

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

SERVICE AND ASSESSMENT PLAN

October 6, 2021

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On September 14, 2021 (the “Creation Date”) the City Council (the “City Council”) of the City of Celina, Texas (the “City”) passed and approved Resolution No. 2021-84R approving and authorizing the creation of the Legacy Hills Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district (the “Authorized Improvements”), all of which was located within the corporate limits of the City at the time the PID was created.

The property in the PID is proposed to be developed in multiple phases. Assessments will be imposed on property within each phase of the PID for the public improvements to be constructed for the benefit of each phase. The assessments will be levied and paid to the District pursuant to an interlocal agreement between the City and the District and pledged by the District to secure the issuance of contract revenue bonds by the District to finance the Authorized Improvements, which Authorized Improvements will be conveyed to the District, and subsequently conveyed to, operated and maintained by the City.

Chapter 372 of the Texas Local Government Code, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. This Legacy Hills Public Improvement District Service and Assessment Plan (the “Service and Assessment Plan”) has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements; and (3) include a copy of the notice form required by Section 5.014, Property Code.” Additionally, the PID act requires that “the governing body of the municipality or county shall review and update the service plan annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The

roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Roll for the Phase #1A is included as Appendix G of this Service and Assessment Plan and the Assessment Roll for the Phase #1B is included as Appendix H of this Service and Assessment Plan. The Assessments as shown on each Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

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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 City and 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, taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

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

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

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID or costs related to the administration of the assessments or issuance of bonds by the District, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the

PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses in one year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Roll, including the Phase #1A Assessment Roll attached hereto as Appendix G and the Phase #1B Assessment Roll attached hereto as Appendix H of this Service and Assessment Plan, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan and (ii) the Administrative Expenses.

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

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

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

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

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

“Assessment Roll” means the Phase #1A Assessment Roll, the Phase #1B Assessment Roll and any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

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

“Bonds” mean any bonds issued by the City or the District in one or more series and secured in whole or in part by the Assessment Revenues.

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

“City” means the City of Celina, Texas.

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

“District” means the North Parkway Municipal Management District No. 1, formerly known as the North Celina Municipal Management District No. 3, created by the 86th Texas Legislature with the passage of House Bill 4706 approving and authorizing the creation of such District 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 the (“City”).

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Development Agreement” means the Development, Settlement and Annexation Agreement with an effective date of September 8, 2020, between the City and Dynavest Joint Venture, (predecessor in interest to MM Celina 3200, LLC), as amended by a First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, and the District, with an effective date of August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, and the District, effective as of September 14, 2021, and as may be further amended from time to time in accordance with its terms.

“Developer” means for Phase #1A, MM Celina 294, LLC, a Texas limited liability company and for Phase #1B, MM Celina 40, LLC as Texas limited liability company, and their successors and assigns.

“Equivalent Units” mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix F attached hereto.

“Future Phases” means Phases that are developed after Phase #1A and Phase #1B, as such areas are generally depicted and described in Appendix A. The Future Phases are subject to adjustment and are shown for example only.

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

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

“Interlocal Agreement” means that Interlocal Agreement between the City and the District dated as of October 12, 2021 relating to the Phase #1A Assessments and the Phase #1B Assessments.

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

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of assessment levy, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefit. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.E.

“Parcel” or “Parcels” means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Collin Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Collin County.

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

“Phase #1A” means one of the initial Phases to be developed, identified as “Phase #1A” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

“Phase #1A Assessed Property” means all Parcels within Phase #1A other than Non-Benefited Property and shown in the Phase #1A Assessment Roll against which a Phase #1A Assessment relating to the Phase #1A Improvements is levied.

“Phases #1A Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of the Phase #1A Assessments levied against Phase #1A Assessed Property, or the Annual Installments thereof, for the Phase #1A Improvements.

“Phase #1A Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds, if any, or in connection with any Annual Service Plan Update.

“Phase #1A Assessments” means the Assessments levied against Phase #1A Assessed Property.

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

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

Lot Type 1 (60 Ft) - \$27,968.73

Lot Type 2 (50 Ft) - \$23,297.96

Lot Type 3 (40 Ft) - \$18,655.15

“Phase #1B” means one of the initial Phases to be developed, identified as “Phase #1B” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

“Phase #1B Assessed Property” means all Parcels within Phase #1B other than Non-Benefited Property and shown in the Phase #1B Assessment Roll against which a Phase #1B Assessment relating to the Phase #1B Improvements is levied.

“Phases #1B Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of the Phase #1B Assessments levied against Phase #1B Assessed Property, or the Annual Installments thereof, for the Phase #1B Improvements.

“Phase #1B Assessment Roll” means the document included in this Service and Assessment Plan as Appendix H, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds, if any, or in connection with any Annual Service Plan Update.

“Phase #1B Assessments” means the Assessments levied against Phase #1B Assessed Property.

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

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

Lot Type 1 (60 Ft) - \$27,968.73

Lot Type 2 (50 Ft) - \$23,297.96

Lot Type 3 (40 Ft) - \$18,655.15

“Phase 1A-1B” means, collectively, Phase #1A and Phase #1B.

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

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“Phase #1A Reimbursement Agreement” means that certain Legacy Hills Public Improvement District Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

“Phase #1B Reimbursement Agreement” means that certain Legacy Hills Public Improvement District Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

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

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“Zoning Ordinance” means Ordinance No. 2021-67 adopted by the City Council on August 10, 2021, which ordinance establishes the permitted uses of, and standards for the development of the property within the PID.

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID AND PHASE #1A AND PHASE #1B

The PID is presently located within the City and contains approximately 331.5 acres of land. Phase #1A consists of approximately 114 acres and Phase #1B consists of approximately 39.6 acres. A map of the property within the PID, including Phase #1A and Phase #1B is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,408 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. At completion, Phase #1A-1B is expected to consist of approximately 613 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to Phase #1A-1B.

The property within Phase #1A-1B is proposed to be developed as follows:

Table II-A
Proposed Development – Phase# 1A-1B

Proposed Development	Phase #1A	Phase #1B	Measurement
Single-Family - 60 Ft	94	0	Units
Single-Family - 50 Ft	213	0	Units
Single-Family - 40 Ft	114	192	Units
Total	421	192	Units

B. PROPERTY INCLUDED IN FUTURE PHASES

As Future Phases are developed, Bonds may be issued by the City or the District and/or assessments may be levied pursuant to a reimbursement agreement for each new phase. In connection with the issuance of each new Bond or execution of a reimbursement agreement, this Service and Assessment Plan will be updated to add additional details of each Future Phase as shown for Phase #1A and Phase #1B above. A map of the projected property within each Future Phase in the same manner as shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in Phase #1A are shown on the Phase #1A Assessment Roll included as Appendix G. The current Parcels in Phase #1B are shown on the Phase #1B Assessment Roll included as Appendix H.

The estimated number of units at the build-out of the PID is based on the land use approvals for the property within the PID, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the PID, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the PID; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B, which may also be financed by the District, and shown in the opinion of probable costs and on the

diagrams included as Appendix B for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS OF THE PHASE #1A AND PHASE #1B IMPROVEMENTS

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

A description of the Phase #1A Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #1A Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1A Assessed Property. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water improvements portion of the Phase #1A Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1A Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1A Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1A Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1A Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Phase #1A Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

The soft and miscellaneous costs of the Phase #1A Improvements include engineering, testing, and contingency.

A description of the Phase #1B Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #1B Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1B Assessed Property. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water improvements portion of the Phase #1B Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1B Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1B Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1B Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1B Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Phase #1B Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

The soft and miscellaneous costs of the Phase #1B Improvements include engineering, survey, geo test, project management, inspection, and performance bonds.

Table III-A
Estimated Phase #1A Improvement and Phase #1B Improvement Costs

Authorized Improvements	Phase #1A	Phase #1B	Total
Road Improvements	\$5,884,500	\$2,355,015	\$8,239,515
Water Improvements	\$1,040,720	\$614,210	\$1,654,930
Sanitary Sewer Improvements	\$1,550,000	\$644,000	\$2,194,000
Storm Drainage Improvements	\$1,991,000	\$645,506	\$2,636,506
Other Soft and Miscellaneous Costs	\$1,963,679	\$1,005,879	\$2,969,558
Total Authorized Improvements	\$12,429,899	\$5,264,610	\$17,694,509

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

C. FUTURE PHASES

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

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IV. SERVICE PLAN

A. SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately 12-18 months for the Phase #1A Improvements and the Phase #1B Improvements to be constructed.

The estimated Actual Costs for Phase #1A Improvements and payment of expenses incurred in the establishment, administration and operation of the PID are \$12,429,899 and the estimated Actual Costs for Phase #1B Improvements and payment of expenses incurred in the establishment, administration and operation of the PID are \$5,264,610, as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

As Future Phases are developed in connection with the issuance of Bonds and/or execution of a reimbursement agreement, this Service and Assessment Plan will be amended (e.g. a table will be added for Phase #2, etc.).

The Phase #1A Improvements are being financed through the Interlocal Agreement and the Phase #1A Reimbursement Agreement and the Phase #1B Improvements are being financed through the Interlocal Agreement and the Phase #1B Reimbursement Agreement.

Table IV-A
Estimated Sources and Uses – Phase #1A and Phase #1B

Sources of Funds	Phase #1A	Phase #1B	Total
Assessments	\$9,718,212	\$3,581,788	\$13,300,000
Other funding sources	\$2,711,687	\$1,682,823	\$4,394,509
Total Sources	\$12,429,899	\$5,264,610	\$17,694,509
Uses of Funds			
Roadway Improvements	\$5,884,500	\$2,355,015	\$8,239,515
Water Improvements	\$1,040,720	\$614,210	\$1,654,930
Wastewater Improvements	\$1,550,000	\$644,000	\$2,194,000
Storm Drainage Improvements	\$1,991,000	\$645,506	\$2,636,506
Other Soft and Miscellaneous Costs	\$1,963,679	\$1,005,879	\$2,969,558
Total Uses	\$12,429,899	\$5,264,610	\$17,694,509

The annual projected costs and annual projected indebtedness is shown by Table IV-B. The annual projected costs and indebtedness is subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year. Savings from one line item may be applied to cost overruns in other line items.

Table IV-B
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than Assessments	Projected Annual Installments – Phase #1A	Projected Annual Installments – Phase #1B
2021	\$8,847,255	\$13,300,000	\$0	\$406,215	\$149,717
2022	\$8,847,255	\$0	\$4,394,509	\$659,494	\$243,066
2023	\$0	\$0	\$0	\$657,341	\$242,273
2024	\$0	\$0	\$0	\$654,220	\$241,122
2025	\$0	\$0	\$0	\$651,624	\$240,165
2026	\$0	\$0	\$0	\$648,790	\$239,121
2027	\$0	\$0	\$0	\$647,182	\$238,528
Total	\$17,694,509	\$13,300,000	\$4,394,509	\$4,324,865	\$1,593,992

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Phase #1A Improvements and the Phase #1B Improvements shown in Table III-A and the costs associated with setting up the PID shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the applicable Developer with respect to its applicable phase.

B. HOMEBUYER DISCLOSURE

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan Update include a copy of the notice form required by Section 5.014 of the Texas Property Code. The homebuilder or any seller of property within the PID may include the required disclosure in its notice to purchaser as long as the notice complies with and provided the information from this Service and Assessment Plan as required by Section 5.014 of the Texas Property Code. The homebuyer disclosure is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

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

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Authorized Improvements shall be allocated in such a manner that the costs of the Authorized Improvements that only benefit the PID shall be allocated on the basis of Equivalent Units calculated using the average home price of each Lot Type once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from the direct Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds and/ or applicable reimbursement agreements. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Phase #1A and Phase #1B Improvements.

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

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Phase #1A Improvements or Phase #1B Improvements, as applicable, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Phase #1A Assessed Property and the Phase #1B Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Phase #1A and Phase #1B Improvements to Parcels in a manner that results in equal shares of the Actual

Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

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 payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

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

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

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

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

The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax-exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID or pursuant to contract with 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. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The costs of the Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1A Improvements and the Phase #1B Improvements to be financed through the Interlocal Agreement, the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement, as applicable. The Costs of the Phase #1A Improvements shall be allocated to the Phase #1A Assessed Property by spreading the entire Phase #1A Assessment across the Parcels in Phase #1A based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within Phase #1A. The Costs of the Phase #1B Improvements shall be allocated to the Phase #1B Assessed Property by spreading the entire Phase #1B Assessment across the Parcels in Phase #1B based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within Phase #1B

2. *Assessment Methodology for Phase #1A-1B*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvements shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed on each Parcel within Phase #1A and Phase #1B.

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

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

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

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1A are shown on the Phase #1A Assessment Roll, attached as Appendix G and the Assessment and Annual Installments for each Parcel or Lot located within Phase #1B are shown on the Phase #1B

Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Future Phases

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

D. ASSESSMENTS

The Assessments for the Phase #1A Reimbursement Agreement will be levied on each Parcel or Lot according to the Phase #1A Assessment Roll. The Assessments for the Phase #1B Reimbursement Agreement will be levied on each Parcel or Lot according to the Phase #1B Assessment Roll. The Annual Installments for the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement will be collected on the dates and in the amounts shown on the Phase #1A Assessment Roll and the Phase #1B Assessment Roll, respectively, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

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

E. ADMINISTRATIVE EXPENSES

The cost of administering the PID, including the costs of administration by the PID related to the Bonds 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.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE PID

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

The Annual Installments shall be collected from Phase #1A Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1A Reimbursement Agreement and (ii) to pay Administrative Expenses related to the PID or the District.

The Annual Installments shall be collected from Phase #1B Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1B Reimbursement Agreement and (ii) to pay Administrative Expenses related to the PID or the District.

B. REALLOCATION OF ASSESSMENTS

1. Subdivision

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

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

Where the terms have the following meanings:

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

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

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may

not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

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 City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. If at any time the Assessment per unit on a Parcel in Phase #1A or Phase #1B, as applicable, exceeds the applicable Phase #1A Maximum Assessment Per Unit or the Phase #1B Maximum Assessment Per Unit, as applicable, calculated in this Service and Assessment Plan solely as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the Phase #1A Maximum Assessment Per Unit or the Phase #1B Maximum Assessment Per Unit, as applicable, calculated in this Service and Assessment Plan.
3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

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 Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Assessment Revenues and/or Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum

of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and the City Council shall direct such excess Bond proceeds to be applied by the District to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments solely as provided in the Interlocal Agreement. Any excess Bond proceeds shall be applied to redeem Bonds of such series as provided in the applicable Trust Indenture. Any excess Assessment Revenues that are in excess of the costs of the Authorized Improvements as set forth herein, shall be used to reduce the outstanding principal amount of the applicable reimbursement agreement or used to redeem Bonds, as applicable. The Assessments shall not be reduced to an amount less than the related outstanding amounts due pursuant to the applicable reimbursement agreement and/or series of Bonds.

2. If all the Authorized Improvements are not undertaken and the Developer has indicated that such Authorized Improvements will not be undertaken, resulting in excess Assessment Revenues and/or Bond proceeds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay amounts due pursuant to the applicable reimbursement agreement and/or repay the Bonds, including interest on the Bonds or due pursuant to the applicable reimbursement agreement and Administrative Expenses. The City Council shall direct the District that such excess Bond proceeds shall be applied to redeem Bonds as set forth in the applicable indenture. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on the number of units, or (iii) in any other manner determined by the City Council to be the most fair and practical means of reducing the Assessments for Assessed Property such that the sum of the resulting reduced Assessments equals the amount required to repay amount due pursuant to the applicable reimbursement agreement and/or the Bonds, including interest and Administrative Expenses.

E. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced

to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

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

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Rolls, as updated as provided for herein, which include interest and Administrative Expenses. Payment of the Annual Installments for Phase #1A-1B shall commence with tax bills mailed in the first calendar year after the execution of the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement.

The Phase #1A Assessment shall be paid with interest of no more than the Phase #1A Reimbursement Agreement Phase #1B Reimbursement Agreement. The City has determined that the Phase #1A Assessments shall bear interest at the interest rate of 4.32% per annum for each Annual Installment in accordance with the Phase #1A Reimbursement Agreement. The City has determined that the Phase #1B Assessments shall bear interest at the interest rate of 4.32% per annum for each Annual Installment in accordance with the Phase #1B Reimbursement Agreement. Such rates do not to exceed two hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Phase #1A Assessments and Phase #1B Assessments. The index approved by the City is the S&P High Yield Municipal Bond Index, for which the highest average rate during October 2021 was 4.31%. Furthermore, the Annual Installments may not exceed the amounts shown on the Phase #1A Assessment Roll and the Phase #1B Assessment Roll. The Phase #1A Assessment Roll sets forth for each year the Annual Installment for each Parcel in Phase #1A based on an interest rate of 4.32%. The Phase #1B Assessment Roll sets forth for each year the Annual Installment for each Parcel in Phase #1B based on an interest rate of 4.32%.

The Annual Installments shall be reduced to equal the actual costs of repaying the 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.

The City and the District reserve and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of

the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

F. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act and the Interlocal Agreement. The Assessments shall have lien priority as specified in the PID Act.

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

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Collection of the initial Annual Installments relating to the Authorized Improvements that benefit the Assessed Property will be due when billed and will be delinquent if not paid prior to the first February 1 following the earlier of (i) the recording of a final subdivision plat in the official public records of the County for the Assessed Property, (ii) upon issuance of Bonds issued by the City or the District that are secured by the Assessment Revenues from Parcels within Phase #1A and Phase #1B, or (iii) the second anniversary of the date of levy of the Assessment.

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VII. THE ASSESSMENT ROLLS

A. PHASE #1A ASSESSMENT ROLL

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

The Phase #1A Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1A Improvements. Table VII-A summarizes the \$12,429,899 in special benefit received by the Phase #1A Assessed Property from the Phase #1A Improvements. The total Assessment to be applied to all the Phase #1A Assessed Property is \$9,718,212, which is less than the benefit received by the Phase #1A Assessed Property. The Assessment for each Phase #1A Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1A Assessment Roll is attached hereto as Appendix G.

Table VII-A
Phase #1A
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	\$12,429,899
<u>PID Formation/Bond Costs of Issuance:</u>	
Cost of issuance	\$0
Capitalized interest	\$0
Reserve Fund	\$0
Administrative Expense	\$0
Underwriter's discount	\$0
<i>PID Formation/Bond Cost of Issuance</i>	<i>\$0</i>
Total Special Benefit	\$12,429,899
<u>Special Benefit:</u>	
Total Special Benefit	\$12,429,899
Projected Special Assessment	\$9,718,212
Excess Benefit	\$2,711,687

(a) See Table III-A for details.

B. PHASE #1B ASSESSMENT ROLL

The City Council has evaluated each Parcel in the PID (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the

Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Phase #1B.

The Phase #1B Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1B Improvements. Table VII-B summarizes the \$5,264,610 in special benefit received by the Phase #1B Assessed Property from the Phase #1B Improvements. The total Assessment to be applied to all the Phase #1B Assessed Property is \$3,581,788 which is less than the benefit received by the Phase #1B Assessed Property. The Assessment for each Phase #1B Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1B Assessment Roll is attached hereto as Appendix H.

Table VII-B
Phase #1B
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	\$5,264,610
<u>PID Formation/Bond Costs of Issuance:</u>	
Cost of issuance	\$0
Capitalized interest	\$0
Reserve Fund	\$0
Administrative Expense	\$0
Underwriter's discount	\$0
<i>PID Formation/Bond Cost of Issuance</i>	<i>\$0</i>
Total Special Benefit	\$5,264,610
<u>Special Benefit:</u>	
Total Special Benefit	\$5,264,610
Projected Special Assessment	\$3,581,788
Excess Benefit	\$1,682,823

(a) See Table III-A for details.

C. FUTURE PHASE ASSESSMENT ROLL

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

D. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Assessment Rolls in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel

of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.E of this Service and Assessment Plan.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

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

To the extent consistent with the PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable “Notice of the PID Assessment Termination”.

C. AMENDMENTS

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

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein, such determination shall be conclusive.

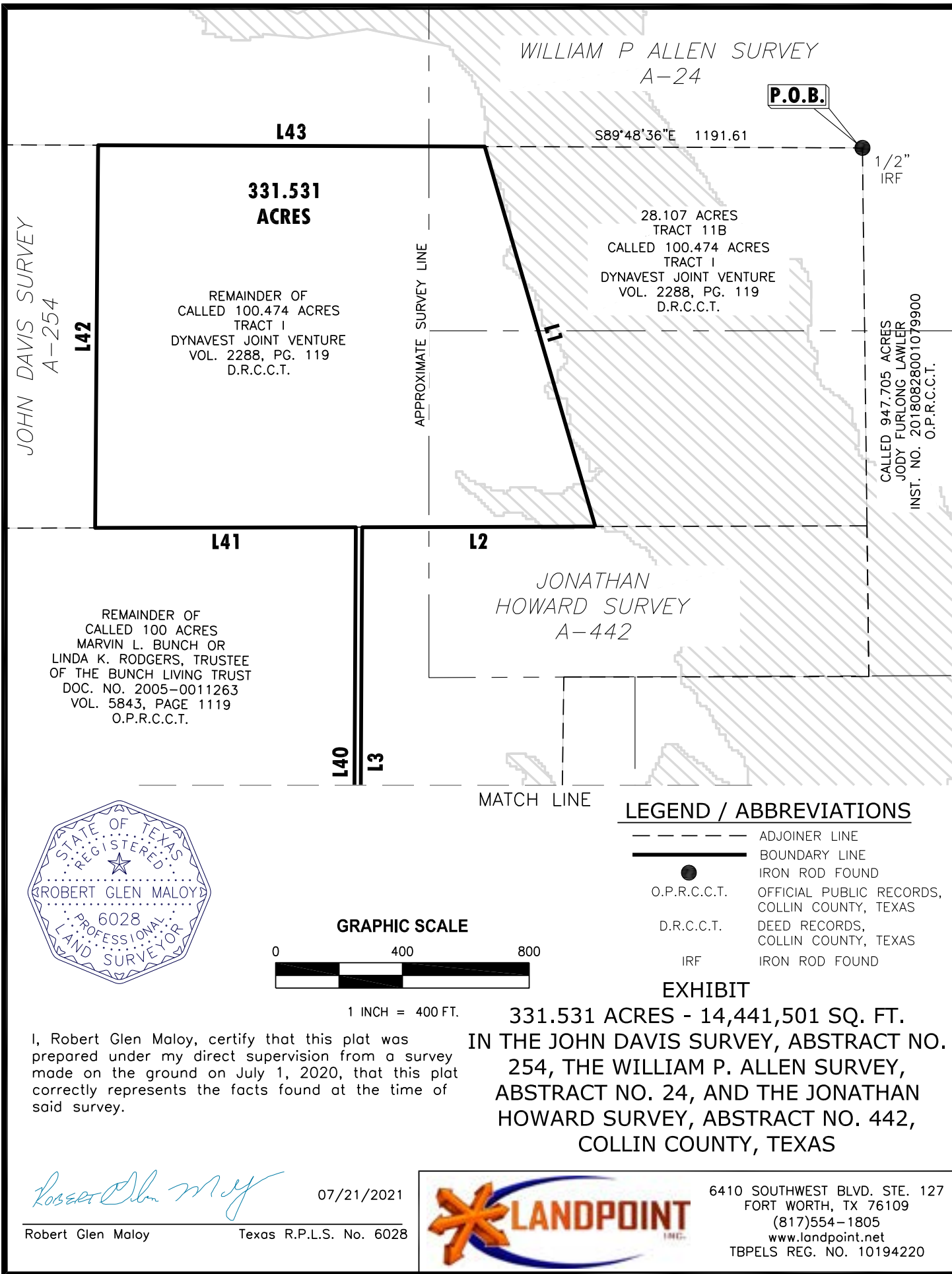
E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

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APPENDIX A
PID MAP



X:\2021\21-0195-6\Working\DWG\Easement & ROW Exhibits\21-0195 Dynavest - Celina - PID Exhibit.dwg

JOHN DAVIS SURVEY
A-254

WAY AUTHORITY
EL 42-11 NBSR-1
01126930

MATCH LINE

APPROXIMATE SURVEY LINE

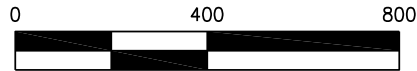
PORTION
CALLED 579.400
TRACT II
DYNAVEST JOINT
VOL. 2288, PG
D.R.C.C.T.

ZONE "A"

L39

L4

GRAPHIC SCALE



1 INCH = 400 FT.

JOHN DAVIS SURVEY
A-254

ELIAS ALEXANDER
SURVEY
A-19

LEGEND / ABBREVIATIONS

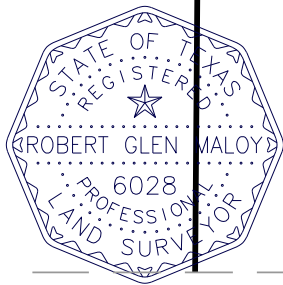
---	ADJOINER LINE
---	BOUNDARY LINE
●	IRON ROD FOUND
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
D.R.C.C.T.	DEED RECORDS, COLLIN COUNTY, TEXAS
IRF	IRON ROD FOUND

**331.531
ACRES**

SURVEY LINE

138.423 ACRE TRACT

PORTION OF
CALLED 579.400 ACRES
TRACT II
DYNAVEST JOINT VENTURE
VOL. 2288, PG. 119
D.R.C.C.T.



MATCH LINE

EXHIBIT

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

**331.531 ACRES - 14,441,501 SQ. FT.
IN THE JOHN DAVIS SURVEY, ABSTRACT NO.
254, THE WILLIAM P. ALLEN SURVEY,
ABSTRACT NO. 24, AND THE JONATHAN
HOWARD SURVEY, ABSTRACT NO. 442,
COLLIN COUNTY, TEXAS**

Robert Glen Maloy

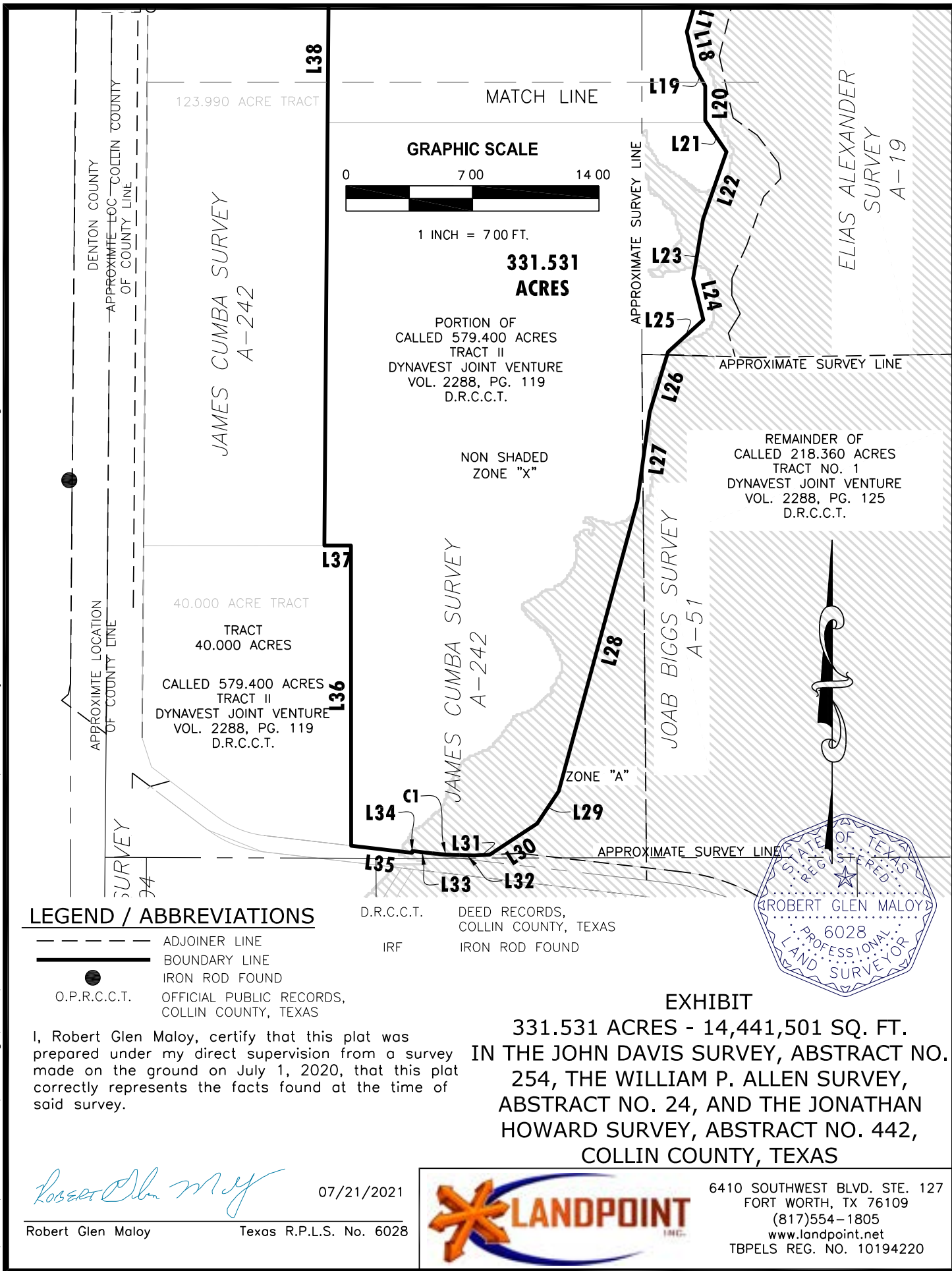
07/21/2021

Robert Glen Maloy

Texas R.P.L.S. No. 6028



6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220



APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

HALFF ASSOCIATES, Inc.
AVO: 043789.001

CLIENT: Dynavest
PROJECT: Legacy Ridge
DATE: 9/3/2021

40s	114
50s	213
60s	94
TOTAL LOTS	421
AREA (ACRES)	91

CIVIL COST ESTIMATE

ENGINEERS EXPLORATORY OPINION OF PROBABLE CONSTRUCTION COST *: Preliminary Site Development - Phase 1

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Erosion Control				
1	Inlet Protection - Curb	EA	95	\$118.00	\$11,210
2	Erosion Control Silt Fence	LF	20,000	\$1.55	\$31,000
3	Storm Water Pollution Prevention Plan (SW3P)	LS	1	\$11,000.00	\$11,000
4	Over Seeding Lots	Acre	91	\$295.00	\$26,845
	Subtotal Erosion Control				\$80,055
	Earthwork				
5	Clearing and Grubbing	Acre	91	\$1,650.00	\$150,150
6	Cut	CY	220,000	\$2.00	\$440,000
7	Fill	CY	220,000	\$2.00	\$440,000
8	Import (potential import from Ph 2 and 3)	CY	0	\$10.00	\$0
9	Export	CY	0	\$10.00	\$0
10	Lot Grading - Rough	LOT	421	\$150.00	\$63,150
11	Lot Grading - Final	LOT	421	\$125.00	\$52,625
12	40s Lot Moisture Conditioning - (7'-10' Depth)	LOT	114	\$2,560.00	\$291,840
13	50s Lot Moisture Conditioning - (7'-10' Depth)	LOT	213	\$3,000.00	\$639,000
14	60s Lot Moisture Conditioning - (7'-10' Depth)	LOT	94	\$3,600.00	\$338,400
	Subtotal Earthwork				\$2,415,165
	Retaining Walls				
15	Variable Height (4-Foot or Less) Retaining Wall (Not Included)	SF	10,000	\$15.00	\$150,000
16	Variable Height (Greater Than 4-Foot) Retaining Wall (Not Included)	SF	32,000	\$20.00	\$640,000
	Subtotal Retaining Walls				\$790,000
	Pavement and Road Improvements				
17	Reinforced Concrete Pavement - 29' B-B (7-inch, 4000 PSI)	SY	68,000	\$38.00	\$2,584,000
18	MOISTURE CONDITIONED SUBGRADE (48-INCH DEPTH)	SY	77,520	\$3.00	\$232,560
19	Lime (Hydrated; Dry)	TON	12,907	\$140.00	\$1,806,980
20	5" Thick Sidewalk	SY	22,500	\$38.00	\$855,000
21	Curb Ramp	EA	68	\$1,500.00	\$102,000
22	12-ft wide Reinforced Conc.Pavement -SUP Trail (6-inch thick, 3,600PSI)	SY	5,066	\$60.00	\$303,960
	Subtotal Private Road Improvements				\$5,884,500
	Storm Drainage				
23	18-Inch Class III RCP	LF	6,000	\$50.00	\$300,000
24	24-Inch Class III RCP	LF	2,500	\$64.00	\$160,000
25	30-Inch Class III RCP	LF	800	\$80.00	\$64,000
26	36-Inch Class III RCP	LF	500	\$105.00	\$52,500
27	42-Inch Class III RCP	LF	1,300	\$140.00	\$182,000
28	48-Inch Class III RCP	LF	950	\$160.00	\$152,000
29	54-Inch Class III RCP	LF	400	\$180.00	\$72,000
30	60-Inch Class III RCP	LF	200	\$225.00	\$45,000
31	5x5 Class III RCB	LF	300	\$250.00	\$75,000
32	Junction Box - 4'x4'	EA	22	\$5,500.00	\$121,000
33	Junction Box - 5'x5'	EA	9	\$9,500.00	\$85,500
34	Junction Box - 6'x6'	EA	2	\$10,000.00	\$20,000
35	Standard Curb Inlet	EA	95	\$3,500.00	\$332,500
36	Type "B" Headwall	EA	11	\$30,000.00	\$330,000
	Subtotal Storm Drainage System				\$1,991,500

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Water				
37	8-inch PVC Water Line (including bends)	LF	13,000	\$25.50	\$331,500
38	12-inch PVC Water Line (including bends)	LF	8,000	\$30.00	\$240,000
39	Trench Safety	LF	21,000	\$1.00	\$21,000
40	Testing (Excluding Geopack)	LF	21,000	\$1.00	\$21,000
41	12"x8" Tee	EA	8	\$1,300.00	\$10,400
42	8"x8" Tee	EA	11	\$1,250.00	\$13,750
43	8"x8" Cross	EA	3	\$1,300.00	\$3,900
44	8"x12" Cross	EA	3	\$1,250.00	\$3,750
45	8-inch Gate Valve	EA	59	\$1,280.00	\$75,520
46	12-inch Gate Valve	EA	23	\$2,200.00	\$50,600
47	1 Inch Water Service	EA	420	\$540.00	\$226,800
48	Fire Hydrant Assembly (TEE, VALVE, 6" DI)	EA	10	\$4,250.00	\$42,500
	Subtotal Water System				\$1,040,720
	Sanitary Sewer				
49	8-inch PVC SDR-35 Sanitary Sewer Line	LF	16,200	\$33.00	\$534,600
50	12-inch PVC SDR-35 Sanitary Sewer Line	LF	4,000	\$38.00	\$152,000
51	Trench Safety	LF	20,200	\$1.00	\$20,200
52	Testing (Excluding Geopack)	LF	20,200	\$1.00	\$20,200
53	4-foot Diameter Standard Sanitary Sewer Manhole	EA	94	\$5,500.00	\$517,000
54	6" Service Lines	LOT	421	\$690.00	\$290,490
	Subtotal Sanitary Sewer System				\$1,534,490
	Soft Costs				
55	Entry Monumentation	LS	2	\$50,000.00	\$100,000
56	Landscape & Irrigation	LS	1	\$570,000.00	\$570,000
57	Hardscape	LF	3,770	\$95.00	\$358,150
58	3% Inspection Fees	%	1	\$313,536.30	\$313,536
59	2% PP&M Bonds	%	1	\$209,024.20	\$209,024
	Subtotal Soft Costs				\$1,550,711
	Subtotal				\$15,287,141
	Contracted Engineering and Testing				\$1,581,500
	2.5% Contingency				\$382,179
	TOTAL			\$40,975.82	\$17,250,819

This statement was prepared utilizing standard cost estimate practices. This statement excludes "soft" costs including, but not limited to, administrative costs, financing costs, construction management, surveying, geotechnical investigations, and construction materials testing. It is understood and agreed that this is an estimate only, and that Engineer shall not be liable to Owner or to a third party for any failure to accurately estimate the cost of the project, or any part thereof.

*Franchise utilities such as gas, telecommunication and electrical are excluded from this estimate.

**Electric service, wiring and light poles with light fixtures to be provided by electric utility company; therefore, they are excluded from this estimate.

Project Name: Legacy Hills
 Client Name: Centurion American
 City: Celina, TX
 County: Collin

Date: August 20, 2021
 Project Number: 01.0028.006
 Concept Lot Count: 192
 Gross Acreage: 40

SINGLE FAMILY POD 10

Water System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. WATER LINE	LF	10972	\$25.50	\$279,786.00
8" GATE VALVE & BOX	EA	56	\$1,375.00	\$77,000.00
2" FLUSHING VALVE	EA	3	\$2,200.00	\$6,600.00
1" SINGLE WATER SERVICE	EA	192	\$540.00	\$103,680.00
CONNECT TO EXISTING WATER LINE	EA	2	\$3,000.00	\$6,000.00
FIRE HYDRANT ASSEMBLY	EA	24	\$4,250.00	\$102,000.00
IRRIGATION SERVICES	EA	4	\$1,800.00	\$7,200.00
2 - 4" P.V.C. IRRIGATION CROSSINGS	LF	500	\$17.00	\$8,500.00
REMOVE EXISTING FLUSHING VALVE	EA	2	\$750.00	\$1,500.00
TESTING (EXCLUDING GEOTECH.)	LF	10972	\$1.00	\$10,972.00
TRENCH SAFETY	LF	10972	\$1.00	\$10,972.00
SUB-TOTAL				\$614,210.00

Note: Water lines include all fittings

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. PIPE (0'-10' DEEP)	LF	7840	\$33.00	\$258,720.00
4' DIA. WW MH W/ INT EPOXY COATING	EA	17	\$5,500.00	\$93,500.00
5' DIA. WW MH W/ INT EPOXY COATING (ALL MHs OVER 12')	EA	17	\$9,600.00	\$163,200.00
4" SERVICE LINES	EA	192	\$575.00	\$110,400.00
CONNECT TO EX. WW MH	EA	1	\$2,500.00	\$2,500.00
TESTING (EXCLUDING GEOTECH.)	LF	7840	\$1.00	\$7,840.00
TRENCH SAFETY	LF	7840	\$1.00	\$7,840.00
SUB-TOTAL				\$644,000.00

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
24" R.C.P.	LF	2194	\$64.00	\$140,416.00
36" R.C.P.	LF	2743	\$105.00	\$288,015.00
42" R.C.P.	LF	549	\$140.00	\$76,860.00
10' CURB INLET	EA	32	\$3,500.00	\$112,000.00
42" SLOPED HEADWALL	EA	2	\$3,000.00	\$6,000.00
ROCK RIP-RAP	SY	100	\$85.00	\$8,500.00
TESTING & TV INSPECTION	LF	5486	\$1.50	\$8,229.00
TRENCH SAFETY	LF	5486	\$1.00	\$5,486.00
SUB-TOTAL				\$645,506.00

Dry Utility Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
DRY UTILITIES	LOT	192	\$1,000.00	\$192,000.00
STREET LIGHT	EA	34	\$2,500.00	\$85,000.00
SUB-TOTAL				\$277,000.00

Roadway and Paving Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
7" REINFORCED CONCRETE STREET PVMT. W/ CURB	SY	32606	\$38.00	\$1,239,028.00
7" REINFORCED CONCRETE ALLEY/MEWS PVMT.	SY	13854	\$39.50	\$547,233.00
6" LIME-STABILIZED SUBGRADE (INCL. LIME)	SY	53959	\$6.00	\$323,754.00
BARRIER FREE RAMPS	EA	125	\$1,500.00	\$187,500.00
STREET SIGN	EA	40	\$1,400.00	\$56,000.00
TRAFFIC HANDLING	LS	1	\$1,500.00	\$1,500.00
SUB-TOTAL				\$2,355,015.00

Earthwork and E&S Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
CLEARING AND GRUBBING	ACRE	40	\$1,650.00	\$66,000.00
MASS GRADING - EXCAVATION	CY	194000	\$1.95	\$378,300.00
ROUGH LOT GRADING	LOT	192	\$100.00	\$19,200.00
FINAL LOT GRADING	LOT	192	\$185.00	\$35,520.00
RETAINING WALL	LOT	192	\$2,000.00	\$384,000.00
EROSION CONTROL	LOT	192	\$350.00	\$67,200.00
CONSTRUCTION ENTRANCE	EA	1	\$2,000.00	\$2,000.00
INLET PROTECTION	EA	32	\$150.00	\$4,800.00
SILT FENCE	LF	2870	\$1.35	\$3,874.50
5.5' DEPTH MOISTURE CONDITIONING - 40' LOT	LOT	192	\$1,540.00	\$295,680.00
TEMPORARY SEDIMENT BASIN	EA	1	\$5,000.00	\$5,000.00
SUB-TOTAL				\$1,261,574.50

Landscape Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
ENTRY MONUMENTATION	EA	1	\$50,000.00	\$50,000.00
LANDSCAPE AND IRRIGATION	LS	1	\$600,000.00	\$600,000.00
HARDSCAPE	LF	1000	\$95.00	\$95,000.00
SUB-TOTAL				\$745,000.00

SUMMARY

SUM OF CONSTRUCTION COSTS		\$6,542,305.50
CONTINGENCY	2.5%	\$163,557.64
SUB-TOTAL		\$6,705,863.14
ENGINEER, SURVEY, CM/PM, & GEOTECH FEES	10%	\$670,586.31
INSPECTION FEE	3%	\$201,175.89
PAYMENT AND PERFORMANCE BOND	2%	\$134,117.26
TOTAL CONSTRUCTION COST		\$7,711,742.61

Assumptions:

- At the time of this OPC, geotechnical recommendations for pavement subgrade and soil moisture conditioning were not available.
- The OPC was prepared without the benefit of overall grading, utility, and drainage plans for a 'high level' analysis of the site. The OPC should be updated as additional information and designs are available.
- The OPC does not include any miscellaneous costs for permits, platting, fees (impact, planning, etc.), or any other process or procedure required by the City of Celina or additional governing authorities.
- This OPC does not include costs of offsite water or wastewater utilities necessary to provide service to the site.

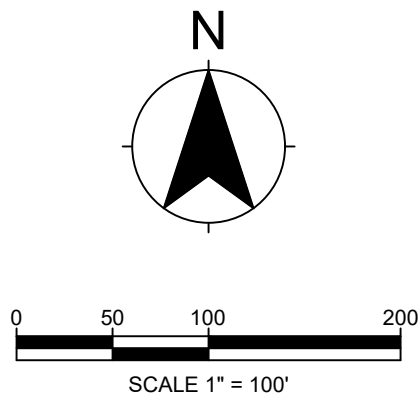
This Engineer's opinion of probable cost is made on the basis of the Engineer's experience and best judgment as a design professional. This opinion of probable cost does not include city fees; such as easement acquisition, permits, and application fees among others. It must be recognized that any evaluation of work to be performed to construct this project must be by necessity and is speculative in nature until completion of its actual detailed design. In addition the Engineer has no control over the cost of labor, materials or services to be furnished by others or over market conditions. Accordingly, Knight, Fowler & Millsap, LLC, cannot guarantee that actual costs will not vary from the opinions expressed herein.

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

PROJECT
LEGACY HILLS
CELINA, TEXAS

TITLE
PARCEL 14 POD 10
WATER EXHIBIT

CLIENT
**CENTURION
AMERICAN**
CELINA, TEXAS



PROJECT NUMBER:
0100028006

DRAWN BY:
EAH

DATE:
2021/08/17

SHEET:

EXH 01

- LEGEND
- PROPOSED FIRE HYDRANT
- PROPOSED 8" WATER LINE
- OFFSITE OVERALL INFRASTRUCTURE WATER
LINE (BY OTHERS)

DALLAS NORTH TOLLWAY

FLEX USE POD 6

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PROJECT

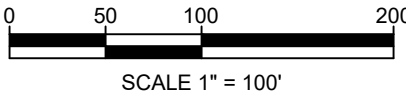
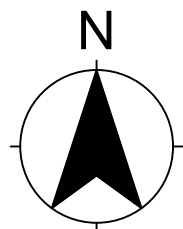
LEGACY HILLS
CELINA, TEXAS

TITLE

PARCEL 14 POD 10
WASTEWATER EXHIBIT

CLIENT

CENTURION
AMERICAN
CELINA, TEXAS




PROJECT NUMBER:
0100028006

DRAWN BY:
EAH

DATE:
2021/08/17

SHEET:

EXH 01

LEGEND	
	PROPOSED WASTEWATER MANHOLE
	PROPOSED 8" WASTEWATER LINE
	OFFSITE OVERALL INFRASTRUCTURE WASTEWATER LINE (BY OTHERS)

DALLAS NORTH TOLLWAY

FLEX USE POD 6

WW12"
WW12"
WW12"

APPENDIX D
LEGAL DESCRIPTION

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LEGAL DESCRIPTION

Being a 331.531 acre tract of land situated in the James Cumba Survey Abstract-242, the Joab Biggs Survey Abstract-51, the John Davis Survey Abstract-254, and the Elias Alexander Survey Abstract-19, Collin County, Texas and being a portion of that certain called 579.400 acre tract of land, described as Tract II, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 119, Deed Records of Collin County, Texas and being a portion of that certain called 100.474 acre tract of land, described as Tract I, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 119, Deed Records of Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at a 5/8-inch iron rod found for the Northeast corner of the tract herein described in the North line of said 100.474 acre tract of land, as conveyed to Dynavest Joint Venture by said Volume 2288 Page 119, recorded in Volume 5843, Page 119, Official Public Records of Collin County, Texas;

THENCE S89°48'36"E, with the North line of said 100.474 acre tract of land, and being in the West line of that certain called 947.705 acre tract of land as conveyed to Jody Furlong Lawyer by deed of record in Instrument No. 20180828001079900, Deed Records of Collin County, Texas,

THENCE with the north line of said 100.474 acre tract of land, the following calls:

THENCE South 16°14'08" East, 1,248.38 feet to a point;

THENCE South 89°50'48" West, 735.77 feet to a point;

THENCE South 0°18'38" West, 1,480.55 feet to a point;

THENCE South 89°30'00" East, 1,451.50 feet to a point;

THENCE South 0°54'05" West, 160.44 feet to a point;

THENCE South 36°05'31" East, 124.81 feet to a point;

THENCE South 7°19'29" West, 553.21 feet to a point;

THENCE South 80°56'00" West, 362.90 feet to a point;

THENCE South 38°15'13" West, 332.04 feet to a point;

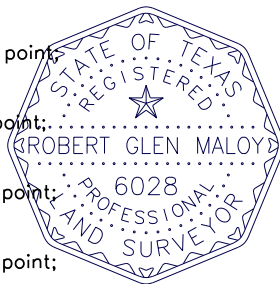
THENCE South 10°04'32" West, 271.51 feet to a point;

THENCE South 54°06'16" West, 181.55 feet to a point;

THENCE South 8°28'11" West, 147.80 feet to a point;

THENCE South 62°40'31" East, 153.52 feet to a point;

THENCE South 20°47'48" East, 346.98 feet to a point;



I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

EXHIBIT
331.531 ACRES - 14,441,501 SQ. FT.
IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

Robert Glen Maloy

07/21/2021

Robert Glen Maloy

Texas R.P.L.S. No. 6028



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TBPELS REG. NO. 10194220

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THENCE South 56°54'41" East, 296.19 feet to a point;

THENCE South 16°45'56" East, 55.79 feet to a point;

THENCE South 16°19'39" West, 277.69 feet to a point;

THENCE South 12°42'42" East, 196.66 feet to a point;

THENCE South 28°28'44" East, 123.07 feet to a point;

THENCE South 0°00'00" East, 190.89 feet to a point;

THENCE South 34°19'04" East, 209.63 feet to a point;

THENCE South 19°17'22" West, 395.03 feet to a point;

THENCE South 9°24'41" West, 333.41 feet to a point;

THENCE South 13°59'33" East, 234.35 feet to a point;

THENCE South 47°40'23" West, 264.27 feet to a point;

THENCE South 16°59'14" West, 348.90 feet to a point;

THENCE South 7°47'51" West, 499.92 feet to a point;

THENCE South 15°12'20" West, 1,659.85 feet to a point;

THENCE South 33°44'35" West, 215.20 feet to a point;

THENCE South 56°45'49" West, 314.03 feet to a point;

THENCE South 87°25'43" West, 84.55 feet to a point;

THENCE North 89°00'54" West, 83.16 feet to the beginning of a curve;

Along a curve to the right, having a radius of 1545.00 feet, an arc length of 150.44 feet, a delta angle of 05°34'44", and a chord which bears N86°11'32"W, a distance of 150.38 feet for a point of tangency;

THENCE North 83°24'10" West, 111.05 feet to a point;

THENCE South 6°40'13" West, 10.03 feet to a point;

THENCE North 83°19'47" West, 339.20 feet to a point;

THENCE North 0°03'01" West, 1,661.21 feet to a point;

THENCE South 89°57'41" West, 147.08 feet to a point;

THENCE North 0°26'51" East, 5,386.54 feet to a point;

THENCE South 89°30'00" East, 826.10 feet to a point;

THENCE North 0°18'32" East, 1,480.32 feet to a point;

THENCE South 89°50'48" West, 822.57 feet to a point;

THENCE North 0°26'50" East, 1,207.15 feet to a point;

THENCE South 89°47'54" East, 1,219.89 feet to the POINT OF BEGINNING Containing 14,441,466 square feet, 331.531 acres of land, more or less.



EXHIBIT

**331.531 ACRES - 14,441,501 SQ. FT.
IN THE JOHN DAVIS SURVEY, ABSTRACT NO.
254, THE WILLIAM P. ALLEN SURVEY,
ABSTRACT NO. 24, AND THE JONATHAN
HOWARD SURVEY, ABSTRACT NO. 442,
COLLIN COUNTY, TEXAS**

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

07/21/2021

Robert Glen Maloy

Texas R.P.L.S. No. 6028



6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S16°14'08"E	1248.38'
L2	S89°50'48"W	735.77'
L3	S00°18'38"W	1480.55'
L4	S89°30'00"E	1451.50'
L5	S00°54'05"W	160.44'
L6	S36°05'31"E	124.81'
L7	S07°19'29"W	553.21'
L8	S80°56'00"W	362.90'
L9	S38°15'13"W	332.04'
L10	S10°04'32"W	271.51'
L11	S54°06'16"W	181.55'
L12	S08°28'11"W	147.80'
L13	S62°40'31"E	153.52'
L14	S20°47'48"E	346.98'
L15	S56°54'41"E	296.19'
L16	S16°45'56"E	55.79'
L17	S16°19'39"W	277.69'
L18	S12°42'42"E	196.66'
L19	S28°28'44"E	123.07'
L20	S00°00'00"E	190.89'

LINE TABLE		
LINE	DIRECTION	LENGTH
L21	S34°19'04"E	209.63'
L22	S19°17'22"W	395.03'
L23	S09°24'41"W	333.41'
L24	S13°59'33"E	234.35'
L25	S47°40'23"W	264.27'
L26	S16°59'14"W	348.90'
L27	S07°47'51"W	499.92'
L28	S15°12'20"W	1659.85'
L29	S33°44'35"W	215.20'
L30	S56°45'49"W	314.03'
L31	S87°25'43"W	84.55'
L32	N89°00'54"W	83.16'
L33	N83°24'10"W	111.05'
L34	S06°40'13"W	10.03'
L35	N83°19'47"W	339.20'
L36	N00°03'01"W	1661.21'
L37	S89°57'41"W	147.08'
L38	N00°26'51"E	5386.54'
L39	S89°30'00"E	826.10'
L40	N00°18'32"E	1480.32'

LINE TABLE		
LINE	DIRECTION	LENGTH
L41	S89°50'48"W	822.57'
L42	N00°26'50"E	1207.15'
L43	S89°47'54"E	1219.89'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	150.44'	1545.00'	5°34'44"	N86°11'32"W	150.38'



I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

Robert Glen Maloy

07/21/2021

Robert Glen Maloy

Texas R.P.L.S. No. 6028



6410 SOUTHWEST BLVD. STE. 127
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EXHIBIT
331.531 ACRES - 14,441,501 SQ. FT.
IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

APPENDIX E
HOMEBUYER DISCLOSURE

AFTER RECORDING RETURN TO:

_____]¹

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

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$_____

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

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

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

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

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

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

Appendix F

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

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

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

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

A) Proposed Development

The following table shows the proposed residential units to be developed within Phase #1A-1B.

Table F-1
Proposed Development- Phase #1A-1B

Proposed Development	Phase #1A	Phase #1B	Measurement
Single-Family - 60 Ft	94	0	Units
Single-Family - 50 Ft	213	0	Units
Single-Family - 40 Ft	114	192	Units
Total	421	192	Units

B) Calculation of Equivalent Units

As explained under Section IV, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvements to be financed with the Phase #1A Reimbursement Agreement and/or Phase #1B Reimbursement Agreement shall be allocated to the Phase #1A Assessed Property and the Phase #1B Assessed Property by spreading the entire Assessment across the Parcels in Phase #1A and Phase #1B, as applicable, based on the estimated Equivalent Units therein.

For purposes of this Plan, the City Council has determined that the Assessments shall be allocated to the Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft lots, 50 Ft lots, 40 Ft lots, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the Lot Types described above. These

classifications from Lot Type 1 (60 Ft Lot) representing the highest value to Lot Type 3 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table F-2 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft) to 1.0.

Table F-2
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft)	\$412,500	1.000 per unit
Lot Type 2 (50 Ft)	\$343,750	0.833 per unit
Lot Type 3 (40 Ft)	\$275,000	0.667 per unit

The total Equivalent Units for the Phase #1A-1B are shown in Table F-3 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1A-1B.

Table F-3
Estimated Equivalent Units- Phase #1A-1B

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	94	1.000	94.000
Lot Type 2 (50 Ft)	213	0.833	177.429
Lot Type 3 (40 Ft)	306	0.667	204.102
Total Equivalent Units	613		475.531

The total Equivalent Units for the Phase #1A are shown in Table F-4 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1A.

Table F-4
Estimated Equivalent Units- Phase #1A

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	94	1.000	94.000
Lot Type 2 (50 Ft)	213	0.833	177.429
Lot Type 3 (40 Ft)	114	0.667	76.038
Total Equivalent Units	421		347.467

The total Equivalent Units for the Phase #1B are shown in Table F-5 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1B.

Table F-5
Estimated Equivalent Units- Phase #1B

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	0	1.000	0.000
Lot Type 2 (50 Ft)	0	0.833	0.000
Lot Type 3 (40 Ft)	192	0.667	128.064
Total Equivalent Units	192		128.064

C) Allocation of Assessments to Lots within Phase #1A

The total amount of the Phase #1A Reimbursement Agreement which represents the total Assessment to be allocated on all Parcels within Phase #1A, is \$9,718,212. As shown in Table F-4, there are a total of 347.467 Equivalent Units in Phase #1A, resulting in an Assessment per Equivalent Unit of \$27,968.73 (i.e., $\$9,718,212 \div 347.467 = \$27,968.73$).

Table F-6 below sets forth the Assessment per dwelling unit within Phase #1A.

Table F-6
Assessment Per Unit – Phase #1A

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (60 Ft)	94	\$27,968.73	1.000	\$27,968.73 per dwelling unit	\$2,629,061
Lot Type 2 (50 Ft)	213	\$27,968.73	0.833	\$23,297.96 per dwelling unit	\$4,962,464
Lot Type 3 (40 Ft)	114	\$27,968.73	0.667	\$18,655.15 per dwelling unit	\$2,126,687
Total	421				\$9,718,212

The projected leverage calculated the projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within Phase #1A is shown in Table F-7 on the following page.

Table F-7
Projected Leverage – Phase #1A

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	94	\$72,000	\$412,500	\$27,969	2.57	14.75
Lot Type 2 (50 Ft)	213	\$60,000	\$343,750	\$23,298	2.58	14.75
Lot Type 3 (40 Ft)	114	\$48,000	\$275,000	\$18,655	2.57	14.74

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within Phase #1A is shown in Table F-8 below.

Table F-8
Estimated Tax Rate Equivalent per unit – Phase #1A

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (60 Ft)	94	\$72,000	\$412,500	\$1,834	\$2.55	\$0.445
Lot Type 2 (50 Ft)	213	\$60,000	\$343,750	\$1,527	\$2.55	\$0.444
Lot Type 3 (40 Ft)	114	\$48,000	\$275,000	\$1,223	\$2.55	\$0.445

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

D) Allocation of Assessments to Lots within Phase #1B

The total amount of the Phase #1B Reimbursement Agreement which represents the total Assessment to be allocated on all Parcels within Phase #1B, is \$3,581,788. As shown in Table F-5, there are a total of 128.064 Equivalent Units in Phase #1B, resulting in an Assessment per Equivalent Unit of \$27,968.73 (i.e., \$3,581,788 ÷ 128.064 = \$27,968.73).

Table F-9 on the following page sets forth the Assessment per dwelling unit within Phase #1B.

Table F-9
Assessment Per Unit – Phase #1B

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	\$27,968.73	0.667	\$18,655.15	per dwelling unit	\$3,581,788
Total	192					\$3,581,788

The projected leverage calculated the projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within Phase #1B is shown in Table F-10 below.

Table F-10
Projected Leverage – Phase #1B

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	\$48,000	\$275,000	\$18,655	2.57	14.74

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within Phase #1B is shown in Table F-11 below.

Table F-11
Estimated Tax Rate Equivalent per unit – Phase #1B

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	\$48,000	\$275,000	\$1,223	\$2.55	\$0.445

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

APPENDIX G
PHASE #1A ASSESSMENT ROLL

Appendix G-1
Phase #1A Assessment Roll

**Parcel
Equivalent Units
Assessment**

**All Parcels
347.467
\$9,718,212**

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$369,681	\$36,535	\$406,215
9/30/2023	\$202,402	\$419,827	\$37,265	\$659,494
9/30/2024	\$208,247	\$411,083	\$38,011	\$657,341
9/30/2025	\$213,362	\$402,087	\$38,771	\$654,220
9/30/2026	\$219,208	\$392,869	\$39,546	\$651,624
9/30/2027	\$225,053	\$383,400	\$40,337	\$648,790
9/30/2028	\$232,360	\$373,677	\$41,144	\$647,182
9/30/2029	\$239,667	\$363,639	\$41,967	\$645,273
9/30/2030	\$247,705	\$353,286	\$42,806	\$643,797
9/30/2031	\$255,742	\$342,585	\$43,662	\$641,990
9/30/2032	\$263,780	\$331,537	\$44,536	\$639,852
9/30/2033	\$274,010	\$320,142	\$45,426	\$639,578
9/30/2034	\$283,509	\$308,304	\$46,335	\$638,148
9/30/2035	\$294,469	\$296,057	\$47,261	\$637,787
9/30/2036	\$305,430	\$283,336	\$48,207	\$636,972
9/30/2037	\$316,390	\$270,141	\$49,171	\$635,702
9/30/2038	\$328,081	\$256,473	\$50,154	\$634,708
9/30/2039	\$339,772	\$242,300	\$51,157	\$633,229
9/30/2040	\$352,925	\$227,622	\$52,180	\$632,727
9/30/2041	\$366,077	\$212,376	\$53,224	\$631,677
9/30/2042	\$379,229	\$196,561	\$54,289	\$630,079
9/30/2043	\$394,574	\$180,178	\$55,374	\$630,127
9/30/2044	\$409,919	\$163,133	\$56,482	\$629,533
9/30/2045	\$425,994	\$145,424	\$57,611	\$629,029
9/30/2046	\$443,530	\$127,021	\$58,764	\$629,315
9/30/2047	\$461,067	\$107,861	\$59,939	\$628,867
9/30/2048	\$479,334	\$87,943	\$61,138	\$628,415
9/30/2049	\$498,332	\$67,235	\$62,360	\$627,928
9/30/2050	\$518,792	\$45,707	\$63,608	\$628,107
9/30/2051	\$539,251	\$23,296	\$64,880	\$627,427
Total	\$9,718,212	\$7,704,780	\$1,482,140	\$18,905,132

1 – The 9/30/XX dates represent the fiscal year end.

2 – Annual Installments are calculated using 4.32% interest rate on the Phase #1A Reimbursement Agreement.

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

4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

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

Lot Type
Assessment
Equivalent Unit

Lot Type 1 (60 Ft)
\$27,968.73
1.000

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$1,064	\$105	\$1,169
9/30/2023	\$583	\$1,208	\$107	\$1,898
9/30/2024	\$599	\$1,183	\$109	\$1,892
9/30/2025	\$614	\$1,157	\$112	\$1,883
9/30/2026	\$631	\$1,131	\$114	\$1,875
9/30/2027	\$648	\$1,103	\$116	\$1,867
9/30/2028	\$669	\$1,075	\$118	\$1,863
9/30/2029	\$690	\$1,047	\$121	\$1,857
9/30/2030	\$713	\$1,017	\$123	\$1,853
9/30/2031	\$736	\$986	\$126	\$1,848
9/30/2032	\$759	\$954	\$128	\$1,841
9/30/2033	\$789	\$921	\$131	\$1,841
9/30/2034	\$816	\$887	\$133	\$1,837
9/30/2035	\$847	\$852	\$136	\$1,836
9/30/2036	\$879	\$815	\$139	\$1,833
9/30/2037	\$911	\$777	\$142	\$1,830
9/30/2038	\$944	\$738	\$144	\$1,827
9/30/2039	\$978	\$697	\$147	\$1,822
9/30/2040	\$1,016	\$655	\$150	\$1,821
9/30/2041	\$1,054	\$611	\$153	\$1,818
9/30/2042	\$1,091	\$566	\$156	\$1,813
9/30/2043	\$1,136	\$519	\$159	\$1,813
9/30/2044	\$1,180	\$469	\$163	\$1,812
9/30/2045	\$1,226	\$419	\$166	\$1,810
9/30/2046	\$1,276	\$366	\$169	\$1,811
9/30/2047	\$1,327	\$310	\$173	\$1,810
9/30/2048	\$1,380	\$253	\$176	\$1,809
9/30/2049	\$1,434	\$194	\$179	\$1,807
9/30/2050	\$1,493	\$132	\$183	\$1,808
9/30/2051	\$1,552	\$67	\$187	\$1,806
Total	\$27,969	\$22,174	\$4,266	\$54,408

1 – The 9/30/XX dates represent the fiscal year end.

2 – Annual Installments are calculated using 4.32% interest rate on the Phase #1A Reimbursement Agreement.

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

4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

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

Lot Type
Assessment
Equivalent Unit

Lot Type 2 (50 Ft)
\$23,297.96
0.833

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$886	\$88	\$974
9/30/2023	\$485	\$1,006	\$89	\$1,581
9/30/2024	\$499	\$986	\$91	\$1,576
9/30/2025	\$512	\$964	\$93	\$1,568
9/30/2026	\$526	\$942	\$95	\$1,562
9/30/2027	\$540	\$919	\$97	\$1,555
9/30/2028	\$557	\$896	\$99	\$1,552
9/30/2029	\$575	\$872	\$101	\$1,547
9/30/2030	\$594	\$847	\$103	\$1,543
9/30/2031	\$613	\$821	\$105	\$1,539
9/30/2032	\$632	\$795	\$107	\$1,534
9/30/2033	\$657	\$767	\$109	\$1,533
9/30/2034	\$680	\$739	\$111	\$1,530
9/30/2035	\$706	\$710	\$113	\$1,529
9/30/2036	\$732	\$679	\$116	\$1,527
9/30/2037	\$758	\$648	\$118	\$1,524
9/30/2038	\$787	\$615	\$120	\$1,522
9/30/2039	\$815	\$581	\$123	\$1,518
9/30/2040	\$846	\$546	\$125	\$1,517
9/30/2041	\$878	\$509	\$128	\$1,514
9/30/2042	\$909	\$471	\$130	\$1,511
9/30/2043	\$946	\$432	\$133	\$1,511
9/30/2044	\$983	\$391	\$135	\$1,509
9/30/2045	\$1,021	\$349	\$138	\$1,508
9/30/2046	\$1,063	\$305	\$141	\$1,509
9/30/2047	\$1,105	\$259	\$144	\$1,508
9/30/2048	\$1,149	\$211	\$147	\$1,507
9/30/2049	\$1,195	\$161	\$149	\$1,505
9/30/2050	\$1,244	\$110	\$152	\$1,506
9/30/2051	\$1,293	\$56	\$156	\$1,504
Total	\$23,298	\$18,471	\$3,553	\$45,322

1 – The 9/30/XX dates represent the fiscal year end.

2 – Annual Installments are calculated using 4.32% interest rate on the Phase #1A Reimbursement Agreement.

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

4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

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

Lot Type
Assessment
Equivalent Unit

Lot Type 3 (40 Ft)
\$18,655.15
0.667

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$710	\$70	\$780
9/30/2023	\$389	\$806	\$72	\$1,266
9/30/2024	\$400	\$789	\$73	\$1,262
9/30/2025	\$410	\$772	\$74	\$1,256
9/30/2026	\$421	\$754	\$76	\$1,251
9/30/2027	\$432	\$736	\$77	\$1,245
9/30/2028	\$446	\$717	\$79	\$1,242
9/30/2029	\$460	\$698	\$81	\$1,239
9/30/2030	\$475	\$678	\$82	\$1,236
9/30/2031	\$491	\$658	\$84	\$1,232
9/30/2032	\$506	\$636	\$85	\$1,228
9/30/2033	\$526	\$615	\$87	\$1,228
9/30/2034	\$544	\$592	\$89	\$1,225
9/30/2035	\$565	\$568	\$91	\$1,224
9/30/2036	\$586	\$544	\$93	\$1,223
9/30/2037	\$607	\$519	\$94	\$1,220
9/30/2038	\$630	\$492	\$96	\$1,218
9/30/2039	\$652	\$465	\$98	\$1,216
9/30/2040	\$677	\$437	\$100	\$1,215
9/30/2041	\$703	\$408	\$102	\$1,213
9/30/2042	\$728	\$377	\$104	\$1,210
9/30/2043	\$757	\$346	\$106	\$1,210
9/30/2044	\$787	\$313	\$108	\$1,208
9/30/2045	\$818	\$279	\$111	\$1,207
9/30/2046	\$851	\$244	\$113	\$1,208
9/30/2047	\$885	\$207	\$115	\$1,207
9/30/2048	\$920	\$169	\$117	\$1,206
9/30/2049	\$957	\$129	\$120	\$1,205
9/30/2050	\$996	\$88	\$122	\$1,206
9/30/2051	\$1,035	\$45	\$125	\$1,204
Total	\$18,655	\$14,790	\$2,845	\$36,290

1 – The 9/30/XX dates represent the fiscal year end.

2 – Annual Installments are calculated using 4.32% interest rate on the Phase #1A Reimbursement Agreement.

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

4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

APPENDIX H
PHASE #1B ASSESSMENT ROLL

Appendix H-1
Phase #1B Assessment Roll

**Parcel
Equivalent Units
Assessment**

**All Parcels
128.064
\$3,581,788**

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$136,251	\$13,465	\$149,717
9/30/2023	\$74,598	\$154,733	\$13,735	\$243,066
9/30/2024	\$76,753	\$151,511	\$14,009	\$242,273
9/30/2025	\$78,638	\$148,195	\$14,290	\$241,122
9/30/2026	\$80,792	\$144,798	\$14,575	\$240,165
9/30/2027	\$82,947	\$141,308	\$14,867	\$239,121
9/30/2028	\$85,640	\$137,724	\$15,164	\$238,528
9/30/2029	\$88,333	\$134,025	\$15,467	\$237,825
9/30/2030	\$91,295	\$130,209	\$15,777	\$237,281
9/30/2031	\$94,258	\$126,265	\$16,092	\$236,615
9/30/2032	\$97,220	\$122,193	\$16,414	\$235,827
9/30/2033	\$100,990	\$117,993	\$16,742	\$235,726
9/30/2034	\$104,491	\$113,630	\$17,077	\$235,199
9/30/2035	\$108,531	\$109,116	\$17,419	\$235,066
9/30/2036	\$112,570	\$104,427	\$17,767	\$234,765
9/30/2037	\$116,610	\$99,564	\$18,123	\$234,297
9/30/2038	\$120,919	\$94,527	\$18,485	\$233,931
9/30/2039	\$125,228	\$89,303	\$18,855	\$233,386
9/30/2040	\$130,075	\$83,893	\$19,232	\$233,201
9/30/2041	\$134,923	\$78,274	\$19,616	\$232,814
9/30/2042	\$139,771	\$72,445	\$20,009	\$232,225
9/30/2043	\$145,426	\$66,407	\$20,409	\$232,242
9/30/2044	\$151,081	\$60,125	\$20,817	\$232,024
9/30/2045	\$157,006	\$53,598	\$21,234	\$231,838
9/30/2046	\$163,470	\$46,816	\$21,658	\$231,943
9/30/2047	\$169,933	\$39,754	\$22,091	\$231,778
9/30/2048	\$176,666	\$32,413	\$22,533	\$231,611
9/30/2049	\$183,668	\$24,781	\$22,984	\$231,432
9/30/2050	\$191,208	\$16,846	\$23,444	\$231,498
9/30/2051	\$198,749	\$8,586	\$23,912	\$231,247
Total	\$3,581,788	\$2,839,708	\$546,264	\$6,967,761

1 – The 9/30/XX dates represent the fiscal year end.

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

4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

Appendix H-2
Phase #1B Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 1 (60 Ft)
\$27,968.73
1.000

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$1,064	\$105	\$1,169
9/30/2023	\$583	\$1,208	\$107	\$1,898
9/30/2024	\$599	\$1,183	\$109	\$1,892
9/30/2025	\$614	\$1,157	\$112	\$1,883
9/30/2026	\$631	\$1,131	\$114	\$1,875
9/30/2027	\$648	\$1,103	\$116	\$1,867
9/30/2028	\$669	\$1,075	\$118	\$1,863
9/30/2029	\$690	\$1,047	\$121	\$1,857
9/30/2030	\$713	\$1,017	\$123	\$1,853
9/30/2031	\$736	\$986	\$126	\$1,848
9/30/2032	\$759	\$954	\$128	\$1,841
9/30/2033	\$789	\$921	\$131	\$1,841
9/30/2034	\$816	\$887	\$133	\$1,837
9/30/2035	\$847	\$852	\$136	\$1,836
9/30/2036	\$879	\$815	\$139	\$1,833
9/30/2037	\$911	\$777	\$142	\$1,830
9/30/2038	\$944	\$738	\$144	\$1,827
9/30/2039	\$978	\$697	\$147	\$1,822
9/30/2040	\$1,016	\$655	\$150	\$1,821
9/30/2041	\$1,054	\$611	\$153	\$1,818
9/30/2042	\$1,091	\$566	\$156	\$1,813
9/30/2043	\$1,136	\$519	\$159	\$1,813
9/30/2044	\$1,180	\$469	\$163	\$1,812
9/30/2045	\$1,226	\$419	\$166	\$1,810
9/30/2046	\$1,276	\$366	\$169	\$1,811
9/30/2047	\$1,327	\$310	\$173	\$1,810
9/30/2048	\$1,380	\$253	\$176	\$1,809
9/30/2049	\$1,434	\$194	\$179	\$1,807
9/30/2050	\$1,493	\$132	\$183	\$1,808
9/30/2051	\$1,552	\$67	\$187	\$1,806
Total	\$27,969	\$22,174	\$4,266	\$54,408

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4 – The interest and Administrative Expenses due for the year ending 9/30/22 will be paid from funds available to the District for those purposes. As a result, the first Annual Installments will be billed in October 2022 and will be due by January 31, 2023.

Appendix H-3
Phase #1B Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 2 (50 Ft)
\$23,297.96
0.833

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$886	\$88	\$974
9/30/2023	\$485	\$1,006	\$89	\$1,581
9/30/2024	\$499	\$986	\$91	\$1,576
9/30/2025	\$512	\$964	\$93	\$1,568
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9/30/2027	\$540	\$919	\$97	\$1,555
9/30/2028	\$557	\$896	\$99	\$1,552
9/30/2029	\$575	\$872	\$101	\$1,547
9/30/2030	\$594	\$847	\$103	\$1,543
9/30/2031	\$613	\$821	\$105	\$1,539
9/30/2032	\$632	\$795	\$107	\$1,534
9/30/2033	\$657	\$767	\$109	\$1,533
9/30/2034	\$680	\$739	\$111	\$1,530
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9/30/2041	\$878	\$509	\$128	\$1,514
9/30/2042	\$909	\$471	\$130	\$1,511
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9/30/2045	\$1,021	\$349	\$138	\$1,508
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9/30/2047	\$1,105	\$259	\$144	\$1,508
9/30/2048	\$1,149	\$211	\$147	\$1,507
9/30/2049	\$1,195	\$161	\$149	\$1,505
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9/30/2051	\$1,293	\$56	\$156	\$1,504
Total	\$23,298	\$18,471	\$3,553	\$45,322

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Appendix H-4
Phase #1B Assessment Roll by Lot Type

Lot Type
Assessment
Equivalent Unit

Lot Type 3 (40 Ft)
\$18,655.15
0.667

Year ¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/30/2022 ⁴	\$0	\$710	\$70	\$780
9/30/2023	\$389	\$806	\$72	\$1,266
9/30/2024	\$400	\$789	\$73	\$1,262
9/30/2025	\$410	\$772	\$74	\$1,256
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9/30/2027	\$432	\$736	\$77	\$1,245
9/30/2028	\$446	\$717	\$79	\$1,242
9/30/2029	\$460	\$698	\$81	\$1,239
9/30/2030	\$475	\$678	\$82	\$1,236
9/30/2031	\$491	\$658	\$84	\$1,232
9/30/2032	\$506	\$636	\$85	\$1,228
9/30/2033	\$526	\$615	\$87	\$1,228
9/30/2034	\$544	\$592	\$89	\$1,225
9/30/2035	\$565	\$568	\$91	\$1,224
9/30/2036	\$586	\$544	\$93	\$1,223
9/30/2037	\$607	\$519	\$94	\$1,220
9/30/2038	\$630	\$492	\$96	\$1,218
9/30/2039	\$652	\$465	\$98	\$1,216
9/30/2040	\$677	\$437	\$100	\$1,215
9/30/2041	\$703	\$408	\$102	\$1,213
9/30/2042	\$728	\$377	\$104	\$1,210
9/30/2043	\$757	\$346	\$106	\$1,210
9/30/2044	\$787	\$313	\$108	\$1,208
9/30/2045	\$818	\$279	\$111	\$1,207
9/30/2046	\$851	\$244	\$113	\$1,208
9/30/2047	\$885	\$207	\$115	\$1,207
9/30/2048	\$920	\$169	\$117	\$1,206
9/30/2049	\$957	\$129	\$120	\$1,205
9/30/2050	\$996	\$88	\$122	\$1,206
9/30/2051	\$1,035	\$45	\$125	\$1,204
Total	\$18,655	\$14,790	\$2,845	\$36,290

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