 Ft)              | \$83,768.50 |
| Lot Type 2 (50 Ft)               | \$69,527.86 |
| Lot Type 3 (45 Ft)               | \$62,826.38 |
| Lot Type 4 (40 Ft)               | \$56,124.90 |

**“Service and Assessment Plan”** means this Service and Assessment Plan prepared for the District pursuant to Chapter 375, as the same may be updated and/or amended from time to time.

**“TCEQ”** means the Texas Commission on Environmental Quality.

**“Trust Indenture”** means each indenture of trust, setting forth the terms and other provisions relating to a particular series of Bonds, as modified, amended, and/or supplemented from time to time.

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

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

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

The area constituting the Development is depicted in Appendix A-1 to this Service and Assessment Plan and located within the District. The District is located within the County. The District contains a total of approximately 677.33 acres and is comprised of the Development, approximately 622.400 acres, and the Acorn Ranch property, approximately 54.93 acres. The Development does not include any of the Acorn Ranch property.

At completion, the Development is expected to consist of approximately 1,802 residential units, 10.8 acres of commercial space, and associated rights-of-way, landscaping, and infrastructure necessary to provide roadways and utilities to the Development. The estimated number of lots and the classification of each lot are based upon information provided by the Developer. Table II-A shows the proposed development plan for the Development.

**Table II-A**  
**Overall Proposed Development Plan**

| <b>Proposed Development</b>               | <b>Quantity</b> | <b>Measurement</b> |
|-------------------------------------------|-----------------|--------------------|
| Lot Type 1A (60 Ft - Waterfront)          | 53              | Units              |
| Lot Type 1B (60 Ft)                       | 322             | Units              |
| Lot Type 2 (50 Ft)                        | 578             | Units              |
| Lot Type 3 (45 Ft)                        | 402             | Units              |
| Lot Type 4 (40 Ft)                        | 447             | Units              |
| <i>Subtotal Single-Family Residential</i> | <i>1,802</i>    | <i>Units</i>       |
| Lot Type 5 (Commercial)                   | 10.8            | Acres              |

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**B. PROPERTY INCLUDED IN SECTIONS 1 AND 2**

The Sections 1 and 2 consist of approximately 87.720 acres which are expected to consist of 390 single family residential units. A map of the property within Sections 1 and 2 is shown in Appendix A-2. Table II-B shows the proposed development plan for Sections 1 and 2 of the Development.

**Table II-B**  
**Proposed Development Plan- Sections 1 and 2**

| <b>Proposed Development</b>      | <b>Quantity</b> | <b>Measurement</b> |
|----------------------------------|-----------------|--------------------|
| Lot Type 1A (60 Ft - Waterfront) | 24              | Units              |
| Lot Type 1B (60 Ft)              | 39              | Units              |
| Lot Type 2 (50 Ft)               | 86              | Units              |
| Lot Type 3 (45 Ft)               | 103             | Units              |
| Lot Type 4 (40 Ft)               | 138             | Units              |
| <b>Total</b>                     | <b>390</b>      |                    |

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### ***III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS***

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#### **A. AUTHORIZED IMPROVEMENT OVERVIEW**

Section 3937.102 of the Creation Legislation states that “the district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.”

Section 375.112 of the Local Government Code describes the Authorized Improvements that may be undertaken by the District to include the construction, acquisition, improvement, relocation, operation, maintenance, or provision of:

- A. landscaping; lighting, banners, and signs; streets and sidewalks; pedestrian skywalks, crosswalks, and tunnels; seawalls; marinas; drainage and navigation improvements; pedestrian malls; solid waste, water, sewer, and power facilities, including electrical, gas, steam, cogeneration, and chilled water facilities; parks, plazas, lakes, rivers, bayous, ponds, and recreation and scenic areas; historic areas; fountains; works of art; off-street parking facilities, bus terminals, heliports, and mass transit systems; theatres, studios, exhibition halls, production facilities and ancillary facilities in support of the foregoing; and the cost of any demolition in connection with providing any of the improvement projects;
- B. other improvements similar to those described in Subdivision (A) above;
- C. the acquisition of real property or any interest in real property in connection with an improvement, project, or services authorized by this chapter, Chapter 54, Water Code, or Chapter 365 or 441, Transportation Code; and
- D. expenses incurred in the establishment, administration, maintenance, and operation of the district or any of its improvements, projects, or services.

After analyzing the public improvement projects authorized by the Creation Legislation and Chapter 375, the Board of Directors has determined that the Authorized Improvements described in Section III.B should be undertaken by the District for the benefit of the property within the District.

#### **B. DESCRIPTIONS OF SECTIONS 1 AND 2 IMPROVEMENTS AND BUDGETED COSTS OF SECTIONS 1 AND 2 IMPROVEMENTS**

The Sections 1 and 2 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Sections 1 and 2 Improvements are shown in Table III. The costs shown in Table III 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 District.

A description of the Sections 1 and 2 Improvements are as follows:

#### Road Improvements

The road improvement portion of the Sections 1 and 2 Improvements consists of the construction of road and thoroughfare improvements, including related subgrade stabilization (including exaction and drainage), concrete and reinforcing steel for roadways, asphalt, handicap ramps, paving, drainage, curbs, gutters, sidewalks, retaining walls, intersections, signage, erosion controls, street lights, irrigation sleeves, traffic control devices, and streets that will provide street access to each lot, as well as to community roadways and state highways, which benefit the Sections 1 and 2 Assessed Property. All roadway projects will be designed and constructed in accordance with County and TxDOT (if applicable) standards and specifications, will be owned by the County, and maintained by the County once accepted by the County.

#### Lift Station Improvements:

The lift station improvement portion of the Section 1 and 2 Improvements consist of a 16.0' diameter reinforced concrete wet well with a depth of 38.0', four (4) submersible pumps, piping, electrical control equipment, and necessary ancillary items. The lift station improvements also include the construction of the wet well, installation of all piping, installation of electrical control equipment, and installation of two (2) submersible pumps. The lift station improvements will be designed and constructed in accordance with the applicable County standards and specifications and will be owned, operated, and maintained by the District.

#### Landscaping and Open Space Improvements:

The landscaping improvement portion of the Sections 1 and 2 Improvements consist of grading, landscaping, irrigation, entry monumentation, and seeding. The landscaping improvements will be designed and constructed in accordance with the applicable County standards and specifications and will be owned, operated, and maintained by the District.

#### Water Improvements:

The water improvements portion of the Sections 1 and 2 Improvements consists of construction and installation of water lines, a looped water main network, mains, PVC pipes, valves and appurtenances, air release valves, gate valves, trench excavation and embedment, trench safety, fire hydrant assemblies, service connections, and testing necessary for the portion of the water distribution system that will service the Sections 1 and 2 Assessed Property. The water improvements will be designed and constructed according to County, City of Houston, and TCEQ standards and will be owned and operated by the District.



Sanitary Sewer Improvements:

The sanitary sewer improvement portion of the Sections 1 and 2 Improvements consists of construction and installation of PVC pipes, service lines and connections, manholes, encasements, and appurtenances, trench excavation and embedment, trench safety, and testing necessary to provide sanitary sewer service to Sections 1 and 2 Assessed Property. The sanitary sewer improvements will be designed and constructed according to County, City of Houston, and TCEQ standards and specifications and will be owned, operated, and maintained by the District.

Storm Drainage Improvements:

The storm drainage improvement portion of the Sections 1 and 2 Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, trench excavation and embedment, trench safety, manholes, inlets, and channels/swales which benefit the Sections 1 and 2 Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with the County standards and specifications, will be owned by the County, and maintained by the District.

Detention Pond Improvements:

The Detention Pond Improvements portion of the Sections 1 and 2 Improvements consist of grading, irrigation, landscaping, site furnishings, and site elements. All Detention Pond Improvements will be designed and constructed in accordance with County, Brookshire Kate Drainage District, and TxDOT (if applicable) standards and specifications and will be maintained by the District.

Soft and Miscellaneous Costs:

Soft and miscellaneous costs portion of the Sections 1 and 2 Improvements consists of costs related to contingency.

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**Table III**  
**Budgeted Costs for Sections 1 and 2 Improvements**

| <b>Description</b>                              | <b>Sections 1 and 2<br/>Improvements<br/>Costs<sup>1</sup></b> |
|-------------------------------------------------|----------------------------------------------------------------|
| <b><i>Section 1 and 2 Improvements</i></b>      |                                                                |
| <b><i>Hard Costs</i></b>                        |                                                                |
| Road Improvements                               | \$5,032,580                                                    |
| Lift Station Improvements                       | \$795,000                                                      |
| Landscaping and Open Space Improvements         | \$1,586,411                                                    |
| Water Improvements                              | \$1,759,939                                                    |
| Sanitary Sewer Improvements                     | \$2,959,423                                                    |
| Storm Drainage Improvements                     | \$3,830,724                                                    |
| Detention Pond Improvements                     | \$3,084,429                                                    |
| <b><i>Hard Costs Subtotal</i></b>               | <b><i>\$19,048,506</i></b>                                     |
| <b><i>Soft Costs</i></b>                        |                                                                |
| Other Soft and Miscellaneous Costs              | \$318,328                                                      |
| Engineering                                     | \$2,862,165                                                    |
| Legal                                           | \$487,011                                                      |
| Right-of-Way Acquisition                        | \$3,365,963                                                    |
| <b><i>Soft Costs Subtotal</i></b>               | <b><i>\$7,033,467</i></b>                                      |
| <b>Total Sections 1 and 2 Improvement Costs</b> | <b>\$26,081,973</b>                                            |

<sup>1</sup>The above shown Budgeted Costs are provided by the Developer. The figures shown in Table III may be revised in Annual Service Plan Updates and may be reallocated between line items upon approval by the District so long as the total Authorized Improvements amount and the benefit allocation does not change.

### **C. FUTURE SECTIONS**

As Future Sections are developed and Future Section Bonds are issued and/or related reimbursement agreements are executed, this Service and Assessment Plan will be amended to identify the specific Future Section Improvements that confer a special benefit to the property inside each Future Section (e.g. a Table III-B will be added to show the costs for the Future Section Improvements financed within the specific Future Section being developed).

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## ***IV. ASSESSMENT PLAN***

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### **A. INTRODUCTION**

Chapter 375 requires the Board of Directors to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. Chapter 375 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. Chapter 375 further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the Development. This financing will necessarily be undertaken in phases, each called an “Section,” to coincide with the development of additional Authorized Improvements. Following the issuance of the Sections 1 and 2 Bonds issued in 2025, subsequent financings may be issued over the upcoming years as the Future Sections of the Development are gradually constructed.

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

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

1. The costs of the Sections 1 and 2 Improvements shall be allocated on the basis of Equivalent Units once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.
2. The Sections 1 and 2 Improvements costs are allocated to each Parcel within the Sections 1 and 2 Assessed Property based on the total estimated Equivalent Units for each Parcel within Sections 1 and 2.
3. The Board of Directors has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the

relative values of Parcels, the Board of Directors has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected Lot square footages provided by the Developer, (iv) lot proximity to the waterfront, (v) the Authorized Improvements to be provided and the estimated costs, and (vi) the ability of different property types to utilize and benefit from the Authorized Improvements.

4. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
5. Equivalent Units are calculated for each Lot Type based on the relative square footage of each Lot Type.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Sections will receive from Future Section Improvements and that are to be financed with Future Section Bonds.

In connection with the issuance of Future Section 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 Section receives from the specific Future Section Improvements funded with those Future Section Bonds issued and/or reimbursement agreement executed with respect to that Future Sections. Prior to assessing Parcels located within Future Sections in connection with issuance of Future Section Bonds and/or execution of a reimbursement agreement, each owner of the Parcels to be assessed must acknowledge that the Future Section Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Future Section Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the District as a result of the Sections 1 and 2 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments being levied on the Sections 1 and 2 Assessed Property for such Sections 1 and 2 Improvements, and (iii) establishes the methodologies by which the Board of Directors allocates and reallocates the special benefit of the Sections 1 and 2 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such Sections 1 and 2 Improvements being apportioned to Parcels similarly benefited. The determination by the Board of Directors of the assessment methodologies set forth below is the result of the discretionary exercise by the Board of Directors 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 Sections are developed, in connection with the issuance of Future Section Bonds and/or execution of a related reimbursement agreement this Service and Assessment Plan will be updated based on the Board of Directors' determination of the assessment methodology for each Future Section.

## **B. SPECIAL BENEFIT**

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the District shown in Table V-A are authorized by Chapter 375. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

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

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

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

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

The Assessments will repay financing that is on advantageous terms. 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 District is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the Board of Directors as to the special benefits described in this Service and Assessment Plan and the Assessment Order; (ii) the Service and Assessment Plan and

the Assessment Order, 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 Chapter 375 requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the District has been determined by the Board of Directors 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 Board of Directors.

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 property owners have consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the property owners are acting in their 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 Improvements through the District is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

#### **C. ALLOCATION OF COSTS TO ASSESSED PROPERTY**

The Sections 1 and 2 Bonds will fund all or a portion of the Budgeted Costs of the Sections 1 and 2 Improvements. One hundred percent (100%) of the Sections 1 and 2 Improvements are allocated to the Sections 1 and 2 Assessed Property.

#### **D. ASSESSMENT METHODOLOGY**

The costs of the Authorized Improvements may be assessed by the Board of Directors 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.

**a. *Assessment Methodology for the Sections 1 and 2 Improvements***

For purpose of this Service and Assessment Plan, the Board of Directors has determined that the Budgeted Costs of the Sections 1 and 2 Improvements being financed with the Sections 1 and 2 Bonds and by the Developer shall be allocated to the Sections 1 and 2 Assessed Property by spreading the entire Assessment across the Parcels within Sections 1 and 2 based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Sections 1 and 2 Improvements, as set forth in Table III, the Board of Directors has determined that the benefit to Sections 1 and 2 Assessed Property of the Sections 1 and 2 Improvements is at least equal to the Assessments levied on the Sections 1 and 2 Assessed Property.

Upon subsequent divisions of any Parcel within Sections 1 and 2, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units for Lots in the platted Parcel, as determined by the Administrator and confirmed by the Board of Directors.

The Assessment and Annual Installments for each Parcel or Lot located within Sections 1 and 2 is shown on the Sections 1 and 2 Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or Chapter 375.

**b. *Assessment Methodology for Future Sections***

When any given Future Sections are developed, and Future Section Bonds for that Future Section are to be issued and/or a related reimbursement agreement is executed, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Future Section.

**E. ASSESSMENTS**

The Assessments are being levied on each Parcel of Assessed Property within Sections 1 and 2 according to the Assessment Roll, attached hereto as Appendix F. The Annual Installments of the Assessments will be collected at the time and in the amounts shown on the Assessment Rolls, subject to any revisions made during an Annual Service Plan Update. Non-Benefitted Property will not be subject to any Assessments.

See Appendix D for Assessment per Equivalent Unit, leverage, and estimated tax rate equivalent calculation details.

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**F. ADMINISTRATIVE EXPENSES**

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

**G. ADDITIONAL INTEREST RESERVE**

The Indenture for a series of Bonds will establish an Additional Interest Reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs.

The Additional Interest Reserve for Sections 1 and 2 Bonds shall be funded with the proceeds of the Sections 1 and 2 Bonds in an amount equal to 15% of the Sections 1 and 2 Bonds average annual debt service requirement unless otherwise stipulated in the Indenture for Sections 1 and 2 Bonds. The Additional Interest Reserve for the Sections 1 and 2 Bonds shall be replenished with Additional Interest in the event that it drops below 50% of the required reserve amount for the Additional Interest Reserve as specified in the Indenture for the Sections 1 and 2 Bonds. At such time as the Additional Interest Reserve for the Sections 1 and 2 Bonds drops below the 50% of the required reserve amount, the District may collect Additional Interest on the Sections 1 and 2 Assessments in an amount up to one half of one percent (0.50%) until such time as the Additional Interest Reserve for the Sections 1 and 2 Bonds reaches 15% of the average annual debt service requirement amount of the Sections 1 and 2 Bonds unless otherwise stipulated in the Indenture for the Section 1 and 2 Bonds. Once the Additional Interest Reserve for the Sections 1 and 2 Bonds reaches the required reserve amount, Additional Interest to be paid may be adjusted in a subsequent Annual Service Plan Update or the District may allocate the Additional Interest component of the Annual Installments as provided in the Trust Indenture for the Sections 1 and 2 Bonds.

Provisions relating to the Additional Interest Reserve for additional areas of the District outside of Sections 1 and 2 shall be updated in an amendment or update to this Service and Assessment Plan in connection with the levy of Assessment in such future areas of development.

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## ***V. SERVICE PLAN***

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### **A. INTRODUCTION**

Chapter 375 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 District during the five-year period. It is anticipated that construction of the Sections 1 and 2 Improvements will be completed in the fourth quarter of 2025. At some point after all or a portion of the Sections 1 and 2 Improvements are constructed, development in Future Sections will begin, with each Future Section to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The estimated costs for the Sections 1 and 2 Improvements plus costs related to the issuance of the Sections 1 and 2 Bonds and the expenses incurred in the establishment, administration, and operation of the District allocable to Sections 1 and 2 are \$31,941,300 as shown in Table V-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Budgeted Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

As Future Sections are developed in connection with the issuance of Future Section Bonds and/or execution of a related reimbursement agreement, this Service and Assessment Plan will be amended (e.g. Table V-A.2 will be amended to show the sources and uses for the Future Section Improvements financed within the specific Future Section being developed, etc.).

Table V-A summarizes the sources and uses of funds required to construct the Sections 1 and 2 Improvements.

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**Table V-A**  
**Sections 1 and 2**  
**Projected Sources and Uses of Funds**

| <b>Sources of Funds</b>                         | <b>Sections 1<br/>and 2 Bond</b> |
|-------------------------------------------------|----------------------------------|
| Par Amount                                      | \$25,634,000                     |
| Original Issue Discount                         | (\$139,673)                      |
| Other Funding Sources                           | \$6,446,973                      |
| <b>Total Sources</b>                            | <b>\$31,941,300</b>              |
| <b>Uses of Funds</b>                            |                                  |
| <b><u>Sections 1 and 2 Improvements</u></b>     |                                  |
| <b><u>Hard Costs</u></b>                        |                                  |
| Road Improvements                               | \$5,032,580                      |
| Lift Station Improvements                       | \$795,000                        |
| Landscaping and Open Space Improvements         | \$1,586,411                      |
| Water Improvements                              | \$1,759,939                      |
| Sanitary Sewer Improvements                     | \$2,959,423                      |
| Drainage Improvements                           | \$3,830,724                      |
| Detention Pond Improvements                     | \$3,084,429                      |
| <b><u>Hard Costs Subtotal</u></b>               | <b><u>\$19,048,506</u></b>       |
| <b><u>Soft Costs</u></b>                        |                                  |
| Other Soft and Miscellaneous Costs              | \$318,328                        |
| Engineering                                     | \$2,862,165                      |
| Legal                                           | \$487,011                        |
| Right-of-Way Acquisition                        | \$3,365,963                      |
| <b><u>Soft Costs Subtotal</u></b>               | <b><u>\$7,033,467</u></b>        |
| <b>Total Sections 1 and 2 Improvement Costs</b> | <b>\$26,081,973</b>              |
| <b><u>Estimated Bond Issuance Costs:</u></b>    |                                  |
| Issuance Costs                                  | \$1,325,891                      |
| Administrative Expenses                         | \$120,000                        |
| Underwriter's Discount                          | \$769,020                        |
| Capitalized Interest                            | \$1,753,103                      |
| Reserve Fund                                    | \$1,607,616                      |
| Deposit to Additional Interest Reserve          | \$283,697                        |
| <b><u>Subtotal Bonds Issuance Costs</u></b>     | <b><u>\$5,859,327</u></b>        |
| <b>Total Uses</b>                               | <b>\$31,941,300</b>              |

<sup>1</sup>Costs to be funded by the Developer and are not reimbursable by Assessments.

The Sections 1 and 2 Bonds are being issued to finance and or reimburse the Developer for all or a portion of the costs of the Sections 1 and 2 Improvements and estimated costs to issue the Sections 1 and 2 Bonds, as shown in Table V-A. The remaining costs, if any, of Sections 1 and 2 Improvements will be paid by the Developer. The Developer will continue to be obligated to

construct and pay all costs of the Sections 1 and 2 Improvements regardless of the amount available for reimbursement of such costs from proceeds of the Sections 1 and 2 Bonds.

## **B. ANNUAL PROJECTED COSTS AND INDEBTEDNESS**

### Sections 1 and 2

The annual projected costs and annual projected indebtedness for Sections 1 and 2 is shown in Table V-B. 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.

**Table V-B**  
**Sections 1 and 2**  
**Annual Projected Costs and Projected Indebtedness**

| <b>Year</b>  | <b>Annual<br/>Projected<br/>Cost</b> | <b>Annual<br/>Projected<br/>Indebtedness</b> | <b>Other<br/>Funding<br/>Sources</b> | <b>Projected<br/>Annual<br/>Installments</b> |
|--------------|--------------------------------------|----------------------------------------------|--------------------------------------|----------------------------------------------|
| 2025         | \$31,941,300                         | \$25,634,000                                 | \$6,446,973                          | \$0                                          |
| 2026         | \$0                                  | \$0                                          | \$0                                  | \$0                                          |
| 2027         | \$0                                  | \$0                                          | \$0                                  | \$1,968,838                                  |
| 2028         | \$0                                  | \$0                                          | \$0                                  | \$1,969,538                                  |
| 2029         | \$0                                  | \$0                                          | \$0                                  | \$1,969,364                                  |
| 2030         | \$0                                  | \$0                                          | \$0                                  | \$1,969,316                                  |
| 2031         | \$0                                  | \$0                                          | \$0                                  | \$1,969,346                                  |
| <b>Total</b> | <b>\$31,941,300</b>                  | <b>\$25,634,000</b>                          | <b>\$6,446,973</b>                   | <b>\$9,846,400</b>                           |

The annual projected costs shown in Table V-B are the annual expenditures relating to the Sections 1 and 2 Improvements shown in Table III and the costs associated with setting up the District and costs of issuance including reserves shown in Table V-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

## **C. HOMEBUYER DISCLOSURE**

The Board of Directors hereby finds and determines that this Service and Assessment Plan and each Annual Service Plan Update shall include a copy of the notice attached hereto as Appendix E and may be updated in an Annual Service Plan Update. Such notice shall suffice for the purposes of Section 49.452 of the Texas Water Code.

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

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### **A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN SECTIONS 1 AND 2**

The Assessments and Annual Installments for each Sections 1 and 2 Assessed Property are shown on the Sections 1 and 2 Assessment Roll in Appendix F.

The Assessment and Annual Installments shall not be changed except as authorized under the terms of this Service and Assessment Plan and Chapter 375. The Annual Installments shall be collected from Sections 1 and 2 Assessed Property in an amount sufficient to pay (i) the principal and interest on the Sections 1 and 2 Bonds, (ii) to cover the Administrative Expenses of Sections 1 and 2, and (iii) any Additional Interest collected in accordance with this Service and Assessment Plan. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest, or other funds applicable to the Parcel.

### **B. REALLOCATION OF ASSESSMENTS FOR PARCELS LOCATED WITHIN SECTIONS 1 AND 2**

#### **Upon Division Prior to Recording of Subdivision Plat**

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Parcel prior to the division among the newly divided Parcels according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new divided Lot

B = the Assessment for the Lot prior to division

C = the Equivalent Units of the new divided Lot

D = the sum of the Equivalent Units for all of the new divided Lots

The calculation of the Equivalent Units of a Parcel shall be performed by the Administrator based on information available in the official public records of the County regarding the Assessed Property and development-related information provided by the property owners. The calculation as confirmed by the Board of Directors shall be conclusive.

The sum of the Assessments for all newly divided Parcels shall equal the Assessment for the Parcels prior to subdivision. The calculation shall be made separately for each newly divided Parcel. The reallocation of an Assessment for an Assessed Property may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the Board of Directors.

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## **1. Upon Subdivision by a Recorded Subdivision Plat**

Upon the subdivision of any Assessed Property based on a recorded Subdivision Plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Lot prior to subdivision

C = the Equivalent Units of the new divided Lot

D = the sum of the Equivalent Units for all of the new divided Lots

Prior to the recording of a subdivision plat, the Developer shall provide the District and the Administrator a Lot square foot by Lot Type as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact the average build out value and any other information available to the Developer. The calculation of the Equivalent Units for a Lot shall be performed by the Administrator and confirmed by the Board of Directors based on information provided by the Developer, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for an Assessed Property may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the Board of Directors.

## **2. Upon 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 an Assessed Property 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 calculated by the Administrator and reflected in an Annual Service Plan Update approved by the Board of Directors.

## **C. 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 District 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 in Sections 1 and 2 exceeds the Sections 1 and 2 Maximum Assessment Per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the District prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel in Sections 1 and 2 exceeds the Sections 1 and 2 Maximum Assessment Per Unit 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 Chapter 375, the Assessment Order, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by Chapter 375.

#### **D. REDUCTION OF ASSESSMENTS**

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Budgeted Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Assessed Property shall be reduced by the Board of Directors pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.
2. If the Authorized Improvements to be funded with a series of Bonds are not undertaken or completed by the District, resulting in excess Bond proceeds being available to redeem Bonds of such series, the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the Board of Directors to reflect only the Actual Costs that were expended and such excess Bond proceeds shall be applied to redeem Bonds of such series. The Board of Directors shall reduce such Assessments for each Assessed Property pro rata such that the sum of the resulting reduced Assessments equals the Actual Costs with respect to such Authorized Improvements that were undertaken. The Assessments shall not be reduced to an amount less than the related outstanding principal amount of a series of Bonds.

#### **E. PAYMENT OF ASSESSMENTS**

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

- (a) The Assessment for any Parcel or Lot may be paid in full at any time. Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment

amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the applicable Trust Indenture, net of any other costs applicable to the redemption of Bonds.

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

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

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

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

Chapter 375 provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the District may collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Sections 1 and 2 Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

The Annual Installments shown in the Sections 1 and 2 Assessment Roll have been calculated using an interest rate on the Sections 1 and 2 Bonds of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055). The Annual Installments may not exceed the amounts shown on the Sections 1 and 2 Assessment Roll, except pursuant to any amendment or update to this Service and Assessment Plan.

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

The District reserves and shall have the right and option to refund the Bonds in accordance with Section 375.204 of Chapter 375. 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 Installment 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 to make required payments, and such refunding bonds shall constitute “Bonds” for purposes of this Service and Assessment Plan.

#### **F. COLLECTION OF ANNUAL INSTALLMENTS**

No less frequently than annually, the Administrator shall prepare, and the Board of Directors shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Sections 1 and 2 Assessment Roll, and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment collected in Sections where Bonds have been issued shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for a prepayment reserve. Annual Installments shall be collected by the District in the same manner and at the same time as ad valorem taxes for other entities and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes. The Board of Directors may provide for other means of collecting the Annual Installments to the extent permitted under Chapter 375. The Assessments shall have lien priority as specified in Chapter 375.

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

Each Sections 1 and 2 Annual Installment, including the interest on the unpaid amount of an Assessment, shall be billed on or about October 1 of that year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The collection of the first Annual Installment for a Sections 1 and 2 Lot or Parcel shall commence upon January 31, 2027.

#### **G. SURPLUS FUNDS REMAINING IN SECTIONS 1 AND 2 BOND ACCOUNT**

If Sections 1 and 2 Bond proceeds still remain after all of the Sections 1 and 2 Improvements are constructed and conveyed to the District, the proceeds may be utilized to finance other Authorized Improvements that specially benefit the Sections 1 and 2 Assessed Property.

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## ***VII. THE ASSESSMENT ROLL***

### **A. SECTIONS 1 AND 2 ASSESSMENT ROLL**

Each Parcel within Sections 1 and 2 has been evaluated by the Board of Directors (based on the developable area, proposed Property Owners' Association Property and Public Property, the Sections 1 and 2 Improvements, the best and highest use of land, and other development factors deemed relevant by the Board of Directors) to determine the amount of Assessed Property within the Parcel.

Sections 1 and 2 Assessed Property has been assessed for the special benefits conferred upon the property because of the Sections 1 and 2 Improvements and costs of issuance of the Bonds. Table VII summarizes the \$32,080,973 in special benefit received by Sections 1 and 2 Assessed Property from the Sections 1 and 2 Improvements, and the costs associated with issuing the Sections 1 and 2 Bonds. The total amount payable for the Sections 1 and 2 Improvements and cost of issuance of the Bonds is \$32,080,973 as shown in Table VII, which is less than the benefit received by Sections 1 and 2 Assessed Property, and as such the total Assessment for all Assessed Property within Sections 1 and 2 is \$25,634,000, plus annual Administrative Expenses. The Assessment for each Assessed Property within Sections 1 and 2 is calculated based on the allocation methodologies described in Section IV.C of this Service and Assessment Plan. The Sections 1 and 2 Assessment Roll is attached hereto as Appendix F.

**Table VII**  
**Sections 1 and 2**  
**Special Benefit Summary**

| <b>Special Benefit</b>                       | <b>Total Cost</b>   |
|----------------------------------------------|---------------------|
| Total Sections 1 and 2 Projects <sup>1</sup> | \$26,081,973        |
| <u>Estimated Bond Issuance Costs:</u>        |                     |
| Issuance Costs                               | \$1,325,891         |
| Administrative Expenses                      | \$120,000           |
| Underwriter's Discount                       | \$769,020           |
| Capitalized Interest                         | \$1,753,103         |
| Reserve Fund                                 | \$1,607,616         |
| Deposit to Additional Interest Reserve       | \$283,697           |
| Original Issue Discount                      | \$139,673           |
| <i>Subtotal</i>                              | <i>\$5,999,000</i>  |
| <b>Total Special Benefit</b>                 | <b>\$32,080,973</b> |
| <u>Special Benefit:</u>                      |                     |
| Total Special Benefit                        | \$32,080,973        |
| Projected Assessment                         | \$25,634,000        |
| <b>Excess Benefit</b>                        | <b>\$6,446,973</b>  |

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

**B. ANNUAL ASSESSMENT ROLL UPDATES**

The Administrator shall prepare, and shall submit to the Board of Directors for approval, annual updates to the Sections 1 and 2 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the District: (i) the identification of each Parcel (ii) the Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessments, if any, as provided by Section VI.E of this Service and Assessment Plan.

The Annual Service Plan Update will reflect the actual interest on the Sections 1 and 2 Bonds, and any reduction in the Sections 1 and 2 Assessments and any revisions in the Actual Costs to be funded by the Sections 1 and 2 Bonds.

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## ***VIII. MISCELLANEOUS PROVISIONS***

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### **A. ADMINISTRATIVE REVIEW**

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

An owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the District 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 Property 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 Property owner, such change or modification shall be presented to the Board of Directors for approval. A cash refund may not be made for any amount previously paid by the Assessed Property 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 District 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 Board of Directors. Any amendments made to the Assessment Roll pursuant to calculations errors shall be made pursuant to Chapter 375.

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 District shall provide the owner of the affected Parcel a recordable "Notice of the Assessment Termination."

### **C. AMENDMENTS**

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

The Board of Directors reserves the right to amend this Service and Assessment Plan without notice 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 Board of Directors shall administer (or cause the administration of) the District, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the Creation Legislation and Chapter 375, each as amended and in effect from time to time, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the applicable Trust Indenture, such determination by the Board of Directors shall be conclusive.

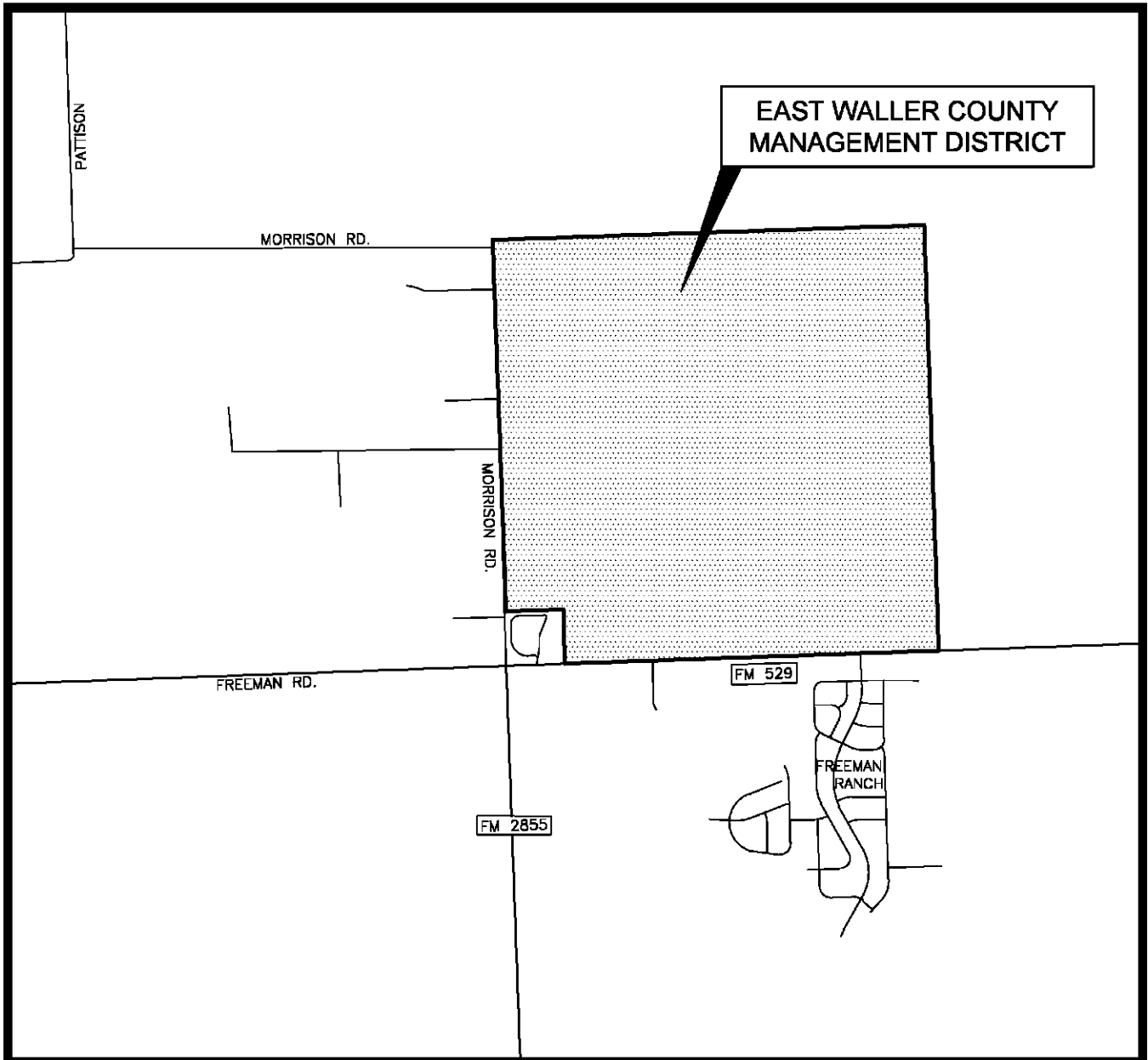
#### **E. SEVERABILITY**

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Property 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 Board of Directors 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 District.

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**APPENDIX A-1**  
**DEVELOPMENT MAP**



N.T.S.

KEY MAP # 403-J,K,N,P

EAST WALLER COUNTY  
MANAGEMENT DISTRICT  
VICINITY MAP

**r.g. miller**

**DCCM**

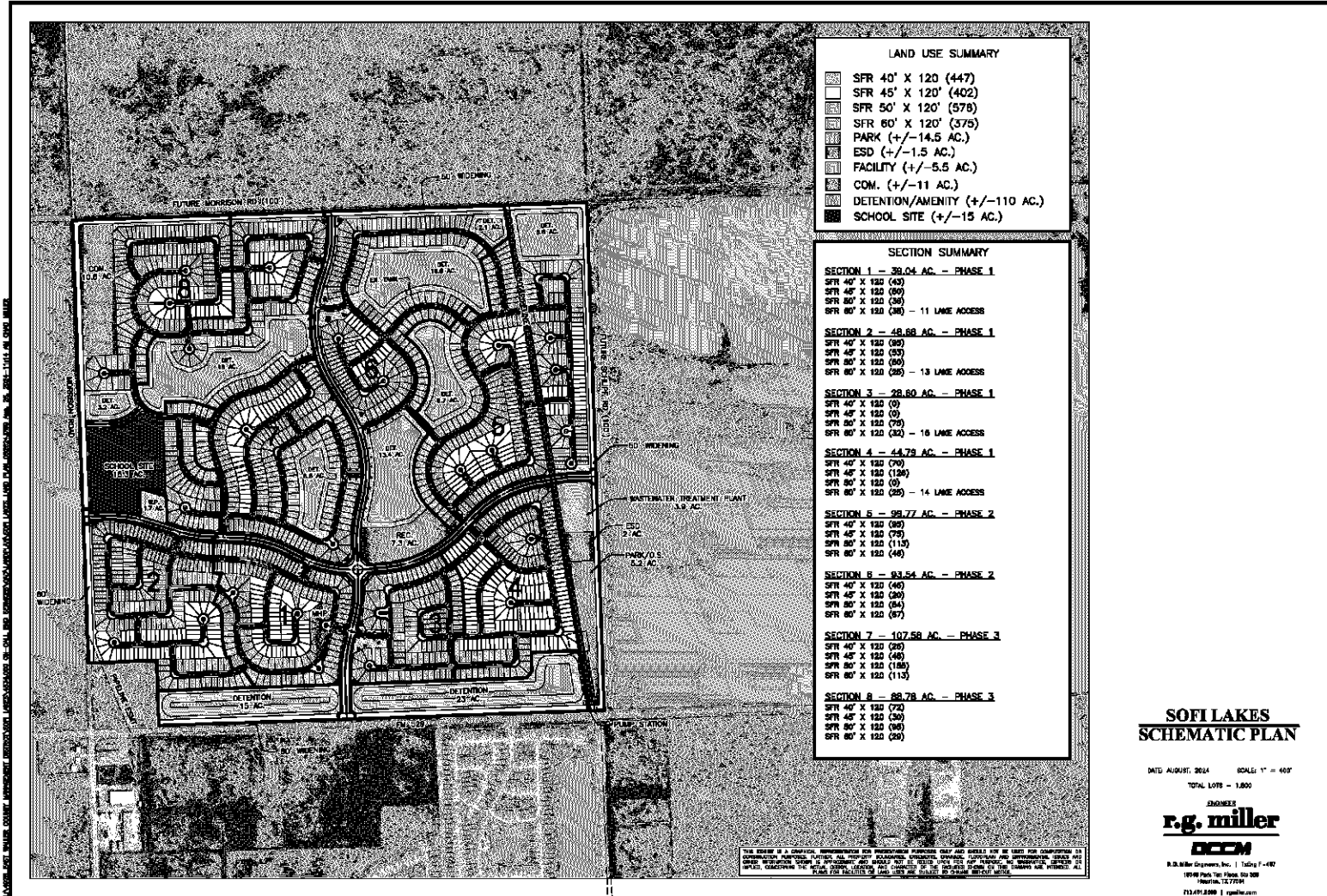
R.G. Miller Engineers, Inc. | TxEng F - 487

18340 Park Ten Place, Ste 350  
Houston, TX 77084

713.481.9800 | rgmiller.com

DATE: AUGUST 2024

**APPENDIX A-2**  
**MAP OF SECTIONS 1 AND 2**





**APPENDIX B**  
**AUTHORIZED IMPROVEMENT COSTS**

PRO RATE CALCULATIONS

TOTAL DEED AC= 622.4  
PHASE I # LOTS = 720  
OVERALL # LOTS = 1804

TABLE 1 - BOFI LAKES PHASE 1 & OVERALL LOT AND AREA CALCULATIONS

| SECTION                     | OVERALL AREA |              | OVERALL LOT DISTRIBUTION |               |             | PRY LOT DISTRIBUTION |               |
|-----------------------------|--------------|--------------|--------------------------|---------------|-------------|----------------------|---------------|
|                             | AC           | % TOTAL AREA | # LOTS                   | OVERALL LOT % | PHASE LOT % | SEC 1&2 LOT %        | SEC 3&4 LOT % |
| Section 1                   | 39.04        | 6.27%        | 189                      | 9.4%          |             | 23.5%                |               |
| Section 2                   | 48.68        | 7.82%        | 223                      | 12.4%         | 21.7%       | 31.0%                |               |
| Section 3                   | 28.6         | 4.60%        | 107                      | 5.9%          |             |                      | 14.9%         |
| Section 4                   | 44.79        | 7.20%        | 221                      | 12.3%         | 18.2%       |                      | 30.7%         |
| SEC 1-4 DETENTION           | 32.7         | 5.26%        |                          |               |             |                      |               |
| Section 5                   | 99.77        | 16.03%       | 329                      | 18.2%         |             |                      |               |
| Section 6                   | 93.54        | 15.03%       | 157                      | 10.4%         | 26.8%       |                      |               |
| Section 7                   | 107.58       | 17.28%       | 342                      | 18.9%         |             |                      |               |
| Section 8                   | 89.75        | 14.26%       | 226                      | 12.5%         | 31.6%       |                      |               |
| FREEMAN ROAD ROW DEDICATION | 6.024        | 0.98%        |                          |               |             |                      |               |
| MORISON ROAD ROW DEDICATION | 2.20         | 0.36%        |                          |               |             |                      |               |
| ESD                         | 2            | 0.32%        |                          |               |             |                      |               |
| PARK                        | 5.2          | 0.84%        |                          |               |             |                      |               |
| WWTP                        | 3.9          | 0.63%        |                          |               |             |                      |               |
| WATER PLANT                 | 1.7          | 0.27%        |                          |               |             |                      |               |
| YARA DR PH I                | 2.75         | 0.44%        |                          |               |             |                      |               |
| YARA DR FUTURE              | 3.23         | 0.52%        |                          |               |             |                      |               |
| SOFI BLVD PH I              | 2.21         | 0.36%        |                          |               |             |                      |               |
| SOFI BLVD FUTURE            | 2.91         | 0.47%        |                          |               |             |                      |               |
| MISC                        | 6.73         | 1.08%        |                          |               |             |                      |               |
| TOTAL                       | 622.40       | 100.0%       | 1804                     | 100.0%        | 100.0%      | 64.4%                | 45.6%         |

53.2%

TABLE 2 - AREA BREAKDOWN  
(SEC 1&2 AND 7&8 ONLY)

| SECTION   | AC     | SEC 1&2 % | SEC 7&8 % |
|-----------|--------|-----------|-----------|
| Section 1 | 39.04  |           |           |
| Section 2 | 48.68  | 30.8%     |           |
| Section 7 | 107.58 |           |           |
| Section 8 | 88.78  |           | 68.1%     |
| TOTAL     | 284.08 | 30.8%     | 68.1%     |

SEC 1+2 392 21.73%  
ALL 1804

TABLE 3 - SOFI LAKES PHASE 1 LAND CALCULATIONS

|                      | % REMB. | AC    |
|----------------------|---------|-------|
| Section 1 ROW & ESMT | 11.8    | 11.8  |
| Section 2 ROW & ESMT | 14.5    | 14.5  |
| SEC 1-4 DETENTION    | 32.7    |       |
| SEC 1-4 DET          | 54.4%   | 17.80 |
| WWTP                 | 3.9     | 3.9   |
| WATER PLANT          | 1.7     | 1.7   |
| YARA DR PH I         | 2.75    | 2.75  |
| SOFI BLVD PH I       | 2.21    | 2.21  |
| PH I TOTAL           | 64.66   |       |

8.8% of total AC

## SOFI LAKES SECTION 1 &amp; 2 REIMBURSEMENT BREAKDOWN - PUBLIC COSTS

| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
|-----------------------------------------------|-----------------------|--------------------------------------------------|-------------------------|--------------------------|-------------------------------|-----------------------|------------------------------|
| 1                                             | ROAD                  | SOFT LAKES/BLVD PAVING CONSTRUCTION              | ICONAGE LLC             | \$ 700,512.00            | 100.0%                        | \$ 700,512.00         |                              |
| 3                                             | ROAD                  | SOFT LAKES/BLVD PAVING CONSTRUCTION              | AMPC CONTRACTORS        | \$ 1,708,024.50          | 100.0%                        | \$ 1,708,024.50       | \$ -                         |
| 1                                             | ROAD                  | SOFT LAKES/BLVD PAVING CONSTRUCTION              | RAY PRINCE LLC          | \$ 1,045,963.58          | 100.0%                        | \$ 1,045,963.58       | \$ -                         |
| 1                                             | ROAD                  | YARA DRIVE/BLVD PAVING CONSTRUCTION              | C. E. BARNER LTD        | \$ 617,480.00            | 100.0%                        | \$ 617,480.00         | \$ -                         |
| SUBTOTAL ROAD IMPROVEMENTS:                   |                       |                                                  | \$ 5,025,550.00         |                          | \$ 5,025,550.00               | \$ -                  | \$ 2,713,588.00              |
| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 2                                             | SANITARY LIFT STATION | WATER/WATER LIFT STATION CONSTRUCTION            | ISO                     | \$ 765,000.00            | 100.0%                        | \$ 765,000.00         | \$ -                         |
| SUBTOTALS SANITARY LIFT STATION IMPROVEMENTS: |                       |                                                  | \$ 765,000.00           |                          | \$ 765,000.00                 | \$ -                  | \$ 765,000.00                |
| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 3                                             | WATER                 | SOFT LAKES/BLVD WATER CONSTRUCTION               | ICONAGE LLC             | \$ 277,667.12            | 100.0%                        | \$ 277,667.12         | \$ -                         |
| 3                                             | WATER                 | SOFT LAKES/BLVD WATER CONSTRUCTION               | AMPC CONTRACTORS        | \$ 493,289.77            | 100.0%                        | \$ 493,289.77         | \$ -                         |
| 3                                             | WATER                 | SOFT LAKES/BLVD WATER CONSTRUCTION               | RAY PRINCE LLC          | \$ 496,335.98            | 100.0%                        | \$ 496,335.98         | \$ -                         |
| 3                                             | WATER                 | YARA DRIVE/BLVD WATER CONSTRUCTION               | C. E. BARNER LTD        | \$ 203,535.80            | 100.0%                        | \$ 203,535.80         | \$ -                         |
| SUBTOTALS WATER IMPROVEMENTS:                 |                       |                                                  | \$ 1,770,838.68         |                          | \$ 1,770,838.68               | \$ -                  | \$ 1,770,838.68              |
| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 3                                             | SEWER                 | SOFT LAKES/BLVD SEWER CONSTRUCTION               | ICONAGE LLC             | \$ 790,882.27            | 100.0%                        | \$ 790,882.27         | \$ -                         |
| 3                                             | SEWER                 | SOFT LAKES/BLVD SEWER CONSTRUCTION               | AMPC CONTRACTORS        | \$ 834,530.46            | 100.0%                        | \$ 834,530.46         | \$ -                         |
| 3                                             | SEWER                 | SOFT LAKES/BLVD SEWER CONSTRUCTION               | RAY PRINCE LLC          | \$ 909,800.00            | 100.0%                        | \$ 909,800.00         | \$ -                         |
| 3                                             | SEWER                 | YARA DRIVE/BLVD SEWER CONSTRUCTION               | C. E. BARNER LTD        | \$ 447,688.76            | 100.0%                        | \$ 447,688.76         | \$ -                         |
| SUBTOTALS WASTEWATER IMPROVEMENTS:            |                       |                                                  | \$ 2,982,901.47         |                          | \$ 2,982,901.47               | \$ -                  | \$ 2,982,901.47              |
| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 4                                             | BRANCHED              | SOFT LAKES/BLVD BRANCHED/STORM TORM CONSTRUCTION | ICONAGE LLC             | \$ 247,527.50            | 100.0%                        | \$ 247,527.50         | \$ -                         |
| 4                                             | BRANCHED              | SOFT LAKES/BLVD BRANCHED/STORM TORM CONSTRUCTION | AMPC CONTRACTORS        | \$ 3,503,818.00          | 100.0%                        | \$ 3,503,818.00       | \$ -                         |
| 4                                             | BRANCHED              | SOFT LAKES/BLVD BRANCHED/STORM TORM CONSTRUCTION | RAY PRINCE LLC          | \$ 1,080,000.00          | 100.0%                        | \$ 1,080,000.00       | \$ -                         |
| 4                                             | BRANCHED              | YARA DRIVE/BLVD BRANCHED/STORM TORM CONSTRUCTION | C. E. BARNER LTD        | \$ 180,000.00            | 100.0%                        | \$ 180,000.00         | \$ -                         |
| SUBTOTALS BRANCHED IMPROVEMENTS:              |                       |                                                  | \$ 4,991,345.50         |                          | \$ 4,991,345.50               | \$ -                  | \$ 4,991,345.50              |
| REIMBURSEMENT CATEGORY                        | PROJECT               | CONSULTANT/VENDOR                                | PHASE   CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 5                                             | DETENTION             | DETENTION CONSTRUCTION                           | HURTADO CONSTRUCTION    | \$ 2,570,888.00          | 100.0%                        | \$ 2,570,888.00       | \$ -                         |
| 5                                             | DETENTION             | DETENTION PIPELINE REMOVAL (SEC 2 & 7/8)         | HURTADO CONSTRUCTION    | \$ 213,000.00            | 30.6%                         | \$ 65,000.00          | \$ 40,000.00                 |
| 5                                             | DETENTION             | HILL CORP. (DETENTION)                           | HILL CORP               | \$ 95,000.00             | 100.0%                        | \$ 95,000.00          | \$ -                         |
| 5                                             | DETENTION             | HILL CORP. (DETENTION)                           | HILL CORP               | \$ 150,000.00            | 100.0%                        | \$ 150,000.00         | \$ -                         |
| SUBTOTALS DETENTION IMPROVEMENTS:             |                       |                                                  | \$ 3,887,888.00         |                          | \$ 3,887,888.00               | \$ 40,000.00          | \$ 3,847,888.00              |

NOTES

SEE APPROPRIATE CALCULATIONS, TABLE 2, OVERALL LOT DISTRIBUTION

| REIMBURSEMENT CATEGORY                         | PROJECT                                          | CONSULTANT/VENDOR      | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
|------------------------------------------------|--------------------------------------------------|------------------------|-------------------------|--------------------------|-------------------------------|-----------------------|------------------------------|
| 6 LANDSCAPING                                  | 4B34 Irrigation Pump Station                     | PG MILLER              | \$ 25,000.00            | 54.4%                    | \$ 13,611.11                  | \$ 3,375.00           | \$ 13,236.11                 |
| 6 LANDSCAPING                                  | LANDSCAPING DESIGN & PLANS                       | FOUR & ONE             | \$ 16,800.00            | 100.0%                   | \$ 16,800.00                  | \$ 16,800.00          | \$ -                         |
| 6 LANDSCAPING                                  | LANDSCAPING CONSTRUCTION                         | PG MILLER              | \$ 1,866,000.00         | 100.0%                   | \$ 1,866,000.00               | \$ 180,000.00         | \$ 1,686,000.00              |
| SUBTOTALS LANDSCAPING REIMBURSEMENT:           |                                                  |                        | \$ 1,907,800.00         |                          | \$ 1,995,411.11               | \$ 184,375.00         | \$ 1,811,036.11              |
| REIMBURSEMENT CATEGORY                         | PROJECT                                          | CONSULTANT/VENDOR      | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 7 SOFT COST                                    | East Water County Management District            | DRONLAW LAW            | \$ 212,500.00           | 100.0%                   | \$ 212,500.00                 | \$ 5,000.00           | \$ 207,500.00                |
| 7 SOFT COST                                    | 4B32 West East Water County Management District  | PG MILLER              | \$ 50,000.00            | 100.0%                   | \$ 50,000.00                  | \$ 7,875.00           | \$ 42,125.00                 |
| 7 SOFT COST                                    | ENVIRONMENTAL - LIVE DATA                        | LIVE DATA              | \$ 36,893.48            | 21.7%                    | \$ 8,007.95                   | \$ 8,007.95           | \$ -                         |
| 7 SOFT COST                                    | ENVIRONMENTAL - LIA                              | LIA                    | \$ 1,000.00             | 21.7%                    | \$ 217.70                     | \$ 217.70             | \$ -                         |
| 7 SOFT COST                                    | REIMBURSEMENT AUDIT                              | CEC                    | \$ 20,000.00            | 100.0%                   | \$ 20,000.00                  | \$ 27,780.00          | \$ 12,220.00                 |
| 7 SOFT COST                                    | SECTION 1 & 2 PROJECT MANAGEMENT                 | WTE LAND MANAGEMENT    | \$ 17,204.58            | 100.0%                   | \$ 17,204.58                  | \$ 17,204.58          | \$ -                         |
| SUBTOTALS OTHER SOFT & MISCELLANEOUS COSTS:    |                                                  |                        | \$ 340,504.16           |                          | \$ 338,227.79                 | \$ 68,493.83          | \$ 271,733.96                |
| REIMBURSEMENT CATEGORY                         | PROJECT                                          | CONSULTANT/VENDOR      | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 8 ENGINEERING                                  | 4B34 BBS On Call Engineering                     | PG MILLER              | \$ 119,640.78           | 100.0%                   | \$ 119,640.78                 | \$ 119,640.78         | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS S&I 1                                   | PG MILLER              | \$ 578,237.87           | 100.0%                   | \$ 578,237.87                 | \$ 301,091.84         | \$ 277,146.03                |
| 8 ENGINEERING                                  | 4B34 BBS S&I 2                                   | PG MILLER              | \$ 678,548.16           | 100.0%                   | \$ 678,548.16                 | \$ 236,044.23         | \$ 442,503.93                |
| 8 ENGINEERING                                  | 4B34 BBS Construction                            | PG MILLER              | \$ 897,648.05           | 54.4%                    | \$ 486,330.43                 | \$ 325,330.43         | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS TIA                                     | PG MILLER              | \$ 44,314.87            | 100.0%                   | \$ 44,314.87                  | \$ 44,314.87          | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS S&I Drive Phase 1                       | PG MILLER              | \$ 282,125.00           | 100.0%                   | \$ 282,125.00                 | \$ 307,561.19         | \$ 14,436.19                 |
| 8 ENGINEERING                                  | 4B34 BBS S&I Drive Phase 2                       | PG MILLER              | \$ 196,341.13           | 100.0%                   | \$ 196,341.13                 | \$ 124,145.79         | \$ 72,195.34                 |
| 8 ENGINEERING                                  | 4B34 BBS Phase 1 Traffic Engineering Study       | PG MILLER              | \$ 185,440.22           | 54.4%                    | \$ 100,645.06                 | \$ 65,040.77          | \$ 35,604.29                 |
| 8 ENGINEERING                                  | 4B34 BBS Drainage Impact Study                   | PG MILLER              | \$ 17,242.20            | 54.4%                    | \$ 9,380.20                   | \$ 42,380.20          | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS Water Plant                             | PG MILLER              | \$ 461,607.27           | 54.4%                    | \$ 251,044.42                 | \$ 251,044.42         | \$ -                         |
| 8 ENGINEERING                                  | WATER POINT                                      | CEC                    | \$ 10,000.00            | 21.7%                    | \$ 2,172.85                   | \$ 2,172.85           | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS Water Plant                             | PG MILLER              | \$ 382,042.23           | 54.4%                    | \$ 208,445.88                 | \$ 213,445.88         | \$ -                         |
| 8 ENGINEERING                                  | 4B34 BBS Water Plant Pump                        | PG MILLER              | \$ 22,171.10            | 21.7%                    | \$ 4,811.48                   | \$ 4,811.48           | \$ -                         |
| 8 ENGINEERING                                  | SECTION 1 & 2 THIRD PARTY CONSTRUCTION OVERSIGHT | CEC                    | \$ 55,000.00            | 100.0%                   | \$ 55,000.00                  | \$ -                  | \$ 55,000.00                 |
| SUBTOTALS ENGINEERING SOFT COSTS:              |                                                  |                        | \$ 4,677,341.14         |                          | \$ 2,863,164.36               | \$ 1,917,474.58       | \$ 849,889.78                |
| REIMBURSEMENT CATEGORY                         | PROJECT                                          | CONSULTANT/VENDOR      | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 9 LEGAL                                        | East Water County Management District            | WINTHEAD               | \$ 400,327.07           | 100.0%                   | \$ 400,327.07                 | \$ 305,508.00         | \$ 94,819.07                 |
| 9 LEGAL                                        | East Water County Management District            | MCDONALD & WESSENDORFF | \$ 5,285.00             | 100.0%                   | \$ 5,285.00                   | \$ 5,285.00           | \$ -                         |
| 9 LEGAL                                        | DISTRICT CREATION - WATER POINT                  | SOFT LANDS             | \$ 344,000.00           | 21.7%                    | \$ 74,638.13                  | \$ 75,780.13          | \$ -                         |
| SUBTOTALS LEGAL SOFT COSTS:                    |                                                  |                        | \$ 749,612.07           |                          | \$ 480,431.13                 | \$ 386,573.13         | \$ 163,058.00                |
| REIMBURSEMENT CATEGORY                         | PROJECT                                          | CONSULTANT/VENDOR      | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |
| 10 RIGHT OF WAY                                | HAL CORP. 40011/10011/10011                      | HAL CORP               | \$ 1,400,000.00         | 0.0%                     | \$ -                          | \$ 122,850.58         | \$ -                         |
| 10 RIGHT OF WAY                                | LAND COSTS (BOOK, EIGHTS, DETENTIONS)            | SOFT LANDS             | \$ 36,829,341.09        | 0.0%                     | \$ -                          | \$ 3,245,004.22       | \$ -                         |
| SUBTOTALS RIGHT OF WAY ACQUISITION SOFT COSTS: |                                                  |                        | \$ 38,229,341.09        |                          | \$ -                          | \$ 3,367,854.80       | \$ -                         |
| Grand Total:                                   |                                                  |                        | \$ 18,844,350.28        |                          |                               |                       |                              |
| Grand Total:                                   |                                                  |                        |                         |                          | \$ 20,122,548.54              | \$ 2,722,890.67       | \$ 18,404,738.37             |
| TOTAL CONTRACT AMOUNTS FOR BIDS SEC 1 & 2:     |                                                  |                        |                         |                          | \$ 32,122,548.54              |                       |                              |
| TOTAL SOFT SEC 1 & 2 PAID TO DATE:             |                                                  |                        |                         |                          |                               | \$ 3,792,690.67       |                              |

**ADDITIONAL PUBLIC COSTS FROM SEC 3 & 4 COMMON ITEMS (ALLOCATION COSTS)**

|   |                        |                                      |                                                                                             |                         |                          |                               |                       |                              |                                                            |
|---|------------------------|--------------------------------------|---------------------------------------------------------------------------------------------|-------------------------|--------------------------|-------------------------------|-----------------------|------------------------------|------------------------------------------------------------|
|   | REIMBURSEMENT CATEGORY | PROJECT                              | CONSULTANT/VENDOR                                                                           | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |                                                            |
| 2 | SANITARY LIFT STATION  | WASTEWATER LIFT STATION CONSTRUCTION | TEO                                                                                         | \$ 685,589.00           | 100.0%                   | \$ 685,589.00                 | \$ -                  | \$ 685,589.00                | SEE PROPRATE CALC'S TAB. TABLE 1, PHILLO DISTRIBUTION      |
|   |                        |                                      | SUBTOTAL SANITARY LIFT STATION ALLOCATION IMPROVEMENTS:                                     | \$ 685,589.00           |                          | \$ 685,589.00                 | \$ -                  | \$ 685,589.00                |                                                            |
|   | REIMBURSEMENT CATEGORY | PROJECT                              | CONSULTANT/VENDOR                                                                           | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |                                                            |
| 5 | DETENTION              | 4524.000 D/CILL Engineering          | RG MILLER                                                                                   | \$ 10,584.92            | 100.0%                   | \$ 10,584.92                  | \$ 75,545.43          | \$ 25,542.45                 | SEE PROPRATE CALC'S TAB. TABLE 1, PHILLO DISTRIBUTION      |
|   | DETENTION              | DETENTION CONSTRUCTION               | HURT AND CONSTRUCTION CO.                                                                   | \$ 2,300,267.83         | 100.0%                   | \$ 2,300,267.83               | \$ -                  | \$ 2,300,267.83              |                                                            |
|   |                        |                                      | SUBTOTAL DETENTION ALLOCATION IMPROVEMENTS:                                                 | \$ 2,300,267.83         |                          | \$ 2,300,267.83               | \$ 75,545.43          | \$ 2,300,267.83              |                                                            |
|   | REIMBURSEMENT CATEGORY | PROJECT                              | CONSULTANT/VENDOR                                                                           | PHASE / CONTRACT AMOUNT | SEC 1 & 2 % REIMBURSABLE | SEC 1 & 2 AMOUNT REIMBURSABLE | SEC 1 & 2 AMOUNT PAID | SEC 1 & 2 AMOUNT REIMBURSING |                                                            |
| 7 | SOFT COST              | ENVIRONMENTAL - LIA                  | LIA                                                                                         | \$ 1,000.00             | 10.0%                    | \$ 100.00                     | \$ 181.82             | \$ -                         | SEE PROPRATE CALC'S TAB. TABLE 2, OVERALL LLO DISTRIBUTION |
| 7 | SOFT COST              | ENVIRONMENTAL - LIVE GAS             | LIVE GAS                                                                                    | \$ 3,600.00             | 10.0%                    | \$ 360.00                     | \$ 7,035.21           | \$ -                         | SEE PROPRATE CALC'S TAB. TABLE 2, OVERALL LLO DISTRIBUTION |
|   |                        |                                      | SUBTOTAL SOFT COST ALLOCATION SOFT COSTS:                                                   | \$ 3,600.00             |                          | \$ 360.00                     | \$ 7,217.03           | \$ -                         |                                                            |
|   |                        |                                      | GRAND TOTAL:                                                                                | \$ 3,000,784.99         |                          | \$ 3,000,784.99               | \$ 81,721.51          | \$ 2,908,063.45              |                                                            |
|   |                        |                                      | TOTAL CONTRACT AMOUNT FOR SEC 1 & 2 (SEC 3 & 4 ALLOCATION COMMON ITEMS):                    | \$ 3,000,784.99         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | TOTAL OF SEC 1 & 2 (SEC 3 & 4 ALLOCATION COMMON ITEMS) FROM TO DATE:                        | \$ 81,721.51            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | SUBTOTAL ASSESSMENT BOND CONTRACT AMOUNT FOR SEC 1 & 2:                                     | \$ 25,232,549.54        |                          |                               |                       |                              |                                                            |
|   |                        |                                      | SUBTOTAL ASSESSMENT BOND CONTRACT AMOUNT FOR SEC 1 & 2 (SEC 3 & 4 ALLOCATION COMMON ITEMS): | \$ 3,000,784.99         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | GRAND TOTAL ASSESSMENT BOND CONTRACT AMOUNT FOR SEC 1 & 2:                                  | \$ 28,233,334.53        |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WATER PLANT ENGINEERING                                                                     | \$ 61,047.27            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WASTE WATER PLANT ENGINEERING                                                               | \$ 30,000.00            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | TOTAL WATER AND WASTE WATER PLANT ENGINEERING                                               | \$ 91,047.27            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WATER PLANT CONSTRUCTION COST                                                               | \$ 3,569,948.09         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WASTE WATER PLANT CONSTRUCTION COST                                                         | \$ 7,566,618.00         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | TOTAL LEASED AMOUNT                                                                         | \$ 11,136,566.09        |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WATER PLANT EQUIPMENT TO BE LEASED                                                          | \$ 68,320.10            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WASTE WATER PLANT EQUIPMENT TO BE LEASED                                                    | \$ 3,643,629.88         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | TOTAL LEASED AMOUNT                                                                         | \$ 3,711,949.98         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WATER PLANT EQUIPMENT LEASE PAYMENTS (2 YEARS)                                              | \$ 69,686.26            |                          |                               |                       |                              |                                                            |
|   |                        |                                      | WASTE WATER PLANT EQUIPMENT LEASE PAYMENTS (12 YEARS)                                       | \$ 3,255,802.43         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | TOTAL LEASED AMOUNT (14 YEARS)                                                              | \$ 3,325,488.69         |                          |                               |                       |                              |                                                            |
|   |                        |                                      | GRAND TOTAL PUBLIC COSTS:                                                                   | \$ 45,238,566.66        |                          |                               |                       |                              |                                                            |

## SOFI LAKES SECTION 1 &amp; 2 REIMBURSEMENT BREAKDOWN - PRIVATE COSTS

| REIMBURSEMENT<br>CATEGORY      | PROJECT                                          | CONSULTANT/VENDOR     | PHASE 1 CONTRACT<br>AMOUNT                                  | SEC 1 & 2<br>% REIMBURSABLE | SEC 1 & 2<br>AMOUNT<br>REIMBURSABLE | SEC 1 & 2<br>AMOUNT PAID | SEC 1 & 2<br>AMOUNT<br>REMAINING | NOTES                                                 |
|--------------------------------|--------------------------------------------------|-----------------------|-------------------------------------------------------------|-----------------------------|-------------------------------------|--------------------------|----------------------------------|-------------------------------------------------------|
| 11 OTHER PRIVATE               | CENTERPOINT ENERGY CONSTRUCTION COST (SEC 1 & 2) | CENTERPOINT           | \$ 462,000.00                                               | 100.0%                      | \$ 462,000.00                       |                          | \$ 462,000.00                    | SEE PRORATE CALCS TAB, TABLE 1, PH 1 LOT DISTRIBUTION |
| 11 OTHER PRIVATE               | CENTERPOINT ENERGY SEC 1-4 PERMITTING            | CENTERPOINT           | \$ 26,619.00                                                | 54.4%                       | \$ 13,690.34                        | \$ 15,699.34             | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | COMCAST                                          | COMCAST               | \$ -                                                        |                             | \$ -                                |                          | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | DISTRICT LEGAL MATTERS                           | DAVE R. LAW           | \$ 20,000.00                                                | 100.0%                      | \$ 20,000.00                        | \$ 20,000.00             | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | DISTRICT LEGAL MATTERS                           | HILDIS INVESTMENTS    | \$ 3,000.00                                                 | 100.0%                      | \$ 3,000.00                         | \$ 3,000.00              | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | DISTRICT LEGAL MATTERS - BUILDER GUIDELINES      | BARLETTA & ASSOCIATES | \$ 17,000.00                                                | 100.0%                      | \$ 17,000.00                        | \$ 17,000.00             | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | DISTRICT LEGAL MATTERS - HOA                     | RHWBH                 | \$ 66,276.50                                                | 100.0%                      | \$ 66,276.50                        | \$ 66,276.50             | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | FENCING COSTS (BUILDER REIMBURSEMENT)            | TED                   | \$ 334,214.40                                               | 0.0%                        | \$ -                                |                          | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | LAND CLOSING LEGAL MATTERS                       | K TAX SERVICE         | \$ 4,000.00                                                 | 100.0%                      | \$ 4,000.00                         | \$ 4,000.00              | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | LAND CLOSING LEGAL MATTERS                       | ZAK PATER LAW FIRM    | \$ 10,395.74                                                | 100.0%                      | \$ 10,395.74                        | \$ 10,395.74             | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | MAILBOX                                          | TBD                   | \$ 280,000.00                                               | 100.0%                      | \$ 280,000.00                       |                          | \$ 280,000.00                    |                                                       |
| 11 OTHER PRIVATE               | SE ENERGY GAS                                    | SE ENERGY             | \$ -                                                        |                             | \$ -                                |                          | \$ -                             |                                                       |
| 11 OTHER PRIVATE               | TIOGA CAPITAL - interest reserve                 | TIOGA CAPITAL         | \$ 676,000.00                                               | 64.4%                       | \$ 369,133.33                       | \$ 369,133.33            | \$ -                             | SEE PRORATE CALCS TAB, TABLE 1, PH 1 LOT DISTRIBUTION |
| 11 OTHER PRIVATE               | TIOGA CAPITAL - LENDER POINTS                    | TIOGA CAPITAL         | \$ 1,120,000.00                                             | 64.4%                       | \$ 609,777.78                       | \$ 609,777.78            | \$ -                             | SEE PRORATE CALCS TAB, TABLE 1, PH 1 LOT DISTRIBUTION |
| 11 OTHER PRIVATE               | TIOGA CAPITAL - SEC 1 & 2 CAPITALIZED INTEREST   | TIOGA CAPITAL         | \$ 2,000,000.00                                             | 64.4%                       | \$ 1,306,666.67                     | \$ 1,306,666.67          | \$ 1,306,666.67                  | SEE PRORATE CALCS TAB, TABLE 1, PH 1 LOT DISTRIBUTION |
| SUBTOTALS OTHER PRIVATE COSTS: |                                                  |                       | \$ 3,425,795.64                                             |                             | \$ 3,165,949.36                     | \$ 3,117,273.79          | \$ 2,046,666.67                  |                                                       |
|                                |                                                  |                       |                                                             |                             |                                     | \$ 1,049,491.24          |                                  |                                                       |
|                                |                                                  |                       | TOTAL CONTRACT AMOUNT SOFI LAKES SEC 1 & 2: \$ 3,165,949.36 |                             |                                     |                          |                                  |                                                       |
|                                |                                                  |                       | TOTAL SOFI SEC 1 & 2 PAID TO DATE: \$ 3,117,273.79          |                             |                                     |                          |                                  |                                                       |

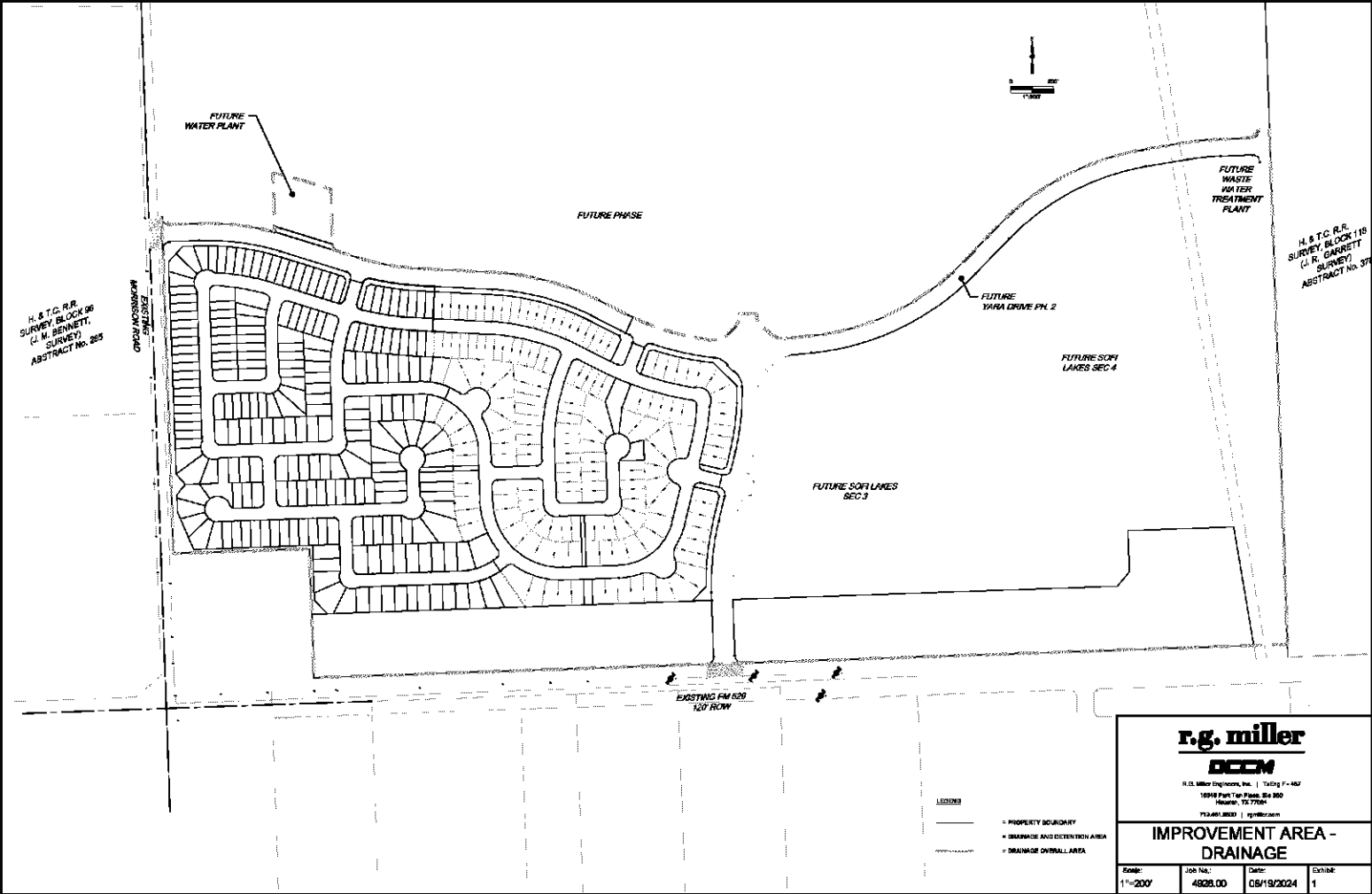
## SOFI LAKES SECTION 1 &amp; 2 REIMBURSEMENT BREAKDOWN - WATER &amp; WWTP COSTS

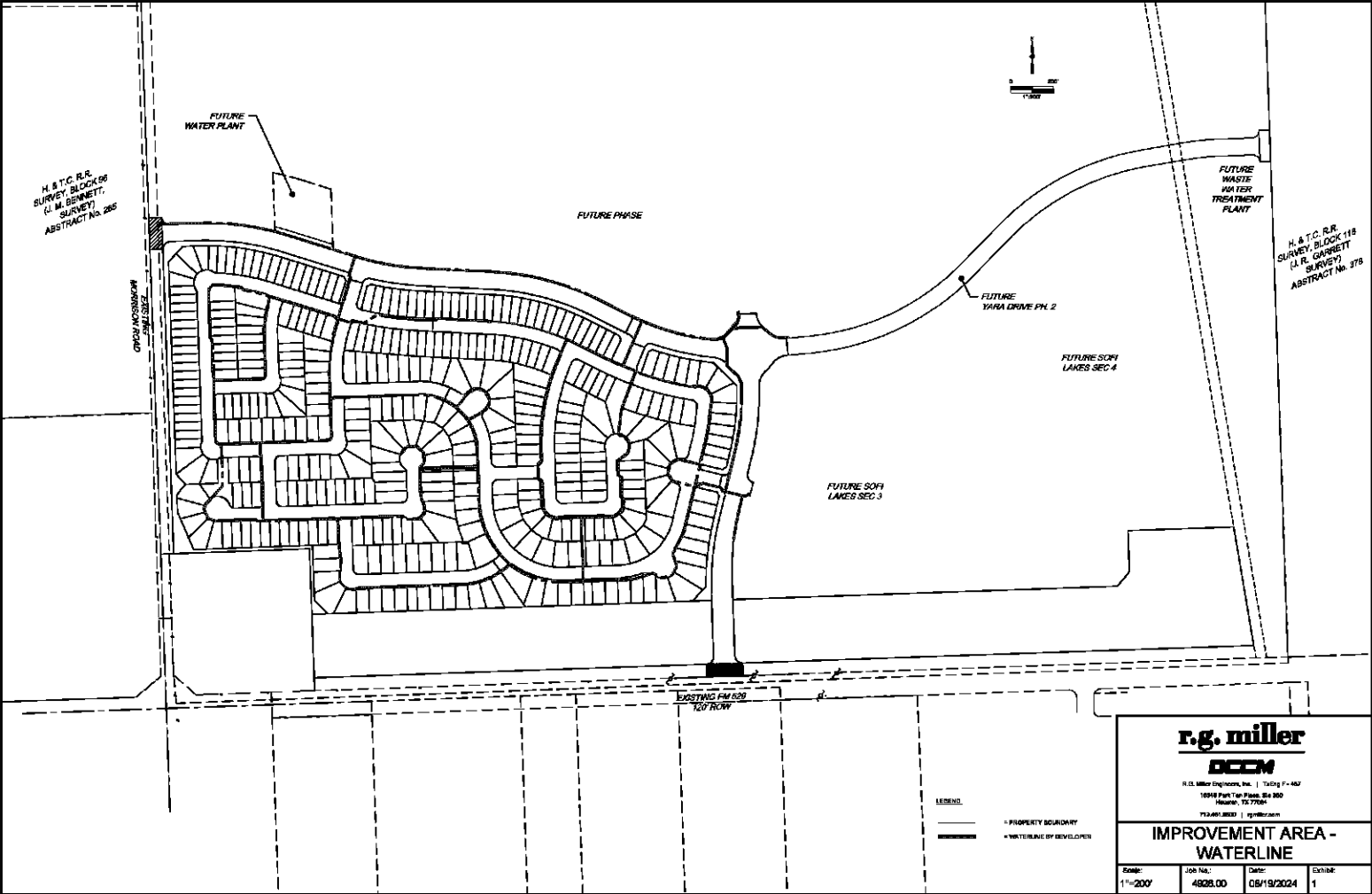
| PROJECT                                    | CONSULTANT    | CONTRACT AMOUNT | % REIMBURSABLE | AMOUNT REIMBURSABLE | AMOUNT PAID   | AMOUNT REMAINING |
|--------------------------------------------|---------------|-----------------|----------------|---------------------|---------------|------------------|
| 4834.600 Waste Water Plant                 | RG MILLER     | \$ 392,082.23   | 54.4%          | \$ 213,467          | \$ 213,466.99 | \$ -             |
| 4834.700 Water Plant                       | RG MILLER     | \$ 461,047.27   | 54.4%          | \$ 251,015          | \$ 251,014.62 | \$ -             |
| 4928.600 East Waller Discharge Permit      | RG MILLER     | \$ 22,170.10    | 21.7%          | \$ 4,817            | \$ 4,817.45   | \$ -             |
| Waste Water Plant Construction             | TBD-IN DESIGN | \$ 4,115,188.61 | 54.4%          | \$ 2,240,482        | \$ -          | \$ 2,240,491.58  |
| Waste Water Plant Lease Amount             | TBD-IN DESIGN | \$ 3,441,424.48 | 54.4%          | \$ 1,873,664        | \$ -          | \$ 1,873,664.44  |
| Waste Water Plant Lease Payments (2 years) | TBD-IN DESIGN | \$ 751,934.14   | 54.4%          | \$ 409,386          | \$ -          | \$ 409,388.37    |
| Waste Water Wet Haul                       | TBD-IN DESIGN | \$ 150,000.00   | 100.0%         | \$ 150,000          | \$ -          | \$ 150,000.00    |
| Water Plant Construction                   | TBD-IN DESIGN | \$ 2,690,920.99 | 54.4%          | \$ 1,465,057        | \$ -          | \$ 1,465,056.98  |
| Water Plant Lease Amount                   | TBD-IN DESIGN | \$ 869,120.10   | 54.4%          | \$ 473,188          | \$ -          | \$ 473,187.61    |
| Water Plant Payments (2 years)             | TBD-IN DESIGN | \$ 189,898.42   | 54.4%          | \$ 103,389          | \$ -          | \$ 103,389.14    |
| WATER PERMIT                               | TCEQ          | \$ 10,000.00    | 21.7%          | \$ 2,173            | \$ 2,172.95   | \$ -             |
| TOTAL:                                     |               |                 |                | \$ 7,186,648.13     | \$ 471,472.02 | \$ 6,715,176.11  |

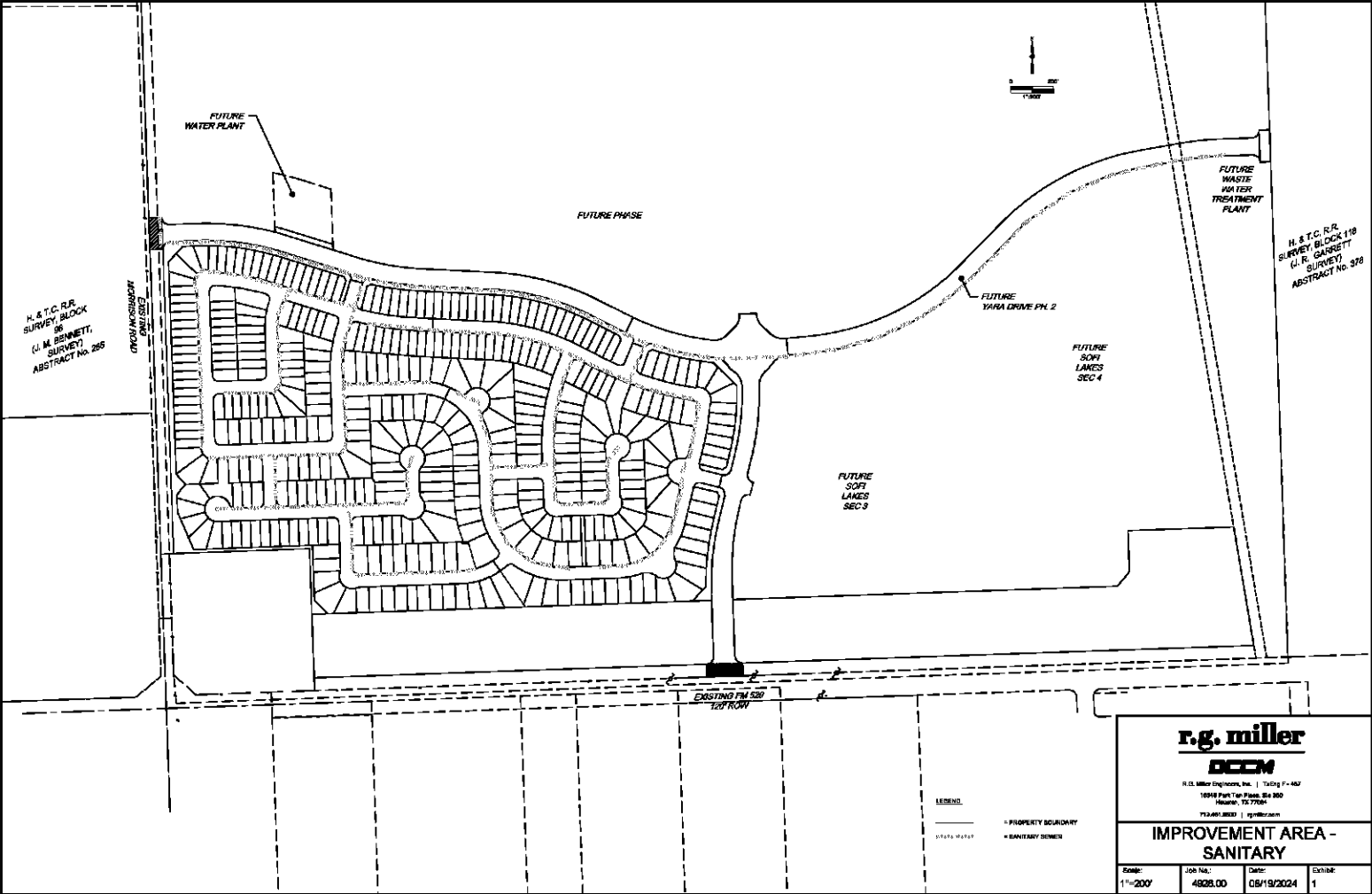
|             | CC              | lease           | 2 year lease cost |
|-------------|-----------------|-----------------|-------------------|
| water const | \$ 2,690,920.99 | \$ 869,120.10   | \$ 189,898.42     |
| ww const    | \$ 4,115,188.61 | \$ 3,441,424.48 | \$ 751,934.14     |
|             | \$ 6,806,109.59 | \$ 4,310,544.58 | \$ 941,832.56     |

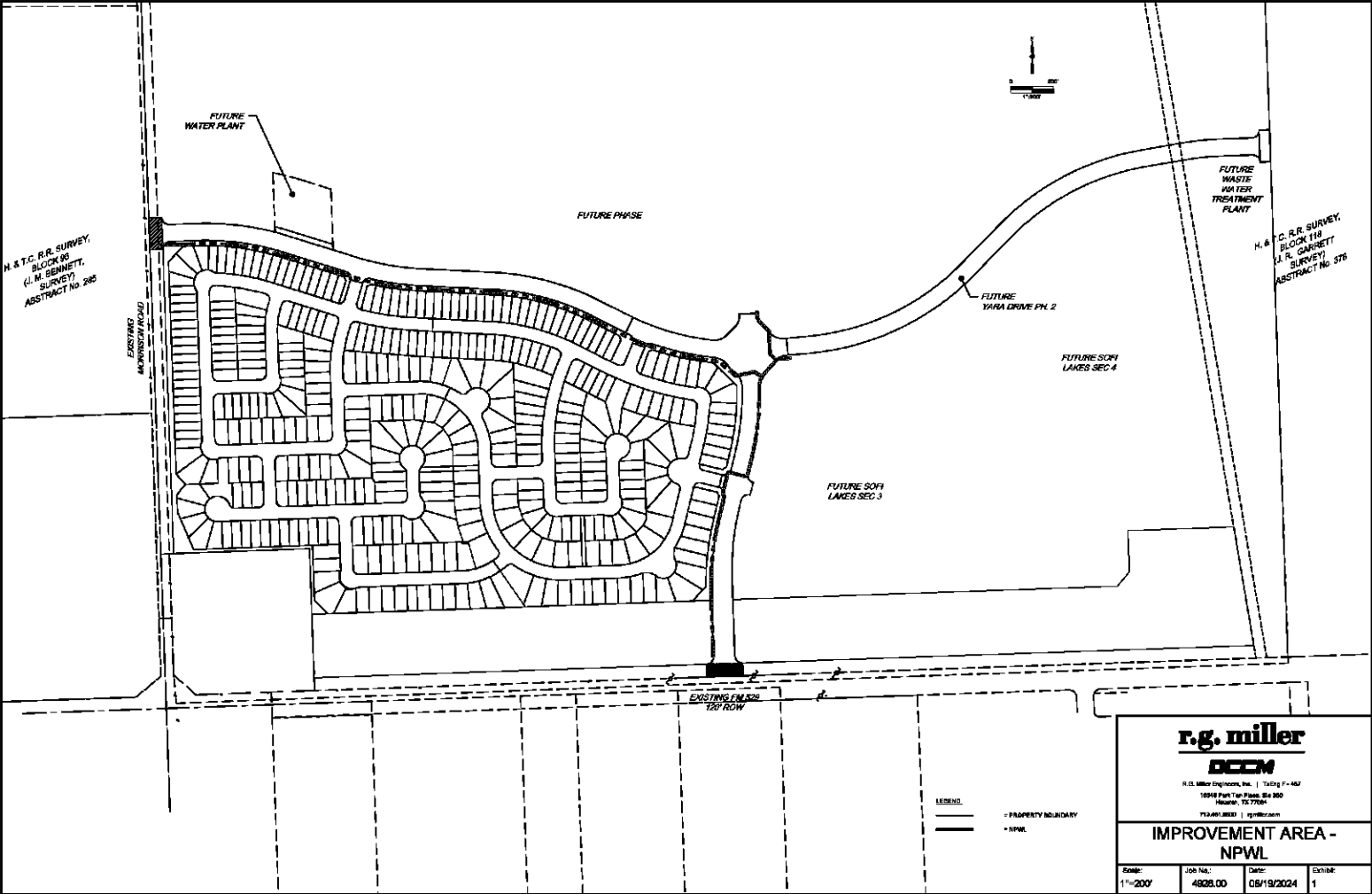
**APPENDIX C**  
**DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS**

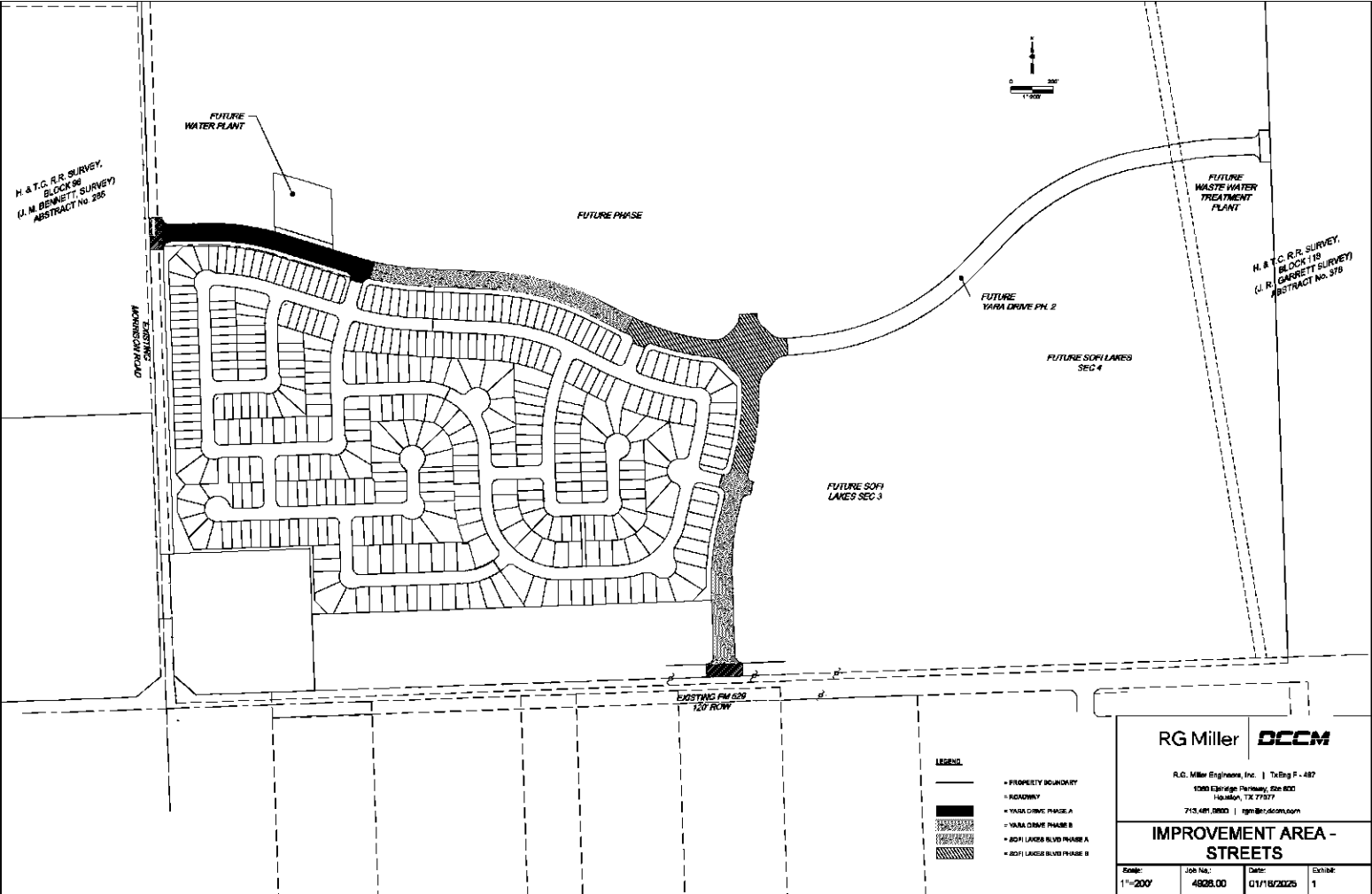




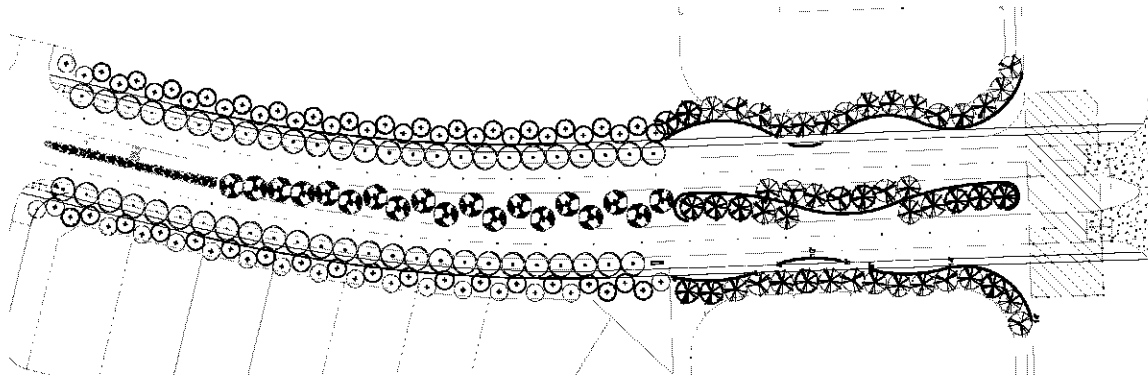








### 1 Planting plan



1 Overall Planting plan

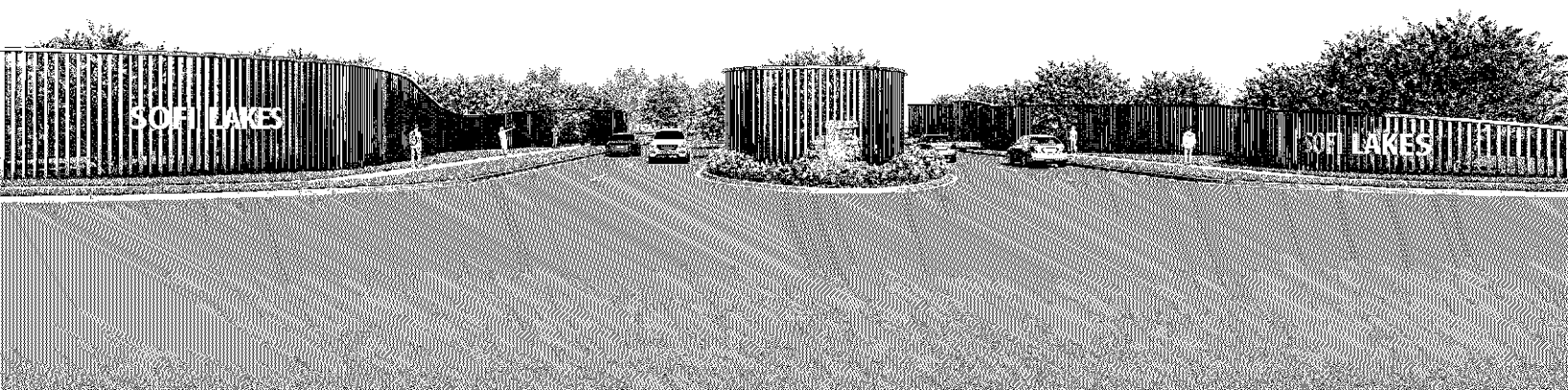
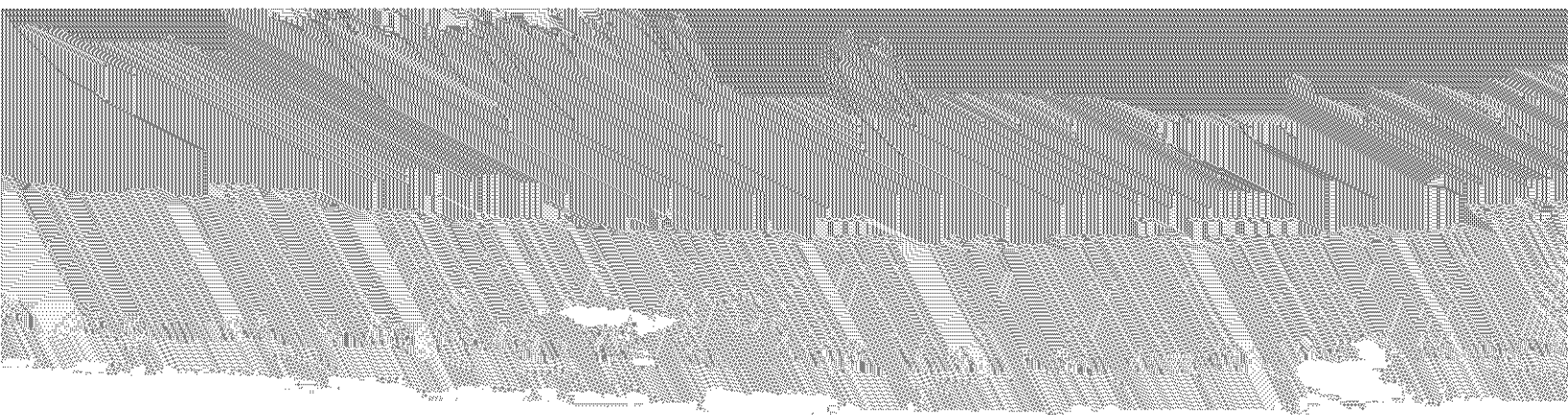
|                                                       |  |
|-------------------------------------------------------|--|
| <p>IN THE CITY OF WALKER, TEXAS<br/>WALKER COUNTY</p> |  |
| <p>ROSE LAKES LANDSCAPING<br/>PROJECT</p>             |  |
| <p>DATE: 07/14/2025</p>                               |  |
| <p>SCALE: AS SHOWN</p>                                |  |
| <p>PROJECT NO: 2508383</p>                            |  |
| <p>DESIGNED BY: [Signature]</p>                       |  |
| <p>CHECKED BY: [Signature]</p>                        |  |
| <p>APPROVED BY: [Signature]</p>                       |  |
| <p>SEAL: [Professional Seal]</p>                      |  |
| <p>PROJECT LOCATION: [Address]</p>                    |  |
| <p>CLIENT: [Client Name]</p>                          |  |
| <p>DATE OF PREPARATION: 07/14/2025</p>                |  |
| <p>DATE OF REVISION: 07/14/2025</p>                   |  |
| <p>REVISION: 1</p>                                    |  |

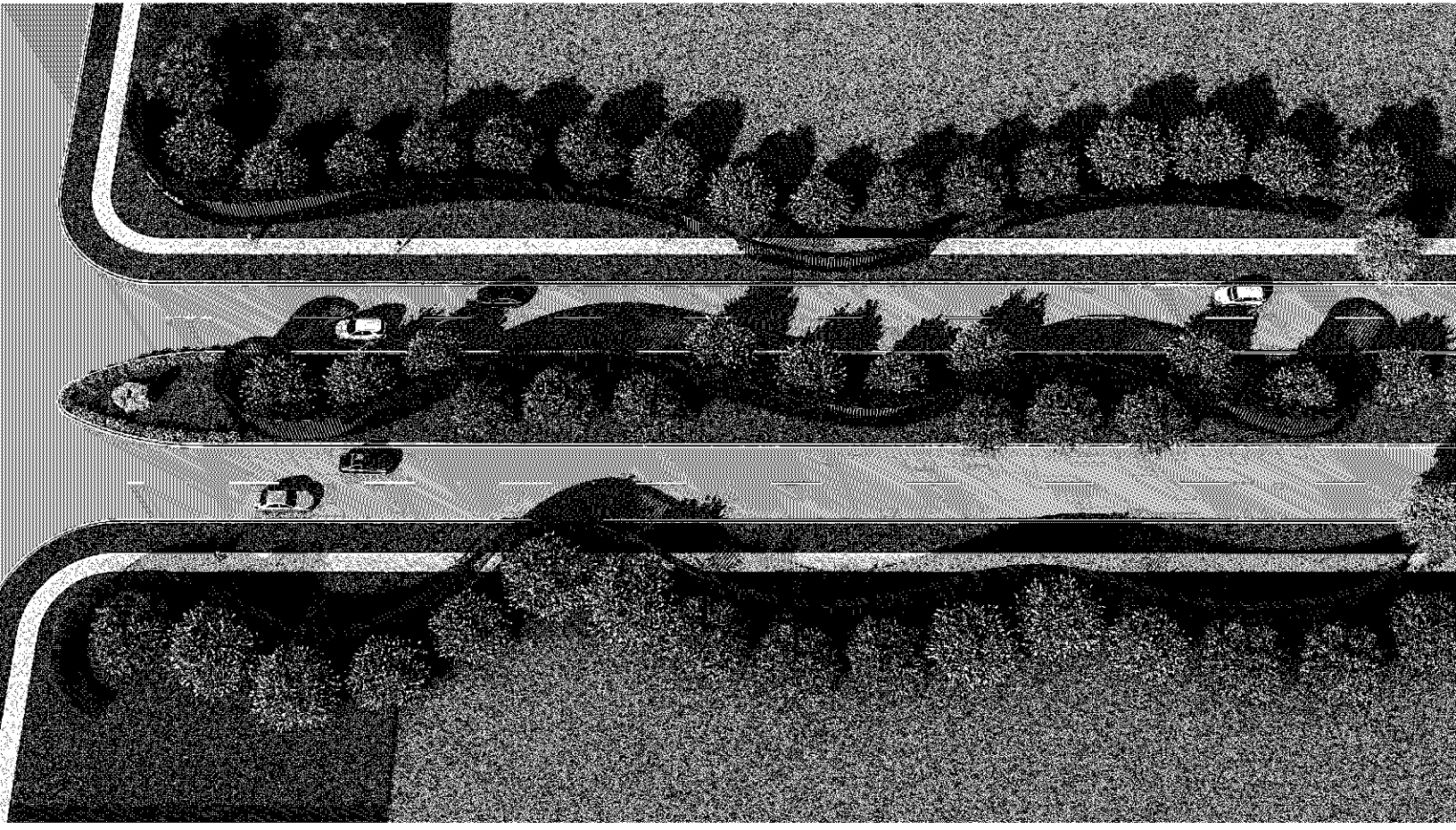












**APPENDIX D**  
**ASSESSMENT PER EQUIVALENT UNIT, PROJECTED LEVERAGE AND PROJECTED  
TAX RATE EQUIVALENTS**

## **APPENDIX D**

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

**“Lot Type 1A”** means lots identified as such on the Assessment Roll, being lots typically with a Lot size of approximately 7,200 square feet, as provided by the Developer. Lot Type 1A has been given a lot and buildout value premium of approximately 7.8% based on the additional home value resulting from being a water-front property.

**“Lot Type 1B”** means Lots identified as such on the Assessment Roll, being Lots typically with a Lot size of approximately 7,200 square feet, as provided by the Developer.

**“Lot Type 2”** means Lots identified as such on the Assessment Roll, being Lots typically with a Lot size of approximately 6,000 square feet, as provided by the Developer.

**“Lot Type 3”** means Lots identified as such on the Assessment Roll, being Lots typically with a Lot size of approximately 5,400 square feet, as provided by the Developer.

**“Lot Type 4”** means Lots identified as such on the Assessment Roll, being Lots typically with a Lot size of approximately 4,800 square feet, as provided by the Developer.

**“Lot Type 5”** means Lots identified as such on the Assessment Roll, being Lots typically with a Lot size of approximately 5,000 square feet, as provided by the Developer.

### **A) Proposed Development**

Table D-1 shows the proposed residential units to be developed within the Development.

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

| <b>Description</b>                        | <b>Proposed Development</b> |              |
|-------------------------------------------|-----------------------------|--------------|
| Lot Type 1A (60 Ft - Waterfront)          | 53                          | Units        |
| Lot Type 1B (60 Ft)                       | 322                         | Units        |
| Lot Type 2 (50 Ft)                        | 578                         | Units        |
| Lot Type 3 (45 Ft)                        | 402                         | Units        |
| Lot Type 4 (40 Ft)                        | 447                         | Units        |
| <i>Subtotal Single-Family Residential</i> | <i>1,802</i>                | <i>Units</i> |
| Lot Type 5 (Commercial)                   | 10.8                        | Acres        |

Table D-2 on the following page shows the proposed residential units within the Future Section.

**Table D-2**  
**Proposed Development – Future Section**

| <b>Description</b>                        | <b>Proposed Development</b> |              |
|-------------------------------------------|-----------------------------|--------------|
| Lot Type 1A (60 Ft - Waterfront)          | 29                          | Units        |
| Lot Type 1B (60 Ft)                       | 283                         | Units        |
| Lot Type 2 (50 Ft)                        | 492                         | Units        |
| Lot Type 3 (45 Ft)                        | 299                         | Units        |
| Lot Type 4 (40 Ft)                        | 309                         | Units        |
| <i>Subtotal Single-Family Residential</i> | <i>1,412</i>                | <i>Acres</i> |
| Lot Type 5 (Commercial)                   | 10.8                        | Acres        |

Table D-3 shows the proposed residential Lot Types within Sections 1 and 2.

**Table D-3**  
**Proposed Development – Sections 1 and 2**

| <b>Description</b>               | <b>Proposed Development</b> |              |
|----------------------------------|-----------------------------|--------------|
| Lot Type 1A (60 Ft - Waterfront) | 24                          | Units        |
| Lot Type 1B (60 Ft)              | 39                          | Units        |
| Lot Type 2 (50 Ft)               | 86                          | Units        |
| Lot Type 3 (45 Ft)               | 103                         | Units        |
| Lot Type 4 (40 Ft)               | 138                         | Units        |
| <b>Total</b>                     | <b>390</b>                  | <b>Units</b> |

As explained under Section IV, for purpose of this Service and Assessment Plan, the Board of Directors has determined that the Budgeted Costs of the Authorized Improvements to be financed with the Sections 1 and 2 Bonds shall be allocated to the applicable Assessed Property by spreading the entire Assessment for that particular Section across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the District has determined that the Assessments shall be allocated to the Assessed Property on the basis of the square footage 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 square footage each Lot Type, the District has taken into consideration (i) the type of lots (i.e., 60 Ft Lots, 50 Ft Lots, 45 Ft Lots, 40 Ft Lots, etc.); (ii) square footage of each Lot Type; (iii) lot proximity to the waterfront; (iv) the costs of the Authorized Improvements, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.



Having taken into consideration the matters described above, the District has determined that allocating the Assessments among Parcels based on square footage is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1A (60 Ft – Waterfront) representing the largest square foot, and Lot Type 4 (40 Ft) representing the lowest square footage for lots are set forth in Table D-4. Assessments are allocated to each Lot Type on the basis of the square footage for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1B (60 Ft) to 1.0.

Table D-4 sets forth the estimated Equivalent Unit Factors for the District.

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

| <b>Lot Type</b>                  | <b>Estimated Square Footage<sup>1</sup></b> | <b>Equivalent Unit Factor</b> |                   |
|----------------------------------|---------------------------------------------|-------------------------------|-------------------|
| Lot Type 1A (60 Ft - Waterfront) | 7,762                                       | 1.08                          | per dwelling unit |
| Lot Type 1B (60 Ft)              | 7,200                                       | 1.00                          | per dwelling unit |
| Lot Type 2 (50 Ft)               | 6,000                                       | 0.83                          | per dwelling unit |
| Lot Type 3 (45 Ft)               | 5,400                                       | 0.75                          | per dwelling unit |
| Lot Type 4 (40 Ft)               | 4,800                                       | 0.67                          | per dwelling unit |

<sup>1</sup>Based on the original square footage provided by the Developer.

The total Equivalent Units for Sections 1 and 2 are shown on the next page in Table D-5, which includes estimated Lot Types and number of units estimated to be built within Sections 1 and 2.

**Table D-5**  
**Equivalent Units - Sections 1 and 2**

| <b>Lot Type</b>                  | <b>No. of units</b> | <b>Equivalent Unit Factor</b> | <b>Total Equivalent Units</b> |
|----------------------------------|---------------------|-------------------------------|-------------------------------|
| Lot Type 1A (60 Ft - Waterfront) | 24                  | 1.08                          | 25.92                         |
| Lot Type 1B (60 Ft)              | 39                  | 1.00                          | 39.00                         |
| Lot Type 2 (50 Ft)               | 86                  | 0.83                          | 71.38                         |
| Lot Type 3 (45 Ft)               | 103                 | 0.75                          | 77.25                         |
| Lot Type 4 (40 Ft)               | 138                 | 0.67                          | 92.46                         |
| <b>Total Equivalent Units</b>    | <b>390</b>          |                               | <b>306.01</b>                 |

**A) Allocation of Assessments to Lots within Sections 1 and 2**

The total amount of the Sections 1 and 2 Bonds, which represents the total Assessment to be allocated on all Parcels within Sections 1 and 2, is \$25,634,000. As shown in Table D-5, there are a total of



306.01 estimated Equivalent Units in Sections 1 and 2, resulting in an Assessment per Equivalent Unit of \$83,768.50.

The Assessment per Unit or gross square feet is calculated as the product of (i) \$83,768.50 multiplied by (ii) the applicable Equivalent Unit factor for each Lot Type. For example, the Assessment per Unit for a Lot Type 1A (60 Ft – Waterfront) is \$90,469.98 (i.e. \$83,768.50 × 1.08) and the Assessment per Unit for a Lot Type 1B (60 Ft) is \$83,768.50 (i.e. \$83,768.50 × 1.00).

**Table D-6**  
**Assessment Per Unit – Sections 1 and 2**

| Description                      | No. of Units | Assessment          |      | Equivalent Unit Factor | Assessment per Unit | Total Assessments   |
|----------------------------------|--------------|---------------------|------|------------------------|---------------------|---------------------|
|                                  |              | Per Equivalent Unit | Unit |                        |                     |                     |
| Lot Type 1A (60 Ft - Waterfront) | 24           | \$83,768.50         | 1.08 | \$90,469.98            | per dwelling unit   | \$2,171,280         |
| Lot Type 1B (60 Ft)              | 39           | \$83,768.50         | 1.00 | \$83,768.50            | per dwelling unit   | \$3,266,972         |
| Lot Type 2 (50 Ft)               | 86           | \$83,768.50         | 0.83 | \$69,527.86            | per dwelling unit   | \$5,979,396         |
| Lot Type 3 (45 Ft)               | 103          | \$83,768.50         | 0.75 | \$62,826.38            | per dwelling unit   | \$6,471,117         |
| Lot Type 4 (40 Ft)               | 138          | \$83,768.50         | 0.67 | \$56,124.90            | per dwelling unit   | \$7,745,236         |
| <b>Total</b>                     | <b>390</b>   |                     |      |                        |                     | <b>\$25,634,000</b> |

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table D-7.

**Table D-7**  
**Projected Leverage – Sections 1 and 2**

| Description                      | Planned No. of Units | Estimated Finished Lot Value per unit <sup>1</sup> | Projected Build Out Value per unit <sup>1</sup> | Assessment per Unit | Leverage (Lot Value) | Leverage (Build Out Value) |
|----------------------------------|----------------------|----------------------------------------------------|-------------------------------------------------|---------------------|----------------------|----------------------------|
|                                  |                      |                                                    |                                                 |                     |                      |                            |
| Lot Type 1A (60 Ft - Waterfront) | 24                   | \$103,500                                          | \$517,500                                       | \$90,469.98         | 1.14                 | 5.72                       |
| Lot Type 1B (60 Ft)              | 39                   | \$96,000                                           | \$480,000                                       | \$83,768.50         | 1.15                 | 5.73                       |
| Lot Type 2 (50 Ft)               | 86                   | \$80,000                                           | \$400,000                                       | \$69,527.86         | 1.15                 | 5.75                       |
| Lot Type 3 (45 Ft)               | 103                  | \$72,000                                           | \$360,000                                       | \$62,826.38         | 1.15                 | 5.73                       |
| Lot Type 4 (40 Ft)               | 138                  | \$64,000                                           | \$320,000                                       | \$56,124.90         | 1.14                 | 5.70                       |

<sup>1</sup>Based on data provided by the Developer.

The projected tax rate equivalent of the Assessment per Unit calculated based on the estimated finished lot values and home values for each unit is shown in Table D-8.

**Table D-8**  
**Estimated Tax Rate Equivalent per unit – Sections 1 and 2**

| <b>Description</b>               | <b>Planned<br/>No. of<br/>Units</b> | <b>Estimated<br/>Finished<br/>Lot Value<br/>per unit<sup>1</sup></b> | <b>Projected<br/>Build Out<br/>Value per<br/>unit<sup>1</sup></b> | <b>Projected<br/>Average<br/>Annual<br/>Installment<br/>per unit</b> | <b>Tax Rate<br/>Equivalent<br/>(per \$100<br/>Lot Value)</b> | <b>Tax Rate<br/>Equivalent<br/>(per \$100<br/>Build Out<br/>Value)</b> |
|----------------------------------|-------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------------|
| Lot Type 1A (60 Ft - Waterfront) | 24                                  | \$103,500                                                            | \$517,500                                                         | \$6,950                                                              | \$6.71                                                       | \$1.34                                                                 |
| Lot Type 1B (60 Ft)              | 39                                  | \$96,000                                                             | \$480,000                                                         | \$6,435                                                              | \$6.70                                                       | \$1.34                                                                 |
| Lot Type 2 (50 Ft)               | 86                                  | \$80,000                                                             | \$400,000                                                         | \$5,341                                                              | \$6.68                                                       | \$1.34                                                                 |
| Lot Type 3 (45 Ft)               | 103                                 | \$72,000                                                             | \$360,000                                                         | \$4,826                                                              | \$6.70                                                       | \$1.34                                                                 |
| Lot Type 4 (40 Ft)               | 138                                 | \$64,000                                                             | \$320,000                                                         | \$4,311                                                              | \$6.74                                                       | \$1.35                                                                 |

<sup>1</sup>Based on data provided by the Developer.

The Assessment and Annual Installments for each Parcel or Lot located within Sections 1 and 2 is shown on the Sections 1 and 2 Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and Chapter 375.

**APPENDIX E**  
**HOMEBUYER DISCLOSURE**

AFTER RECORDING RETURN TO:

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

NOTICE OF OBLIGATION TO PAY COUNTY MANAGEMENT DISTRICT ASSESSMENT TO  
 EAST WALLER COUNTY MANAGEMENT DISTRICT,  
 WALLER COUNTY, 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 *East Waller County Management District* (the "District"), located in Waller County, Texas for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the District created under Chapter 3937, Texas Special District Local Laws Code and Subchapter A, Chapter 375, Local Government Code. Waller County has no responsibility with regard to the levy and collection of the assessments.

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 District. The exact amount of each annual installment will be approved each year by the District Board 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 District.

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

<sup>1</sup> To be included in separate copy of the notice to be executed at the closing of the purchase and sale and to be recorded in the deed records of Waller County.

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

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF  
PURCHASER

\_\_\_\_\_  
SIGNATURE OF  
PURCHASER

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

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER]<sup>2</sup>

<sup>2</sup> To be included in copy of the notice to be executed by seller.

[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

STATE OF TEXAS

§

§

COUNTY OF WALLER

§

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

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>3</sup>

<sup>3</sup> To be included in separate copy of the notice to be executed at the closing of the purchase and sale and to be recorded in the deed records of Waller County.

The undersigned seller acknowledges providing a separate copy of the notice including the current information 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 WALLER

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

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>4</sup>

\_\_\_\_\_  
<sup>4</sup> To be included in separate copy of the notice to be executed at the closing of the purchase and sale and to be recorded in the deed records of Waller County.

**APPENDIX F**  
**SECTIONS 1 AND 2 ASSESSMENT ROLL**



**Appendix F-1**  
**Sections 1 and 2 Assessment Roll**

|                         |                     |
|-------------------------|---------------------|
| <b>Parcel</b>           | <b>40202</b>        |
| <b>Equivalent Units</b> | <b>306.01</b>       |
| <b>Assessment</b>       | <b>\$25,634,000</b> |

| Year         | Principal <sup>1</sup> | Interest <sup>1</sup> | Capitalized Interest | Administrative Expenses <sup>2</sup> | Total Annual Installment |
|--------------|------------------------|-----------------------|----------------------|--------------------------------------|--------------------------|
| 2026         | \$0                    | \$1,753,103           | (\$1,753,103)        | \$0                                  | \$0                      |
| 2027         | \$372,000              | \$1,531,838           | \$0                  | \$65,000                             | \$1,968,838              |
| 2028         | \$390,000              | \$1,513,238           | \$0                  | \$66,300                             | \$1,969,538              |
| 2029         | \$408,000              | \$1,493,738           | \$0                  | \$67,626                             | \$1,969,364              |
| 2030         | \$427,000              | \$1,473,338           | \$0                  | \$68,979                             | \$1,969,316              |
| 2031         | \$447,000              | \$1,451,988           | \$0                  | \$70,358                             | \$1,969,346              |
| 2032         | \$468,000              | \$1,429,638           | \$0                  | \$71,765                             | \$1,969,403              |
| 2033         | \$490,000              | \$1,406,238           | \$0                  | \$73,201                             | \$1,969,438              |
| 2034         | \$513,000              | \$1,381,738           | \$0                  | \$74,665                             | \$1,969,402              |
| 2035         | \$563,000              | \$1,356,088           | \$0                  | \$50,000                             | \$1,969,088              |
| 2036         | \$590,000              | \$1,327,938           | \$0                  | \$51,000                             | \$1,968,938              |
| 2037         | \$625,000              | \$1,292,538           | \$0                  | \$52,020                             | \$1,969,558              |
| 2038         | \$661,000              | \$1,255,038           | \$0                  | \$53,060                             | \$1,969,098              |
| 2039         | \$700,000              | \$1,215,378           | \$0                  | \$54,122                             | \$1,969,499              |
| 2040         | \$741,000              | \$1,173,378           | \$0                  | \$55,204                             | \$1,969,582              |
| 2041         | \$784,000              | \$1,128,918           | \$0                  | \$56,308                             | \$1,969,226              |
| 2042         | \$830,000              | \$1,081,878           | \$0                  | \$57,434                             | \$1,969,312              |
| 2043         | \$879,000              | \$1,032,078           | \$0                  | \$58,583                             | \$1,969,660              |
| 2044         | \$930,000              | \$979,338             | \$0                  | \$59,755                             | \$1,969,092              |
| 2045         | \$985,000              | \$923,538             | \$0                  | \$60,950                             | \$1,969,487              |
| 2046         | \$1,042,000            | \$864,438             | \$0                  | \$62,169                             | \$1,968,606              |
| 2047         | \$1,106,000            | \$799,313             | \$0                  | \$63,412                             | \$1,968,725              |
| 2048         | \$1,174,000            | \$730,188             | \$0                  | \$64,680                             | \$1,968,868              |
| 2049         | \$1,246,000            | \$656,813             | \$0                  | \$65,974                             | \$1,968,786              |
| 2050         | \$1,323,000            | \$578,938             | \$0                  | \$67,293                             | \$1,969,231              |
| 2051         | \$1,404,000            | \$496,250             | \$0                  | \$68,639                             | \$1,968,889              |
| 2052         | \$1,491,000            | \$408,500             | \$0                  | \$70,012                             | \$1,969,512              |
| 2053         | \$1,582,000            | \$315,313             | \$0                  | \$71,412                             | \$1,968,725              |
| 2054         | \$1,680,000            | \$216,438             | \$0                  | \$72,841                             | \$1,969,278              |
| 2055         | \$1,783,000            | \$111,438             | \$0                  | \$74,297                             | \$1,968,735              |
| <b>Total</b> | <b>\$25,634,000</b>    | <b>\$31,378,580</b>   | <b>(\$1,753,103)</b> | <b>\$1,847,059</b>                   | <b>\$57,106,536</b>      |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

**Appendix F-2**  
**Assessment Roll by Lot Type**

|                                                                 |                                                                                |
|-----------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>Lot Type</b><br><b>Equivalent Units</b><br><b>Assessment</b> | <b>Lot Type 1A (60 Ft -<br/> Waterfront)</b><br><b>1.08</b><br><b>\$90,470</b> |
|-----------------------------------------------------------------|--------------------------------------------------------------------------------|

| Year         | Principal <sup>1</sup> | Interest <sup>1</sup> | Capitalized<br>Interest | Administrative<br>Expenses <sup>2</sup> | Total<br>Annual<br>Installment |
|--------------|------------------------|-----------------------|-------------------------|-----------------------------------------|--------------------------------|
| 2026         | \$0                    | \$6,187               | (\$6,187)               | \$0                                     | \$0                            |
| 2027         | \$1,313                | \$5,406               | \$0                     | \$229                                   | \$6,949                        |
| 2028         | \$1,376                | \$5,341               | \$0                     | \$234                                   | \$6,951                        |
| 2029         | \$1,440                | \$5,272               | \$0                     | \$239                                   | \$6,950                        |
| 2030         | \$1,507                | \$5,200               | \$0                     | \$243                                   | \$6,950                        |
| 2031         | \$1,578                | \$5,124               | \$0                     | \$248                                   | \$6,950                        |
| 2032         | \$1,652                | \$5,046               | \$0                     | \$253                                   | \$6,951                        |
| 2033         | \$1,729                | \$4,963               | \$0                     | \$258                                   | \$6,951                        |
| 2034         | \$1,811                | \$4,877               | \$0                     | \$264                                   | \$6,951                        |
| 2035         | \$1,987                | \$4,786               | \$0                     | \$176                                   | \$6,949                        |
| 2036         | \$2,082                | \$4,687               | \$0                     | \$180                                   | \$6,949                        |
| 2037         | \$2,206                | \$4,562               | \$0                     | \$184                                   | \$6,951                        |
| 2038         | \$2,333                | \$4,429               | \$0                     | \$187                                   | \$6,950                        |
| 2039         | \$2,471                | \$4,289               | \$0                     | \$191                                   | \$6,951                        |
| 2040         | \$2,615                | \$4,141               | \$0                     | \$195                                   | \$6,951                        |
| 2041         | \$2,767                | \$3,984               | \$0                     | \$199                                   | \$6,950                        |
| 2042         | \$2,929                | \$3,818               | \$0                     | \$203                                   | \$6,950                        |
| 2043         | \$3,102                | \$3,643               | \$0                     | \$207                                   | \$6,952                        |
| 2044         | \$3,282                | \$3,456               | \$0                     | \$211                                   | \$6,950                        |
| 2045         | \$3,476                | \$3,259               | \$0                     | \$215                                   | \$6,951                        |
| 2046         | \$3,678                | \$3,051               | \$0                     | \$219                                   | \$6,948                        |
| 2047         | \$3,903                | \$2,821               | \$0                     | \$224                                   | \$6,948                        |
| 2048         | \$4,143                | \$2,577               | \$0                     | \$228                                   | \$6,949                        |
| 2049         | \$4,398                | \$2,318               | \$0                     | \$233                                   | \$6,948                        |
| 2050         | \$4,669                | \$2,043               | \$0                     | \$237                                   | \$6,950                        |
| 2051         | \$4,955                | \$1,751               | \$0                     | \$242                                   | \$6,949                        |
| 2052         | \$5,262                | \$1,442               | \$0                     | \$247                                   | \$6,951                        |
| 2053         | \$5,583                | \$1,113               | \$0                     | \$252                                   | \$6,948                        |
| 2054         | \$5,929                | \$764                 | \$0                     | \$257                                   | \$6,950                        |
| 2055         | \$6,293                | \$393                 | \$0                     | \$262                                   | \$6,948                        |
| <b>Total</b> | <b>\$90,470</b>        | <b>\$110,744</b>      | <b>(\$6,187)</b>        | <b>\$6,519</b>                          | <b>\$201,546</b>               |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

**Appendix F-3**  
**Assessment Roll by Lot Type**

**Parcel  
Equivalent Units  
Assessment**

**Lot Type 1B (60 Ft)  
1.00  
\$83,769**

| <b>Year</b>  | <b>Principal<sup>1</sup></b> | <b>Interest<sup>1</sup></b> | <b>Capitalized<br/>Interest</b> | <b>Administrative<br/>Expenses<sup>2</sup></b> | <b>Total Annual<br/>Installment</b> |
|--------------|------------------------------|-----------------------------|---------------------------------|------------------------------------------------|-------------------------------------|
| 2026         | \$0                          | \$5,729                     | (\$5,729)                       | \$0                                            | \$0                                 |
| 2027         | \$1,216                      | \$5,006                     | \$0                             | \$212                                          | \$6,434                             |
| 2028         | \$1,274                      | \$4,945                     | \$0                             | \$217                                          | \$6,436                             |
| 2029         | \$1,333                      | \$4,881                     | \$0                             | \$221                                          | \$6,436                             |
| 2030         | \$1,395                      | \$4,815                     | \$0                             | \$225                                          | \$6,435                             |
| 2031         | \$1,461                      | \$4,745                     | \$0                             | \$230                                          | \$6,436                             |
| 2032         | \$1,529                      | \$4,672                     | \$0                             | \$235                                          | \$6,436                             |
| 2033         | \$1,601                      | \$4,595                     | \$0                             | \$239                                          | \$6,436                             |
| 2034         | \$1,676                      | \$4,515                     | \$0                             | \$244                                          | \$6,436                             |
| 2035         | \$1,840                      | \$4,432                     | \$0                             | \$163                                          | \$6,435                             |
| 2036         | \$1,928                      | \$4,340                     | \$0                             | \$167                                          | \$6,434                             |
| 2037         | \$2,042                      | \$4,224                     | \$0                             | \$170                                          | \$6,436                             |
| 2038         | \$2,160                      | \$4,101                     | \$0                             | \$173                                          | \$6,435                             |
| 2039         | \$2,288                      | \$3,972                     | \$0                             | \$177                                          | \$6,436                             |
| 2040         | \$2,421                      | \$3,834                     | \$0                             | \$180                                          | \$6,436                             |
| 2041         | \$2,562                      | \$3,689                     | \$0                             | \$184                                          | \$6,435                             |
| 2042         | \$2,712                      | \$3,535                     | \$0                             | \$188                                          | \$6,435                             |
| 2043         | \$2,872                      | \$3,373                     | \$0                             | \$191                                          | \$6,437                             |
| 2044         | \$3,039                      | \$3,200                     | \$0                             | \$195                                          | \$6,435                             |
| 2045         | \$3,219                      | \$3,018                     | \$0                             | \$199                                          | \$6,436                             |
| 2046         | \$3,405                      | \$2,825                     | \$0                             | \$203                                          | \$6,433                             |
| 2047         | \$3,614                      | \$2,612                     | \$0                             | \$207                                          | \$6,434                             |
| 2048         | \$3,836                      | \$2,386                     | \$0                             | \$211                                          | \$6,434                             |
| 2049         | \$4,072                      | \$2,146                     | \$0                             | \$216                                          | \$6,434                             |
| 2050         | \$4,323                      | \$1,892                     | \$0                             | \$220                                          | \$6,435                             |
| 2051         | \$4,588                      | \$1,622                     | \$0                             | \$224                                          | \$6,434                             |
| 2052         | \$4,872                      | \$1,335                     | \$0                             | \$229                                          | \$6,436                             |
| 2053         | \$5,170                      | \$1,030                     | \$0                             | \$233                                          | \$6,434                             |
| 2054         | \$5,490                      | \$707                       | \$0                             | \$238                                          | \$6,435                             |
| 2055         | \$5,827                      | \$364                       | \$0                             | \$243                                          | \$6,434                             |
| <b>Total</b> | <b>\$83,769</b>              | <b>\$102,541</b>            | <b>(\$5,729)</b>                | <b>\$6,036</b>                                 | <b>\$186,617</b>                    |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

**Appendix F-4**  
**Assessment Roll by Lot Type**

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

**Lot Type 2 (50 Ft)**  
**0.83**  
**\$69,528**

| <b>Year</b>  | <b>Principal<sup>1</sup></b> | <b>Interest<sup>1</sup></b> | <b>Capitalized Interest</b> | <b>Administrative Expenses<sup>2</sup></b> | <b>Total Annual Installment</b> |
|--------------|------------------------------|-----------------------------|-----------------------------|--------------------------------------------|---------------------------------|
| 2026         | \$0                          | \$4,755                     | (\$4,755)                   | \$0                                        | \$0                             |
| 2027         | \$1,009                      | \$4,155                     | \$0                         | \$176                                      | \$5,340                         |
| 2028         | \$1,058                      | \$4,104                     | \$0                         | \$180                                      | \$5,342                         |
| 2029         | \$1,107                      | \$4,052                     | \$0                         | \$183                                      | \$5,342                         |
| 2030         | \$1,158                      | \$3,996                     | \$0                         | \$187                                      | \$5,341                         |
| 2031         | \$1,212                      | \$3,938                     | \$0                         | \$191                                      | \$5,342                         |
| 2032         | \$1,269                      | \$3,878                     | \$0                         | \$195                                      | \$5,342                         |
| 2033         | \$1,329                      | \$3,814                     | \$0                         | \$199                                      | \$5,342                         |
| 2034         | \$1,391                      | \$3,748                     | \$0                         | \$203                                      | \$5,342                         |
| 2035         | \$1,527                      | \$3,678                     | \$0                         | \$136                                      | \$5,341                         |
| 2036         | \$1,600                      | \$3,602                     | \$0                         | \$138                                      | \$5,340                         |
| 2037         | \$1,695                      | \$3,506                     | \$0                         | \$141                                      | \$5,342                         |
| 2038         | \$1,793                      | \$3,404                     | \$0                         | \$144                                      | \$5,341                         |
| 2039         | \$1,899                      | \$3,297                     | \$0                         | \$147                                      | \$5,342                         |
| 2040         | \$2,010                      | \$3,183                     | \$0                         | \$150                                      | \$5,342                         |
| 2041         | \$2,126                      | \$3,062                     | \$0                         | \$153                                      | \$5,341                         |
| 2042         | \$2,251                      | \$2,934                     | \$0                         | \$156                                      | \$5,341                         |
| 2043         | \$2,384                      | \$2,799                     | \$0                         | \$159                                      | \$5,342                         |
| 2044         | \$2,522                      | \$2,656                     | \$0                         | \$162                                      | \$5,341                         |
| 2045         | \$2,672                      | \$2,505                     | \$0                         | \$165                                      | \$5,342                         |
| 2046         | \$2,826                      | \$2,345                     | \$0                         | \$169                                      | \$5,340                         |
| 2047         | \$3,000                      | \$2,168                     | \$0                         | \$172                                      | \$5,340                         |
| 2048         | \$3,184                      | \$1,981                     | \$0                         | \$175                                      | \$5,340                         |
| 2049         | \$3,380                      | \$1,781                     | \$0                         | \$179                                      | \$5,340                         |
| 2050         | \$3,588                      | \$1,570                     | \$0                         | \$183                                      | \$5,341                         |
| 2051         | \$3,808                      | \$1,346                     | \$0                         | \$186                                      | \$5,340                         |
| 2052         | \$4,044                      | \$1,108                     | \$0                         | \$190                                      | \$5,342                         |
| 2053         | \$4,291                      | \$855                       | \$0                         | \$194                                      | \$5,340                         |
| 2054         | \$4,557                      | \$587                       | \$0                         | \$198                                      | \$5,341                         |
| 2055         | \$4,836                      | \$302                       | \$0                         | \$202                                      | \$5,340                         |
| <b>Total</b> | <b>\$69,528</b>              | <b>\$85,109</b>             | <b>(\$4,755)</b>            | <b>\$5,010</b>                             | <b>\$154,892</b>                |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

**Appendix F-5**  
**Assessment Roll by Lot Type**

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

**Lot Type 3 (45 Ft)**  
**0.75**  
**\$62,826**

| <b>Year</b>  | <b>Principal<sup>1</sup></b> | <b>Interest<sup>1</sup></b> | <b>Capitalized Interest</b> | <b>Administrative Expenses<sup>2</sup></b> | <b>Total Annual Installment</b> |
|--------------|------------------------------|-----------------------------|-----------------------------|--------------------------------------------|---------------------------------|
| 2026         | \$0                          | \$4,297                     | (\$4,297)                   | \$0                                        | \$0                             |
| 2027         | \$912                        | \$3,754                     | \$0                         | \$159                                      | \$4,825                         |
| 2028         | \$956                        | \$3,709                     | \$0                         | \$162                                      | \$4,827                         |
| 2029         | \$1,000                      | \$3,661                     | \$0                         | \$166                                      | \$4,827                         |
| 2030         | \$1,047                      | \$3,611                     | \$0                         | \$169                                      | \$4,827                         |
| 2031         | \$1,096                      | \$3,559                     | \$0                         | \$172                                      | \$4,827                         |
| 2032         | \$1,147                      | \$3,504                     | \$0                         | \$176                                      | \$4,827                         |
| 2033         | \$1,201                      | \$3,447                     | \$0                         | \$179                                      | \$4,827                         |
| 2034         | \$1,257                      | \$3,387                     | \$0                         | \$183                                      | \$4,827                         |
| 2035         | \$1,380                      | \$3,324                     | \$0                         | \$123                                      | \$4,826                         |
| 2036         | \$1,446                      | \$3,255                     | \$0                         | \$125                                      | \$4,826                         |
| 2037         | \$1,532                      | \$3,168                     | \$0                         | \$127                                      | \$4,827                         |
| 2038         | \$1,620                      | \$3,076                     | \$0                         | \$130                                      | \$4,826                         |
| 2039         | \$1,716                      | \$2,979                     | \$0                         | \$133                                      | \$4,827                         |
| 2040         | \$1,816                      | \$2,876                     | \$0                         | \$135                                      | \$4,827                         |
| 2041         | \$1,922                      | \$2,767                     | \$0                         | \$138                                      | \$4,826                         |
| 2042         | \$2,034                      | \$2,652                     | \$0                         | \$141                                      | \$4,827                         |
| 2043         | \$2,154                      | \$2,530                     | \$0                         | \$144                                      | \$4,827                         |
| 2044         | \$2,279                      | \$2,400                     | \$0                         | \$146                                      | \$4,826                         |
| 2045         | \$2,414                      | \$2,263                     | \$0                         | \$149                                      | \$4,827                         |
| 2046         | \$2,554                      | \$2,119                     | \$0                         | \$152                                      | \$4,825                         |
| 2047         | \$2,711                      | \$1,959                     | \$0                         | \$155                                      | \$4,825                         |
| 2048         | \$2,877                      | \$1,790                     | \$0                         | \$159                                      | \$4,825                         |
| 2049         | \$3,054                      | \$1,610                     | \$0                         | \$162                                      | \$4,825                         |
| 2050         | \$3,243                      | \$1,419                     | \$0                         | \$165                                      | \$4,826                         |
| 2051         | \$3,441                      | \$1,216                     | \$0                         | \$168                                      | \$4,826                         |
| 2052         | \$3,654                      | \$1,001                     | \$0                         | \$172                                      | \$4,827                         |
| 2053         | \$3,877                      | \$773                       | \$0                         | \$175                                      | \$4,825                         |
| 2054         | \$4,118                      | \$530                       | \$0                         | \$179                                      | \$4,827                         |
| 2055         | \$4,370                      | \$273                       | \$0                         | \$182                                      | \$4,825                         |
| <b>Total</b> | <b>\$62,826</b>              | <b>\$76,906</b>             | <b>(\$4,297)</b>            | <b>\$4,527</b>                             | <b>\$139,962</b>                |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

**Appendix F-6**  
**Assessment Roll by Lot Type**

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

**Lot Type 4 (40 Ft)**  
**0.67**  
**\$56,125**

| <b>Year</b>  | <b>Principal<sup>1</sup></b> | <b>Interest<sup>1</sup></b> | <b>Capitalized Interest</b> | <b>Administrative Expenses<sup>2</sup></b> | <b>Total Annual Installment</b> |
|--------------|------------------------------|-----------------------------|-----------------------------|--------------------------------------------|---------------------------------|
| 2026         | \$0                          | \$3,838                     | (\$3,838)                   | \$0                                        | \$0                             |
| 2027         | \$814                        | \$3,354                     | \$0                         | \$142                                      | \$4,311                         |
| 2028         | \$854                        | \$3,313                     | \$0                         | \$145                                      | \$4,312                         |
| 2029         | \$893                        | \$3,270                     | \$0                         | \$148                                      | \$4,312                         |
| 2030         | \$935                        | \$3,226                     | \$0                         | \$151                                      | \$4,312                         |
| 2031         | \$979                        | \$3,179                     | \$0                         | \$154                                      | \$4,312                         |
| 2032         | \$1,025                      | \$3,130                     | \$0                         | \$157                                      | \$4,312                         |
| 2033         | \$1,073                      | \$3,079                     | \$0                         | \$160                                      | \$4,312                         |
| 2034         | \$1,123                      | \$3,025                     | \$0                         | \$163                                      | \$4,312                         |
| 2035         | \$1,233                      | \$2,969                     | \$0                         | \$109                                      | \$4,311                         |
| 2036         | \$1,292                      | \$2,907                     | \$0                         | \$112                                      | \$4,311                         |
| 2037         | \$1,368                      | \$2,830                     | \$0                         | \$114                                      | \$4,312                         |
| 2038         | \$1,447                      | \$2,748                     | \$0                         | \$116                                      | \$4,311                         |
| 2039         | \$1,533                      | \$2,661                     | \$0                         | \$118                                      | \$4,312                         |
| 2040         | \$1,622                      | \$2,569                     | \$0                         | \$121                                      | \$4,312                         |
| 2041         | \$1,717                      | \$2,472                     | \$0                         | \$123                                      | \$4,312                         |
| 2042         | \$1,817                      | \$2,369                     | \$0                         | \$126                                      | \$4,312                         |
| 2043         | \$1,925                      | \$2,260                     | \$0                         | \$128                                      | \$4,313                         |
| 2044         | \$2,036                      | \$2,144                     | \$0                         | \$131                                      | \$4,311                         |
| 2045         | \$2,157                      | \$2,022                     | \$0                         | \$133                                      | \$4,312                         |
| 2046         | \$2,281                      | \$1,893                     | \$0                         | \$136                                      | \$4,310                         |
| 2047         | \$2,422                      | \$1,750                     | \$0                         | \$139                                      | \$4,310                         |
| 2048         | \$2,570                      | \$1,599                     | \$0                         | \$142                                      | \$4,311                         |
| 2049         | \$2,728                      | \$1,438                     | \$0                         | \$144                                      | \$4,311                         |
| 2050         | \$2,897                      | \$1,268                     | \$0                         | \$147                                      | \$4,312                         |
| 2051         | \$3,074                      | \$1,087                     | \$0                         | \$150                                      | \$4,311                         |
| 2052         | \$3,265                      | \$894                       | \$0                         | \$153                                      | \$4,312                         |
| 2053         | \$3,464                      | \$690                       | \$0                         | \$156                                      | \$4,310                         |
| 2054         | \$3,678                      | \$474                       | \$0                         | \$159                                      | \$4,312                         |
| 2055         | \$3,904                      | \$244                       | \$0                         | \$163                                      | \$4,310                         |
| <b>Total</b> | <b>\$56,125</b>              | <b>\$68,702</b>             | <b>(\$3,838)</b>            | <b>\$4,044</b>                             | <b>\$125,033</b>                |

1 – Represents the principal and interest for the Sections 1 and 2 Bonds. The interest is calculated using an interest rate of 5.00% for years 1 through 10 (2026-2035), 6.00% for years 11-20 (2036-2045), and 6.25% for years 21-30 (2046-2055).

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

## FILED AND RECORDED

**Instrument Number: 2508383**

Filing and Recording Date: 07/14/2025 11:04:24 AM Pages: 87 Recording Fee:

I hereby certify that this instrument was FILED on the date and time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Waller County,



A handwritten signature in cursive script that reads "Debbie Hollan".

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Debbie Hollan, County Clerk  
Waller County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS UNENFORCEABLE.

simplifile, Deputy

Returned To:  
WINSTEAD PC  
2728 N. HARWOOD ST.  
DALLAS, TX 75201