

EXHIBIT M - SCHEDULE
Elevon PID

Cumulative Weeks	Dec-21					Jan-22				Feb-22				Mar-22				Apr-22				May-22					Jun-22						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	
Task																																	
1 Major Improvements (MI) Bidding and Contract Award																																	
2 MI Erosion Control Install																																	
3 MI Earthwork																																	
4 MI Wet Utilities																																	
5 MI Bridge																																	
6 MI Paving																																	
7 MI Franchise																																	
8 MI Final Acceptance																																	
9 MI Screening Walls																																	
10 MI Landscape - Irrigation																																	
11 Pod Erosion Control Install																																	
12 Pod Earthwork																																	
13 Pod Wet Utilities																																	
14 Pod Paving																																	
15 Pod Franchise																																	
16 Pod Final Acceptance																																	

Elevon Section 2 Schedule

Cumulative Weeks	Jul-22				Aug-22					Sep-22					Oct-22					Nov-22					Dec-22				Jan-23				
	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63		
Task																																	
1 Major Improvements (MI) Bidding and Contract Award																																	
2 MI Erosion Control Install																																	
3 MI Earthwork																																	
4 MI Wet Utilities																																	
5 MI Bridge																																	
6 MI Paving																																	
7 MI Franchise																																	
8 MI Final Acceptance																																	
9 MI Screening Walls																																	
10 MI Landscape - Irrigation																																	
11 Pod Erosion Control Install																																	
12 Pod Earthwork																																	
13 Pod Wet Utilities																																	
14 Pod Paving																																	
15 Pod Franchise																																	
16 Pod Final Acceptance																																	



January 4, 2022

Mr. Allen Jones, Principal
MA Partners, LLC
15443 Knoll Trail Drive, Suite 130
Dallas, TX 75248

RE: School Site Improvement Cost

Dear Mr. Jones:

The school site within Elevon Section 2 is bounded by Elevon Parkway and Noble Grove Drive. The roadway, drainage, water, and sewer improvements to serve the school site are required to serve Pods 2C, 2D, and 2E, so no additional major infrastructure will be required. The cost associated with the School Site are the following:

Drainage Improvements – Upsize drainage pipe for 550 linear feet in Harvest Heights Drive from 42” to 48” and provide drop inlet to pick up drainage prior to development. Estimated Cost: \$20,625.00

Paving Improvements – Noble Grove was upgraded from a 31’ wide roadway to a 37’ wide roadway to allow for parking and queuing for the school. Improvement requirements are an additional 6’ in pavement and subgrade improvements. Estimate Cost: \$22,431.55.

Total cost of additional improvements to serve the School Site are estimated to be \$43,056.55.

If you have any questions regarding this information, please contact me at (972) 738-0243.

Regards,

A handwritten signature in blue ink, appearing to read "Daniel Dewey".

Daniel Dewey, PE
VP/Partner
JBI Partners

APPENDIX B – IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS BY POD

	Improvement Area #1 Total	POD 2A	POD 2B-1	POD 2C	POD 2D
Zone 1 Remainder Area Bond Par	\$ -	\$ -	\$ -	\$ -	\$ -
Improvement Area #1 Bond Par ¹ (67.84%)	21,184,748	5,087,327	4,172,171	7,216,656	4,708,593
Improvement Area #1 Reimbursement Obligation ⁴	10,104,000	2,426,385	1,989,904	3,441,962	2,245,749
Owner or Homebuilder Participation - Offsite Improvements ²	-	-	-	-	-
Owner or Homebuilder Participation - Private Improvements ²	4,631,803	1,112,286	912,198	1,577,839	1,029,480
Owner or Homebuilder Participation ³	14,585,919	3,502,678	2,872,583	4,968,743	3,241,915
Total Sources	\$ 50,506,470	\$ 12,128,675	\$ 9,946,856	\$ 17,205,200	\$ 11,225,738
	Uses of Funds				
Zone 1 Improvements	\$ 7,609,652	\$ 1,827,390	\$ 1,498,662	\$ 2,592,254	\$ 1,691,347
Improvement Area #1 Improvements	29,254,917	7,025,306	5,761,528	9,965,787	6,502,296
Offsite Improvements	5,512,724	1,323,831	1,085,688	1,877,928	1,225,277
Private Improvements	4,631,803	1,112,286	912,198	1,577,839	1,029,480
	\$ 47,009,097	\$ 11,288,812	\$ 9,258,076	\$ 16,013,808	\$ 10,448,400
<i>Bond Issuance Costs</i>					
Debt Service Reserve Fund	\$ 1,278,371	\$ 306,989	\$ 251,765	\$ 435,481	\$ 284,135
Capitalized Interest	529,619	127,183	104,304	180,416	117,715
Underwriter's Discount	635,542	152,620	125,165	216,500	141,258
Costs of Issuance	1,008,841	242,264	198,683	343,665	224,228
	\$ 3,452,373	\$ 829,056	\$ 679,918	\$ 1,176,063	\$ 767,336
<i>Other Costs</i>					
Deposit to Administrative Fund	\$ 45,000	\$ 10,806	\$ 8,862	\$ 15,329	\$ 10,002
	\$ 45,000	\$ 10,806	\$ 8,862	\$ 15,329	\$ 10,002
Total Uses	\$ 50,506,470	\$ 12,128,675	\$ 9,946,856	\$ 17,205,200	\$ 11,225,738
Bond Proceeds (Bond Par minus bond issuance costs)	\$ 17,687,374	\$ 4,247,464	\$ 3,483,391	\$ 6,025,264	\$ 3,931,255
Homebuilder's Direct Costs less Bond Proceeds	\$ 25,391,529	\$ 3,323,314	\$ 4,546,075	\$ 5,951,350	\$ 3,512,358
Developer's Zone Improvements	\$ 19,574,587.00				
Zone 1- 32.16% allocation of IA#1 Bond Proceeds (32.16%)	8,392,917.11				
Zone 1- 100% allocation of Zone 1 Bond Proceeds (100%)	6,221,210.00				
Remainder to be covered by Developer	\$ 4,960,459.89				

Notes:

¹ Improvement Area #1 Bond preliminary sizing based on an estimated appraised value of \$1,400 per front foot per Lot. Any future increase in the Improvement Area #1 Bond par resulting from value adjustments in appraisal will become restricted funds, per the terms of the Development Agreement.

² Not reimburseable to Owner through Assessments.

³ Not reimburseable to Owner through Assessments. To be financed through TIRZ No. 2.

⁴ Generates no construction revenues. To be reimbursed to the Developer when construction is completed and after Assessments have begun to be collected.

APPENDIX C-1 – ZONE 1 REMAINDER AREA INITIAL PARCEL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

**ZONE 1 REMAINDER AREA INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$8,148,000**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Elevon 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - ZONE 1 REMAINDER AREA INITIAL PARCEL

Due 1/31	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Annual Collection Costs	Total Annual Installment
2022	\$ -	\$ 241,894	\$ (241,894)	\$ -	\$ -	\$ -	\$ -
2023	\$ -	\$ 387,030	\$ (387,030)	\$ 40,740	\$ -	\$ 30,600	\$ 71,340
2024	\$ 133,000	\$ 387,030	\$ -	\$ 40,740	\$ -	\$ 31,212	\$ 591,982
2025	\$ 140,000	\$ 380,713	\$ -	\$ 40,075	\$ -	\$ 31,836	\$ 592,624
2026	\$ 146,000	\$ 374,063	\$ -	\$ 39,375	\$ -	\$ 32,473	\$ 591,910
2027	\$ 153,000	\$ 367,128	\$ -	\$ 38,645	\$ -	\$ 33,122	\$ 591,895
2028	\$ 161,000	\$ 359,860	\$ -	\$ 37,880	\$ -	\$ 33,785	\$ 592,525
2029	\$ 168,000	\$ 352,213	\$ -	\$ 37,075	\$ -	\$ 34,461	\$ 591,748
2030	\$ 177,000	\$ 344,233	\$ -	\$ 36,235	\$ -	\$ 35,150	\$ 592,617
2031	\$ 185,000	\$ 335,825	\$ -	\$ 35,350	\$ -	\$ 35,853	\$ 592,028
2032	\$ 194,000	\$ 327,038	\$ -	\$ 34,425	\$ -	\$ 36,570	\$ 592,032
2033	\$ 204,000	\$ 317,823	\$ -	\$ 33,455	\$ -	\$ 37,301	\$ 592,579
2034	\$ 214,000	\$ 308,133	\$ -	\$ 32,435	\$ -	\$ 38,047	\$ 592,615
2035	\$ 224,000	\$ 297,968	\$ -	\$ 31,365	\$ -	\$ 38,808	\$ 592,141
2036	\$ 235,000	\$ 287,328	\$ -	\$ 30,245	\$ -	\$ 39,584	\$ 592,157
2037	\$ 246,000	\$ 276,165	\$ -	\$ 29,070	\$ -	\$ 40,376	\$ 591,611
2038	\$ 259,000	\$ 264,480	\$ -	\$ 27,840	\$ -	\$ 41,184	\$ 592,504
2039	\$ 271,000	\$ 252,178	\$ -	\$ 26,545	\$ -	\$ 42,007	\$ 591,730
2040	\$ 285,000	\$ 239,305	\$ -	\$ 25,190	\$ -	\$ 42,847	\$ 592,342
2041	\$ 299,000	\$ 225,768	\$ -	\$ 23,765	\$ -	\$ 43,704	\$ 592,237
2042	\$ 314,000	\$ 211,565	\$ -	\$ 22,270	\$ -	\$ 44,578	\$ 592,413
2043	\$ 329,000	\$ 196,650	\$ -	\$ 20,700	\$ -	\$ 45,470	\$ 591,820
2044	\$ 346,000	\$ 181,023	\$ -	\$ 19,055	\$ -	\$ 46,379	\$ 592,457
2045	\$ 363,000	\$ 164,588	\$ -	\$ 17,325	\$ -	\$ 47,307	\$ 592,219
2046	\$ 381,000	\$ 147,345	\$ -	\$ 15,510	\$ -	\$ 48,253	\$ 592,108
2047	\$ 400,000	\$ 129,248	\$ -	\$ 13,605	\$ -	\$ 49,218	\$ 592,071
2048	\$ 420,000	\$ 110,248	\$ -	\$ 11,605	\$ -	\$ 50,203	\$ 592,055
2049	\$ 441,000	\$ 90,298	\$ -	\$ 9,505	\$ -	\$ 51,207	\$ 592,009
2050	\$ 463,000	\$ 69,350	\$ -	\$ 7,300	\$ -	\$ 52,231	\$ 591,881
2051	\$ 486,000	\$ 47,358	\$ -	\$ 4,985	\$ -	\$ 53,275	\$ 591,618
2052	\$ 511,000	\$ 24,273	\$ -	\$ 2,555	\$ (535,273)	\$ 54,341	\$ 56,896
Total	\$ 8,148,000	\$ 7,698,111	\$ (628,924)	\$ 784,865	\$ (535,273)	\$ 1,241,383	\$ 16,708,163

¹ Interest on the Zone 1 Remainder Area Bonds is calculated at a 4.75% rate for illustrative purposes.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice
of Obligation to Pay Improvement District Assessment

APPENDIX C-2 – POD 2A BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT: \$9,925,749

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Elevon 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - POD 2A

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 187,484	\$ (187,484)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 125,834	\$ 299,975	\$ -	\$ 37,497	\$ -	\$ 43,263	\$ 97,055	\$ 11,022	\$ 614,646
2024	\$ 131,357	\$ 294,941	\$ -	\$ 36,868	\$ -	\$ 44,993	\$ 95,325	\$ 11,243	\$ 614,727
2025	\$ 137,121	\$ 289,687	\$ -	\$ 36,211	\$ -	\$ 46,793	\$ 93,525	\$ 11,468	\$ 614,804
2026	\$ 142,884	\$ 284,202	\$ -	\$ 35,525	\$ -	\$ 48,665	\$ 91,653	\$ 11,697	\$ 614,626
2027	\$ 149,128	\$ 278,487	\$ -	\$ 34,811	\$ -	\$ 50,611	\$ 89,707	\$ 11,931	\$ 614,674
2028	\$ 155,611	\$ 272,522	\$ -	\$ 34,065	\$ -	\$ 52,636	\$ 87,682	\$ 12,170	\$ 614,686
2029	\$ 162,335	\$ 266,297	\$ -	\$ 33,287	\$ -	\$ 54,741	\$ 85,577	\$ 12,413	\$ 614,651
2030	\$ 169,540	\$ 259,804	\$ -	\$ 32,475	\$ -	\$ 56,931	\$ 83,387	\$ 12,661	\$ 614,798
2031	\$ 176,744	\$ 253,022	\$ -	\$ 31,628	\$ -	\$ 59,208	\$ 81,110	\$ 12,915	\$ 614,626
2032	\$ 184,428	\$ 245,952	\$ -	\$ 30,744	\$ -	\$ 61,576	\$ 78,742	\$ 13,173	\$ 614,616
2033	\$ 192,593	\$ 238,575	\$ -	\$ 29,822	\$ -	\$ 64,039	\$ 76,279	\$ 13,436	\$ 614,745
2034	\$ 200,998	\$ 230,872	\$ -	\$ 28,859	\$ -	\$ 66,601	\$ 73,717	\$ 13,705	\$ 614,752
2035	\$ 209,643	\$ 222,832	\$ -	\$ 27,854	\$ -	\$ 69,265	\$ 71,053	\$ 13,979	\$ 614,626
2036	\$ 218,768	\$ 214,446	\$ -	\$ 26,806	\$ -	\$ 72,036	\$ 68,283	\$ 14,259	\$ 614,597
2037	\$ 228,374	\$ 205,695	\$ -	\$ 25,712	\$ -	\$ 74,917	\$ 65,401	\$ 14,544	\$ 614,643
2038	\$ 238,460	\$ 196,560	\$ -	\$ 24,570	\$ -	\$ 77,914	\$ 62,404	\$ 14,835	\$ 614,743
2039	\$ 248,786	\$ 187,022	\$ -	\$ 23,378	\$ -	\$ 81,030	\$ 59,288	\$ 15,131	\$ 614,635
2040	\$ 259,833	\$ 177,070	\$ -	\$ 22,134	\$ -	\$ 84,271	\$ 56,047	\$ 15,434	\$ 614,789
2041	\$ 271,119	\$ 166,677	\$ -	\$ 20,835	\$ -	\$ 87,642	\$ 52,676	\$ 15,743	\$ 614,692
2042	\$ 283,126	\$ 155,832	\$ -	\$ 19,479	\$ -	\$ 91,148	\$ 49,170	\$ 16,058	\$ 614,813
2043	\$ 295,373	\$ 144,507	\$ -	\$ 18,063	\$ -	\$ 94,794	\$ 45,524	\$ 16,379	\$ 614,641
2044	\$ 308,341	\$ 132,692	\$ -	\$ 16,587	\$ -	\$ 98,586	\$ 41,732	\$ 16,706	\$ 614,644
2045	\$ 322,029	\$ 120,359	\$ -	\$ 15,045	\$ -	\$ 102,529	\$ 37,789	\$ 17,041	\$ 614,791
2046	\$ 336,197	\$ 107,478	\$ -	\$ 13,435	\$ -	\$ 106,630	\$ 33,688	\$ 17,381	\$ 614,809
2047	\$ 350,846	\$ 94,030	\$ -	\$ 11,754	\$ -	\$ 110,895	\$ 29,423	\$ 17,729	\$ 614,676
2048	\$ 366,215	\$ 79,996	\$ -	\$ 9,999	\$ -	\$ 115,331	\$ 24,987	\$ 18,084	\$ 614,612
2049	\$ 382,305	\$ 65,347	\$ -	\$ 8,168	\$ -	\$ 119,944	\$ 20,374	\$ 18,445	\$ 614,583
2050	\$ 399,355	\$ 50,055	\$ -	\$ 6,257	\$ -	\$ 124,742	\$ 15,576	\$ 18,814	\$ 614,799
2051	\$ 416,885	\$ 34,081	\$ -	\$ 4,260	\$ -	\$ 129,732	\$ 10,586	\$ 19,190	\$ 614,734
2052	\$ 435,136	\$ 17,405	\$ -	\$ 2,176	\$ (452,541)	\$ 134,921	\$ 5,397	\$ 19,574	\$ 162,068
Total	\$ 7,499,364	\$ 5,773,904	\$ (187,484)	\$ 698,302	\$ (452,541)	\$ 2,426,385	\$ 1,783,158	\$ 447,161	\$ 17,988,248

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-3 – POD 2B-1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT: \$8,140,213

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Elevon 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - POD 2B-1

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 153,758	\$ (153,758)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 103,198	\$ 246,012	\$ -	\$ 30,752	\$ -	\$ 35,480	\$ 79,596	\$ 9,040	\$ 504,078
2024	\$ 107,727	\$ 241,884	\$ -	\$ 30,236	\$ -	\$ 36,899	\$ 78,177	\$ 9,220	\$ 504,144
2025	\$ 112,454	\$ 237,575	\$ -	\$ 29,697	\$ -	\$ 38,375	\$ 76,701	\$ 9,405	\$ 504,207
2026	\$ 117,181	\$ 233,077	\$ -	\$ 29,135	\$ -	\$ 39,910	\$ 75,166	\$ 9,593	\$ 504,062
2027	\$ 122,301	\$ 228,390	\$ -	\$ 28,549	\$ -	\$ 41,507	\$ 73,570	\$ 9,785	\$ 504,101
2028	\$ 127,619	\$ 223,498	\$ -	\$ 27,937	\$ -	\$ 43,167	\$ 71,909	\$ 9,981	\$ 504,110
2029	\$ 133,133	\$ 218,393	\$ -	\$ 27,299	\$ -	\$ 44,894	\$ 70,183	\$ 10,180	\$ 504,082
2030	\$ 139,041	\$ 213,068	\$ -	\$ 26,633	\$ -	\$ 46,689	\$ 68,387	\$ 10,384	\$ 504,203
2031	\$ 144,949	\$ 207,506	\$ -	\$ 25,938	\$ -	\$ 48,557	\$ 66,519	\$ 10,591	\$ 504,062
2032	\$ 151,252	\$ 201,708	\$ -	\$ 25,214	\$ -	\$ 50,499	\$ 64,577	\$ 10,803	\$ 504,053
2033	\$ 157,948	\$ 195,658	\$ -	\$ 24,457	\$ -	\$ 52,519	\$ 62,557	\$ 11,019	\$ 504,159
2034	\$ 164,841	\$ 189,340	\$ -	\$ 23,668	\$ -	\$ 54,620	\$ 60,456	\$ 11,240	\$ 504,164
2035	\$ 171,931	\$ 182,747	\$ -	\$ 22,843	\$ -	\$ 56,805	\$ 58,271	\$ 11,464	\$ 504,061
2036	\$ 179,414	\$ 175,869	\$ -	\$ 21,984	\$ -	\$ 59,077	\$ 55,999	\$ 11,694	\$ 504,038
2037	\$ 187,292	\$ 168,693	\$ -	\$ 21,087	\$ -	\$ 61,440	\$ 53,636	\$ 11,928	\$ 504,076
2038	\$ 195,564	\$ 161,201	\$ -	\$ 20,150	\$ -	\$ 63,898	\$ 51,179	\$ 12,166	\$ 504,158
2039	\$ 204,032	\$ 153,379	\$ -	\$ 19,172	\$ -	\$ 66,454	\$ 48,623	\$ 12,409	\$ 504,069
2040	\$ 213,091	\$ 145,217	\$ -	\$ 18,152	\$ -	\$ 69,112	\$ 45,964	\$ 12,658	\$ 504,195
2041	\$ 222,348	\$ 136,694	\$ -	\$ 17,087	\$ -	\$ 71,876	\$ 43,200	\$ 12,911	\$ 504,115
2042	\$ 232,195	\$ 127,800	\$ -	\$ 15,975	\$ -	\$ 74,751	\$ 40,325	\$ 13,169	\$ 504,215
2043	\$ 242,239	\$ 118,512	\$ -	\$ 14,814	\$ -	\$ 77,741	\$ 37,335	\$ 13,432	\$ 504,074
2044	\$ 252,874	\$ 108,822	\$ -	\$ 13,603	\$ -	\$ 80,851	\$ 34,225	\$ 13,701	\$ 504,076
2045	\$ 264,100	\$ 98,707	\$ -	\$ 12,338	\$ -	\$ 84,085	\$ 30,991	\$ 13,975	\$ 504,197
2046	\$ 275,719	\$ 88,143	\$ -	\$ 11,018	\$ -	\$ 87,449	\$ 27,628	\$ 14,255	\$ 504,212
2047	\$ 287,733	\$ 77,115	\$ -	\$ 9,639	\$ -	\$ 90,947	\$ 24,130	\$ 14,540	\$ 504,103
2048	\$ 300,337	\$ 65,605	\$ -	\$ 8,201	\$ -	\$ 94,584	\$ 20,492	\$ 14,831	\$ 504,050
2049	\$ 313,532	\$ 53,592	\$ -	\$ 6,699	\$ -	\$ 98,368	\$ 16,709	\$ 15,127	\$ 504,026
2050	\$ 327,515	\$ 41,051	\$ -	\$ 5,131	\$ -	\$ 102,302	\$ 12,774	\$ 15,430	\$ 504,203
2051	\$ 341,892	\$ 27,950	\$ -	\$ 3,494	\$ -	\$ 106,394	\$ 8,682	\$ 15,738	\$ 504,150
2052	\$ 356,859	\$ 14,274	\$ -	\$ 1,784	\$ (371,134)	\$ 110,650	\$ 4,426	\$ 16,053	\$ 132,914
Total	\$ 6,150,309	\$ 4,735,240	\$ (153,758)	\$ 572,685	\$ (371,134)	\$ 1,989,904	\$ 1,462,387	\$ 366,721	\$ 14,752,355

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-4 – POD 2C BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT: \$14,080,227

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Elevon 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - POD 2C

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 265,957	\$ (265,957)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 178,502	\$ 425,531	\$ -	\$ 53,191	\$ -	\$ 61,370	\$ 137,678	\$ 15,636	\$ 871,909
2024	\$ 186,337	\$ 418,390	\$ -	\$ 52,299	\$ -	\$ 63,826	\$ 135,224	\$ 15,949	\$ 872,025
2025	\$ 194,513	\$ 410,937	\$ -	\$ 51,367	\$ -	\$ 66,378	\$ 132,671	\$ 16,268	\$ 872,134
2026	\$ 202,689	\$ 403,156	\$ -	\$ 50,395	\$ -	\$ 69,033	\$ 130,016	\$ 16,593	\$ 871,882
2027	\$ 211,546	\$ 395,049	\$ -	\$ 49,381	\$ -	\$ 71,795	\$ 127,254	\$ 16,925	\$ 871,950
2028	\$ 220,743	\$ 386,587	\$ -	\$ 48,323	\$ -	\$ 74,666	\$ 124,382	\$ 17,263	\$ 871,966
2029	\$ 230,282	\$ 377,757	\$ -	\$ 47,220	\$ -	\$ 77,653	\$ 121,396	\$ 17,609	\$ 871,916
2030	\$ 240,501	\$ 368,546	\$ -	\$ 46,068	\$ -	\$ 80,759	\$ 118,290	\$ 17,961	\$ 872,125
2031	\$ 250,721	\$ 358,926	\$ -	\$ 44,866	\$ -	\$ 83,990	\$ 115,059	\$ 18,320	\$ 871,882
2032	\$ 261,622	\$ 348,897	\$ -	\$ 43,612	\$ -	\$ 87,349	\$ 111,700	\$ 18,686	\$ 871,867
2033	\$ 273,204	\$ 338,432	\$ -	\$ 42,304	\$ -	\$ 90,843	\$ 108,206	\$ 19,060	\$ 872,050
2034	\$ 285,127	\$ 327,504	\$ -	\$ 40,938	\$ -	\$ 94,477	\$ 104,572	\$ 19,441	\$ 872,060
2035	\$ 297,390	\$ 316,099	\$ -	\$ 39,512	\$ -	\$ 98,256	\$ 100,793	\$ 19,830	\$ 871,881
2036	\$ 310,335	\$ 304,203	\$ -	\$ 38,025	\$ -	\$ 102,186	\$ 96,863	\$ 20,227	\$ 871,840
2037	\$ 323,961	\$ 291,790	\$ -	\$ 36,474	\$ -	\$ 106,274	\$ 92,775	\$ 20,631	\$ 871,906
2038	\$ 338,269	\$ 278,832	\$ -	\$ 34,854	\$ -	\$ 110,525	\$ 88,524	\$ 21,044	\$ 872,048
2039	\$ 352,917	\$ 265,301	\$ -	\$ 33,163	\$ -	\$ 114,946	\$ 84,103	\$ 21,465	\$ 871,894
2040	\$ 368,587	\$ 251,184	\$ -	\$ 31,398	\$ -	\$ 119,544	\$ 79,505	\$ 21,894	\$ 872,112
2041	\$ 384,598	\$ 236,441	\$ -	\$ 29,555	\$ -	\$ 124,326	\$ 74,724	\$ 22,332	\$ 871,975
2042	\$ 401,630	\$ 221,057	\$ -	\$ 27,632	\$ -	\$ 129,298	\$ 69,751	\$ 22,779	\$ 872,147
2043	\$ 419,004	\$ 204,992	\$ -	\$ 25,624	\$ -	\$ 134,470	\$ 64,579	\$ 23,234	\$ 871,902
2044	\$ 437,399	\$ 188,231	\$ -	\$ 23,529	\$ -	\$ 139,849	\$ 59,200	\$ 23,699	\$ 871,907
2045	\$ 456,816	\$ 170,735	\$ -	\$ 21,342	\$ -	\$ 145,443	\$ 53,606	\$ 24,173	\$ 872,115
2046	\$ 476,915	\$ 152,463	\$ -	\$ 19,058	\$ -	\$ 151,261	\$ 47,788	\$ 24,656	\$ 872,141
2047	\$ 497,695	\$ 133,386	\$ -	\$ 16,673	\$ -	\$ 157,311	\$ 41,738	\$ 25,150	\$ 871,953
2048	\$ 519,496	\$ 113,478	\$ -	\$ 14,185	\$ -	\$ 163,604	\$ 35,445	\$ 25,653	\$ 871,861
2049	\$ 542,320	\$ 92,699	\$ -	\$ 11,587	\$ -	\$ 170,148	\$ 28,901	\$ 26,166	\$ 871,821
2050	\$ 566,507	\$ 71,006	\$ -	\$ 8,876	\$ -	\$ 176,954	\$ 22,095	\$ 26,689	\$ 872,126
2051	\$ 591,374	\$ 48,346	\$ -	\$ 6,043	\$ -	\$ 184,032	\$ 15,017	\$ 27,223	\$ 872,035
2052	\$ 617,264	\$ 24,691	\$ -	\$ 3,086	\$ (641,955)	\$ 191,393	\$ 7,656	\$ 27,767	\$ 229,903
Total	\$ 10,638,265	\$ 8,190,604	\$ (265,957)	\$ 990,581	\$ (641,955)	\$ 3,441,962	\$ 2,529,508	\$ 634,322	\$ 25,517,331

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-5 – POD 2D BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT: \$9,186,812

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Elevon 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - POD 2D

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 173,527	\$ (173,527)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 116,466	\$ 277,643	\$ -	\$ 34,705	\$ -	\$ 40,042	\$ 89,830	\$ 10,202	\$ 568,888
2024	\$ 121,578	\$ 272,984	\$ -	\$ 34,123	\$ -	\$ 41,644	\$ 88,228	\$ 10,406	\$ 568,963
2025	\$ 126,912	\$ 268,121	\$ -	\$ 33,515	\$ -	\$ 43,309	\$ 86,563	\$ 10,614	\$ 569,034
2026	\$ 132,247	\$ 263,044	\$ -	\$ 32,881	\$ -	\$ 45,042	\$ 84,830	\$ 10,826	\$ 568,870
2027	\$ 138,026	\$ 257,754	\$ -	\$ 32,219	\$ -	\$ 46,843	\$ 83,028	\$ 11,043	\$ 568,914
2028	\$ 144,027	\$ 252,233	\$ -	\$ 31,529	\$ -	\$ 48,717	\$ 81,155	\$ 11,264	\$ 568,925
2029	\$ 150,250	\$ 246,472	\$ -	\$ 30,809	\$ -	\$ 50,666	\$ 79,206	\$ 11,489	\$ 568,892
2030	\$ 156,918	\$ 240,462	\$ -	\$ 30,058	\$ -	\$ 52,692	\$ 77,179	\$ 11,719	\$ 569,029
2031	\$ 163,586	\$ 234,186	\$ -	\$ 29,273	\$ -	\$ 54,800	\$ 75,072	\$ 11,953	\$ 568,870
2032	\$ 170,698	\$ 227,642	\$ -	\$ 28,455	\$ -	\$ 56,992	\$ 72,880	\$ 12,192	\$ 568,860
2033	\$ 178,255	\$ 220,814	\$ -	\$ 27,602	\$ -	\$ 59,272	\$ 70,600	\$ 12,436	\$ 568,979
2034	\$ 186,034	\$ 213,684	\$ -	\$ 26,710	\$ -	\$ 61,643	\$ 68,229	\$ 12,685	\$ 568,986
2035	\$ 194,036	\$ 206,243	\$ -	\$ 25,780	\$ -	\$ 64,108	\$ 65,763	\$ 12,938	\$ 568,869
2036	\$ 202,482	\$ 198,481	\$ -	\$ 24,810	\$ -	\$ 66,673	\$ 63,199	\$ 13,197	\$ 568,842
2037	\$ 211,372	\$ 190,382	\$ -	\$ 23,798	\$ -	\$ 69,340	\$ 60,532	\$ 13,461	\$ 568,885
2038	\$ 220,708	\$ 181,927	\$ -	\$ 22,741	\$ -	\$ 72,113	\$ 57,759	\$ 13,730	\$ 568,978
2039	\$ 230,265	\$ 173,099	\$ -	\$ 21,637	\$ -	\$ 74,998	\$ 54,874	\$ 14,005	\$ 568,878
2040	\$ 240,489	\$ 163,888	\$ -	\$ 20,486	\$ -	\$ 77,998	\$ 51,874	\$ 14,285	\$ 569,020
2041	\$ 250,935	\$ 154,269	\$ -	\$ 19,284	\$ -	\$ 81,118	\$ 48,754	\$ 14,571	\$ 568,930
2042	\$ 262,049	\$ 144,231	\$ -	\$ 18,029	\$ -	\$ 84,362	\$ 45,510	\$ 14,862	\$ 569,043
2043	\$ 273,384	\$ 133,749	\$ -	\$ 16,719	\$ -	\$ 87,737	\$ 42,135	\$ 15,159	\$ 568,883
2044	\$ 285,386	\$ 122,814	\$ -	\$ 15,352	\$ -	\$ 91,246	\$ 38,626	\$ 15,463	\$ 568,886
2045	\$ 298,055	\$ 111,398	\$ -	\$ 13,925	\$ -	\$ 94,896	\$ 34,976	\$ 15,772	\$ 569,022
2046	\$ 311,169	\$ 99,476	\$ -	\$ 12,435	\$ -	\$ 98,692	\$ 31,180	\$ 16,087	\$ 569,039
2047	\$ 324,727	\$ 87,029	\$ -	\$ 10,879	\$ -	\$ 102,640	\$ 27,232	\$ 16,409	\$ 568,916
2048	\$ 338,952	\$ 74,040	\$ -	\$ 9,255	\$ -	\$ 106,745	\$ 23,127	\$ 16,737	\$ 568,856
2049	\$ 353,843	\$ 60,482	\$ -	\$ 7,560	\$ -	\$ 111,015	\$ 18,857	\$ 17,072	\$ 568,830
2050	\$ 369,624	\$ 46,329	\$ -	\$ 5,791	\$ -	\$ 115,456	\$ 14,416	\$ 17,413	\$ 569,029
2051	\$ 385,849	\$ 31,544	\$ -	\$ 3,943	\$ -	\$ 120,074	\$ 9,798	\$ 17,762	\$ 568,969
2052	\$ 402,741	\$ 16,110	\$ -	\$ 2,014	\$ (418,851)	\$ 124,877	\$ 4,995	\$ 18,117	\$ 150,003
Total	\$ 6,941,063	\$ 5,344,057	\$ (173,527)	\$ 646,316	\$ (418,851)	\$ 2,245,749	\$ 1,650,408	\$ 413,871	\$ 16,649,086

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-6 – IMPROVEMENT AREA #1 LOT TYPE 1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 1 PRINCIPAL ASSESSMENT: \$30,478.38

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 1

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 575.70	\$ (575.70)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 386.39	\$ 921.11	\$ -	\$ 115.14	\$ -	\$ 132.84	\$ 298.02	\$ 33.85	\$ 1,887.35
2024	\$ 403.35	\$ 905.66	\$ -	\$ 113.21	\$ -	\$ 138.16	\$ 292.71	\$ 34.52	\$ 1,887.60
2025	\$ 421.05	\$ 889.52	\$ -	\$ 111.19	\$ -	\$ 143.68	\$ 287.18	\$ 35.21	\$ 1,887.84
2026	\$ 438.74	\$ 872.68	\$ -	\$ 109.09	\$ -	\$ 149.43	\$ 281.43	\$ 35.92	\$ 1,887.30
2027	\$ 457.92	\$ 855.13	\$ -	\$ 106.89	\$ -	\$ 155.41	\$ 275.46	\$ 36.64	\$ 1,887.44
2028	\$ 477.83	\$ 836.82	\$ -	\$ 104.60	\$ -	\$ 161.62	\$ 269.24	\$ 37.37	\$ 1,887.48
2029	\$ 498.47	\$ 817.70	\$ -	\$ 102.21	\$ -	\$ 168.09	\$ 262.78	\$ 38.12	\$ 1,887.37
2030	\$ 520.59	\$ 797.76	\$ -	\$ 99.72	\$ -	\$ 174.81	\$ 256.05	\$ 38.88	\$ 1,887.82
2031	\$ 542.72	\$ 776.94	\$ -	\$ 97.12	\$ -	\$ 181.81	\$ 249.06	\$ 39.66	\$ 1,887.30
2032	\$ 566.31	\$ 755.23	\$ -	\$ 94.40	\$ -	\$ 189.08	\$ 241.79	\$ 40.45	\$ 1,887.26
2033	\$ 591.38	\$ 732.58	\$ -	\$ 91.57	\$ -	\$ 196.64	\$ 234.22	\$ 41.26	\$ 1,887.66
2034	\$ 617.19	\$ 708.92	\$ -	\$ 88.62	\$ -	\$ 204.51	\$ 226.36	\$ 42.08	\$ 1,887.68
2035	\$ 643.74	\$ 684.24	\$ -	\$ 85.53	\$ -	\$ 212.69	\$ 218.18	\$ 42.92	\$ 1,887.29
2036	\$ 671.76	\$ 658.49	\$ -	\$ 82.31	\$ -	\$ 221.20	\$ 209.67	\$ 43.78	\$ 1,887.20
2037	\$ 701.25	\$ 631.62	\$ -	\$ 78.95	\$ -	\$ 230.04	\$ 200.82	\$ 44.66	\$ 1,887.35
2038	\$ 732.22	\$ 603.57	\$ -	\$ 75.45	\$ -	\$ 239.24	\$ 191.62	\$ 45.55	\$ 1,887.65
2039	\$ 763.93	\$ 574.28	\$ -	\$ 71.78	\$ -	\$ 248.81	\$ 182.05	\$ 46.46	\$ 1,887.32
2040	\$ 797.85	\$ 543.72	\$ -	\$ 67.96	\$ -	\$ 258.77	\$ 172.10	\$ 47.39	\$ 1,887.79
2041	\$ 832.51	\$ 511.80	\$ -	\$ 63.98	\$ -	\$ 269.12	\$ 161.75	\$ 48.34	\$ 1,887.50
2042	\$ 869.38	\$ 478.50	\$ -	\$ 59.81	\$ -	\$ 279.88	\$ 150.98	\$ 49.31	\$ 1,887.87
2043	\$ 906.98	\$ 443.73	\$ -	\$ 55.47	\$ -	\$ 291.08	\$ 139.79	\$ 50.29	\$ 1,887.34
2044	\$ 946.80	\$ 407.45	\$ -	\$ 50.93	\$ -	\$ 302.72	\$ 128.15	\$ 51.30	\$ 1,887.35
2045	\$ 988.83	\$ 369.58	\$ -	\$ 46.20	\$ -	\$ 314.83	\$ 116.04	\$ 52.33	\$ 1,887.80
2046	\$ 1,032.34	\$ 330.02	\$ -	\$ 41.25	\$ -	\$ 327.42	\$ 103.44	\$ 53.37	\$ 1,887.86
2047	\$ 1,077.32	\$ 288.73	\$ -	\$ 36.09	\$ -	\$ 340.52	\$ 90.35	\$ 54.44	\$ 1,887.45
2048	\$ 1,124.51	\$ 245.64	\$ -	\$ 30.70	\$ -	\$ 354.14	\$ 76.73	\$ 55.53	\$ 1,887.25
2049	\$ 1,173.92	\$ 200.66	\$ -	\$ 25.08	\$ -	\$ 368.31	\$ 62.56	\$ 56.64	\$ 1,887.16
2050	\$ 1,226.27	\$ 153.70	\$ -	\$ 19.21	\$ -	\$ 383.04	\$ 47.83	\$ 57.77	\$ 1,887.82
2051	\$ 1,280.10	\$ 104.65	\$ -	\$ 13.08	\$ -	\$ 398.36	\$ 32.51	\$ 58.93	\$ 1,887.63
2052	\$ 1,336.14	\$ 53.45	\$ -	\$ 6.68	\$ (1,389.59)	\$ 414.29	\$ 16.57	\$ 60.11	\$ 497.65
Total	\$ 23,027.83	\$ 17,729.57	\$ (575.70)	\$ 2,144.23	\$ (1,389.59)	\$ 7,450.55	\$ 5,475.43	\$ 1,373.07	\$ 55,235.40

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-7 – IMPROVEMENT AREA #1 LOT TYPE 2 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 2 PRINCIPAL ASSESSMENT: \$36,626.38

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 2

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 691.82	\$ (691.82)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 464.33	\$ 1,106.92	\$ -	\$ 138.36	\$ -	\$ 159.64	\$ 358.14	\$ 40.67	\$ 2,268.07
2024	\$ 484.71	\$ 1,088.34	\$ -	\$ 136.04	\$ -	\$ 166.03	\$ 351.75	\$ 41.49	\$ 2,268.37
2025	\$ 505.98	\$ 1,068.96	\$ -	\$ 133.62	\$ -	\$ 172.67	\$ 345.11	\$ 42.32	\$ 2,268.65
2026	\$ 527.25	\$ 1,048.72	\$ -	\$ 131.09	\$ -	\$ 179.57	\$ 338.20	\$ 43.16	\$ 2,267.99
2027	\$ 550.29	\$ 1,027.63	\$ -	\$ 128.45	\$ -	\$ 186.76	\$ 331.02	\$ 44.03	\$ 2,268.17
2028	\$ 574.21	\$ 1,005.61	\$ -	\$ 125.70	\$ -	\$ 194.23	\$ 323.55	\$ 44.91	\$ 2,268.21
2029	\$ 599.02	\$ 982.65	\$ -	\$ 122.83	\$ -	\$ 202.00	\$ 315.78	\$ 45.80	\$ 2,268.08
2030	\$ 625.61	\$ 958.69	\$ -	\$ 119.84	\$ -	\$ 210.08	\$ 307.70	\$ 46.72	\$ 2,268.63
2031	\$ 652.19	\$ 933.66	\$ -	\$ 116.71	\$ -	\$ 218.48	\$ 299.30	\$ 47.66	\$ 2,267.99
2032	\$ 680.55	\$ 907.57	\$ -	\$ 113.45	\$ -	\$ 227.22	\$ 290.56	\$ 48.61	\$ 2,267.95
2033	\$ 710.68	\$ 880.35	\$ -	\$ 110.04	\$ -	\$ 236.31	\$ 281.47	\$ 49.58	\$ 2,268.43
2034	\$ 741.69	\$ 851.92	\$ -	\$ 106.49	\$ -	\$ 245.76	\$ 272.02	\$ 50.57	\$ 2,268.46
2035	\$ 773.59	\$ 822.26	\$ -	\$ 102.78	\$ -	\$ 255.59	\$ 262.19	\$ 51.58	\$ 2,267.99
2036	\$ 807.26	\$ 791.31	\$ -	\$ 98.91	\$ -	\$ 265.81	\$ 251.97	\$ 52.62	\$ 2,267.89
2037	\$ 842.71	\$ 759.02	\$ -	\$ 94.88	\$ -	\$ 276.45	\$ 241.33	\$ 53.67	\$ 2,268.06
2038	\$ 879.93	\$ 725.31	\$ -	\$ 90.66	\$ -	\$ 287.50	\$ 230.27	\$ 54.74	\$ 2,268.43
2039	\$ 918.03	\$ 690.12	\$ -	\$ 86.26	\$ -	\$ 299.00	\$ 218.77	\$ 55.84	\$ 2,268.03
2040	\$ 958.79	\$ 653.40	\$ -	\$ 81.67	\$ -	\$ 310.96	\$ 206.81	\$ 56.95	\$ 2,268.59
2041	\$ 1,000.44	\$ 615.04	\$ -	\$ 76.88	\$ -	\$ 323.40	\$ 194.38	\$ 58.09	\$ 2,268.24
2042	\$ 1,044.75	\$ 575.03	\$ -	\$ 71.88	\$ -	\$ 336.34	\$ 181.44	\$ 59.25	\$ 2,268.68
2043	\$ 1,089.94	\$ 533.24	\$ -	\$ 66.65	\$ -	\$ 349.79	\$ 167.99	\$ 60.44	\$ 2,268.05
2044	\$ 1,137.79	\$ 489.64	\$ -	\$ 61.20	\$ -	\$ 363.78	\$ 153.99	\$ 61.65	\$ 2,268.06
2045	\$ 1,188.30	\$ 444.13	\$ -	\$ 55.52	\$ -	\$ 378.34	\$ 139.44	\$ 62.88	\$ 2,268.60
2046	\$ 1,240.58	\$ 396.60	\$ -	\$ 49.57	\$ -	\$ 393.47	\$ 124.31	\$ 64.14	\$ 2,268.67
2047	\$ 1,294.63	\$ 346.97	\$ -	\$ 43.37	\$ -	\$ 409.21	\$ 108.57	\$ 65.42	\$ 2,268.18
2048	\$ 1,351.35	\$ 295.19	\$ -	\$ 36.90	\$ -	\$ 425.58	\$ 92.20	\$ 66.73	\$ 2,267.94
2049	\$ 1,410.72	\$ 241.13	\$ -	\$ 30.14	\$ -	\$ 442.60	\$ 75.18	\$ 68.06	\$ 2,267.84
2050	\$ 1,473.63	\$ 184.70	\$ -	\$ 23.09	\$ -	\$ 460.30	\$ 57.48	\$ 69.42	\$ 2,268.63
2051	\$ 1,538.32	\$ 125.76	\$ -	\$ 15.72	\$ -	\$ 478.72	\$ 39.06	\$ 70.81	\$ 2,268.39
2052	\$ 1,605.67	\$ 64.23	\$ -	\$ 8.03	\$ (1,669.89)	\$ 497.86	\$ 19.91	\$ 72.23	\$ 598.04
Total	\$ 27,672.93	\$ 21,305.92	\$ (691.82)	\$ 2,576.76	\$ (1,669.89)	\$ 8,953.45	\$ 6,579.92	\$ 1,650.04	\$ 66,377.30

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-8 – IMPROVEMENT AREA #1 LOT TYPE 3 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 3 PRINCIPAL ASSESSMENT: \$42,512.76

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 3

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 803.01	\$ (803.01)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 538.96	\$ 1,284.81	\$ -	\$ 160.60	\$ -	\$ 185.30	\$ 415.70	\$ 47.21	\$ 2,632.58
2024	\$ 562.61	\$ 1,263.26	\$ -	\$ 157.91	\$ -	\$ 192.71	\$ 408.28	\$ 48.15	\$ 2,632.92
2025	\$ 587.30	\$ 1,240.75	\$ -	\$ 155.09	\$ -	\$ 200.42	\$ 400.58	\$ 49.12	\$ 2,633.25
2026	\$ 611.98	\$ 1,217.26	\$ -	\$ 152.16	\$ -	\$ 208.43	\$ 392.56	\$ 50.10	\$ 2,632.49
2027	\$ 638.73	\$ 1,192.78	\$ -	\$ 149.10	\$ -	\$ 216.77	\$ 384.22	\$ 51.10	\$ 2,632.70
2028	\$ 666.50	\$ 1,167.23	\$ -	\$ 145.90	\$ -	\$ 225.44	\$ 375.55	\$ 52.12	\$ 2,632.75
2029	\$ 695.29	\$ 1,140.57	\$ -	\$ 142.57	\$ -	\$ 234.46	\$ 366.53	\$ 53.17	\$ 2,632.60
2030	\$ 726.15	\$ 1,112.76	\$ -	\$ 139.09	\$ -	\$ 243.84	\$ 357.15	\$ 54.23	\$ 2,633.23
2031	\$ 757.01	\$ 1,083.71	\$ -	\$ 135.46	\$ -	\$ 253.59	\$ 347.40	\$ 55.31	\$ 2,632.49
2032	\$ 789.92	\$ 1,053.43	\$ -	\$ 131.68	\$ -	\$ 263.74	\$ 337.26	\$ 56.42	\$ 2,632.45
2033	\$ 824.89	\$ 1,021.84	\$ -	\$ 127.73	\$ -	\$ 274.29	\$ 326.71	\$ 57.55	\$ 2,633.00
2034	\$ 860.89	\$ 988.84	\$ -	\$ 123.61	\$ -	\$ 285.26	\$ 315.74	\$ 58.70	\$ 2,633.03
2035	\$ 897.92	\$ 954.41	\$ -	\$ 119.30	\$ -	\$ 296.67	\$ 304.33	\$ 59.87	\$ 2,632.49
2036	\$ 937.00	\$ 918.49	\$ -	\$ 114.81	\$ -	\$ 308.53	\$ 292.46	\$ 61.07	\$ 2,632.37
2037	\$ 978.14	\$ 881.01	\$ -	\$ 110.13	\$ -	\$ 320.88	\$ 280.12	\$ 62.29	\$ 2,632.57
2038	\$ 1,021.34	\$ 841.88	\$ -	\$ 105.24	\$ -	\$ 333.71	\$ 267.28	\$ 63.54	\$ 2,632.99
2039	\$ 1,065.57	\$ 801.03	\$ -	\$ 100.13	\$ -	\$ 347.06	\$ 253.93	\$ 64.81	\$ 2,632.53
2040	\$ 1,112.88	\$ 758.41	\$ -	\$ 94.80	\$ -	\$ 360.94	\$ 240.05	\$ 66.11	\$ 2,633.19
2041	\$ 1,161.22	\$ 713.89	\$ -	\$ 89.24	\$ -	\$ 375.38	\$ 225.61	\$ 67.43	\$ 2,632.77
2042	\$ 1,212.65	\$ 667.44	\$ -	\$ 83.43	\$ -	\$ 390.39	\$ 210.60	\$ 68.78	\$ 2,633.29
2043	\$ 1,265.11	\$ 618.94	\$ -	\$ 77.37	\$ -	\$ 406.01	\$ 194.98	\$ 70.15	\$ 2,632.56
2044	\$ 1,320.65	\$ 568.33	\$ -	\$ 71.04	\$ -	\$ 422.25	\$ 178.74	\$ 71.55	\$ 2,632.57
2045	\$ 1,379.28	\$ 515.51	\$ -	\$ 64.44	\$ -	\$ 439.14	\$ 161.85	\$ 72.99	\$ 2,633.20
2046	\$ 1,439.96	\$ 460.33	\$ -	\$ 57.54	\$ -	\$ 456.71	\$ 144.29	\$ 74.45	\$ 2,633.28
2047	\$ 1,502.70	\$ 402.74	\$ -	\$ 50.34	\$ -	\$ 474.97	\$ 126.02	\$ 75.93	\$ 2,632.71
2048	\$ 1,568.53	\$ 342.63	\$ -	\$ 42.83	\$ -	\$ 493.97	\$ 107.02	\$ 77.45	\$ 2,632.43
2049	\$ 1,637.44	\$ 279.89	\$ -	\$ 34.99	\$ -	\$ 513.73	\$ 87.26	\$ 79.00	\$ 2,632.31
2050	\$ 1,710.47	\$ 214.39	\$ -	\$ 26.80	\$ -	\$ 534.28	\$ 66.71	\$ 80.58	\$ 2,633.23
2051	\$ 1,785.55	\$ 145.97	\$ -	\$ 18.25	\$ -	\$ 555.65	\$ 45.34	\$ 82.19	\$ 2,632.95
2052	\$ 1,863.72	\$ 74.55	\$ -	\$ 9.32	\$ (1,938.27)	\$ 577.88	\$ 23.12	\$ 83.84	\$ 694.15
Total	\$ 32,120.36	\$ 24,730.08	\$ (803.01)	\$ 2,990.88	\$ (1,938.27)	\$ 10,392.40	\$ 7,637.40	\$ 1,915.22	\$ 77,045.08

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-9 – IMPROVEMENT AREA #1 LOT TYPE 4 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 4 PRINCIPAL ASSESSMENT: \$45,782.97

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 4

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 864.78	\$ (864.78)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 580.41	\$ 1,383.65	\$ -	\$ 172.96	\$ -	\$ 199.55	\$ 447.67	\$ 50.84	\$ 2,835.08
2024	\$ 605.89	\$ 1,360.43	\$ -	\$ 170.05	\$ -	\$ 207.53	\$ 439.69	\$ 51.86	\$ 2,835.46
2025	\$ 632.47	\$ 1,336.19	\$ -	\$ 167.02	\$ -	\$ 215.83	\$ 431.39	\$ 52.90	\$ 2,835.81
2026	\$ 659.06	\$ 1,310.90	\$ -	\$ 163.86	\$ -	\$ 224.47	\$ 422.76	\$ 53.95	\$ 2,834.99
2027	\$ 687.86	\$ 1,284.53	\$ -	\$ 160.57	\$ -	\$ 233.45	\$ 413.78	\$ 55.03	\$ 2,835.21
2028	\$ 717.76	\$ 1,257.02	\$ -	\$ 157.13	\$ -	\$ 242.78	\$ 404.44	\$ 56.13	\$ 2,835.27
2029	\$ 748.78	\$ 1,228.31	\$ -	\$ 153.54	\$ -	\$ 252.50	\$ 394.73	\$ 57.26	\$ 2,835.11
2030	\$ 782.01	\$ 1,198.36	\$ -	\$ 149.79	\$ -	\$ 262.60	\$ 384.63	\$ 58.40	\$ 2,835.79
2031	\$ 815.24	\$ 1,167.08	\$ -	\$ 145.88	\$ -	\$ 273.10	\$ 374.12	\$ 59.57	\$ 2,834.99
2032	\$ 850.68	\$ 1,134.47	\$ -	\$ 141.81	\$ -	\$ 284.02	\$ 363.20	\$ 60.76	\$ 2,834.94
2033	\$ 888.34	\$ 1,100.44	\$ -	\$ 137.55	\$ -	\$ 295.38	\$ 351.84	\$ 61.98	\$ 2,835.54
2034	\$ 927.11	\$ 1,064.91	\$ -	\$ 133.11	\$ -	\$ 307.20	\$ 340.02	\$ 63.22	\$ 2,835.57
2035	\$ 966.99	\$ 1,027.82	\$ -	\$ 128.48	\$ -	\$ 319.49	\$ 327.74	\$ 64.48	\$ 2,834.99
2036	\$ 1,009.08	\$ 989.14	\$ -	\$ 123.64	\$ -	\$ 332.27	\$ 314.96	\$ 65.77	\$ 2,834.86
2037	\$ 1,053.39	\$ 948.78	\$ -	\$ 118.60	\$ -	\$ 345.56	\$ 301.67	\$ 67.08	\$ 2,835.07
2038	\$ 1,099.91	\$ 906.64	\$ -	\$ 113.33	\$ -	\$ 359.38	\$ 287.84	\$ 68.43	\$ 2,835.53
2039	\$ 1,147.54	\$ 862.65	\$ -	\$ 107.83	\$ -	\$ 373.76	\$ 273.47	\$ 69.79	\$ 2,835.03
2040	\$ 1,198.49	\$ 816.75	\$ -	\$ 102.09	\$ -	\$ 388.71	\$ 258.52	\$ 71.19	\$ 2,835.74
2041	\$ 1,250.55	\$ 768.81	\$ -	\$ 96.10	\$ -	\$ 404.25	\$ 242.97	\$ 72.61	\$ 2,835.29
2042	\$ 1,305.93	\$ 718.78	\$ -	\$ 89.85	\$ -	\$ 420.42	\$ 226.80	\$ 74.07	\$ 2,835.85
2043	\$ 1,362.42	\$ 666.55	\$ -	\$ 83.32	\$ -	\$ 437.24	\$ 209.98	\$ 75.55	\$ 2,835.06
2044	\$ 1,422.24	\$ 612.05	\$ -	\$ 76.51	\$ -	\$ 454.73	\$ 192.49	\$ 77.06	\$ 2,835.08
2045	\$ 1,485.37	\$ 555.16	\$ -	\$ 69.39	\$ -	\$ 472.92	\$ 174.30	\$ 78.60	\$ 2,835.75
2046	\$ 1,550.73	\$ 495.74	\$ -	\$ 61.97	\$ -	\$ 491.84	\$ 155.39	\$ 80.17	\$ 2,835.84
2047	\$ 1,618.29	\$ 433.72	\$ -	\$ 54.21	\$ -	\$ 511.51	\$ 135.71	\$ 81.78	\$ 2,835.22
2048	\$ 1,689.18	\$ 368.98	\$ -	\$ 46.12	\$ -	\$ 531.97	\$ 115.25	\$ 83.41	\$ 2,834.93
2049	\$ 1,763.40	\$ 301.42	\$ -	\$ 37.68	\$ -	\$ 553.25	\$ 93.97	\$ 85.08	\$ 2,834.79
2050	\$ 1,842.04	\$ 230.88	\$ -	\$ 28.86	\$ -	\$ 575.38	\$ 71.84	\$ 86.78	\$ 2,835.79
2051	\$ 1,922.90	\$ 157.20	\$ -	\$ 19.65	\$ -	\$ 598.39	\$ 48.83	\$ 88.52	\$ 2,835.49
2052	\$ 2,007.08	\$ 80.28	\$ -	\$ 10.04	\$ (2,087.37)	\$ 622.33	\$ 24.89	\$ 90.29	\$ 747.55
Total	\$ 34,591.16	\$ 26,632.40	\$ (864.78)	\$ 3,220.95	\$ (2,087.37)	\$ 11,191.81	\$ 8,224.90	\$ 2,062.55	\$ 82,971.62

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-10 – IMPROVEMENT AREA #1 LOT TYPE 5 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 5 PRINCIPAL ASSESSMENT: \$27,469.78

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 5

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 518.87	\$ (518.87)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 348.25	\$ 830.19	\$ -	\$ 103.77	\$ -	\$ 119.73	\$ 268.60	\$ 30.50	\$ 1,701.05
2024	\$ 363.53	\$ 816.26	\$ -	\$ 102.03	\$ -	\$ 124.52	\$ 263.81	\$ 31.12	\$ 1,701.27
2025	\$ 379.48	\$ 801.72	\$ -	\$ 100.21	\$ -	\$ 129.50	\$ 258.83	\$ 31.74	\$ 1,701.49
2026	\$ 395.44	\$ 786.54	\$ -	\$ 98.32	\$ -	\$ 134.68	\$ 253.65	\$ 32.37	\$ 1,701.00
2027	\$ 412.71	\$ 770.72	\$ -	\$ 96.34	\$ -	\$ 140.07	\$ 248.27	\$ 33.02	\$ 1,701.13
2028	\$ 430.66	\$ 754.21	\$ -	\$ 94.28	\$ -	\$ 145.67	\$ 242.66	\$ 33.68	\$ 1,701.16
2029	\$ 449.27	\$ 736.98	\$ -	\$ 92.12	\$ -	\$ 151.50	\$ 236.84	\$ 34.35	\$ 1,701.06
2030	\$ 469.21	\$ 719.01	\$ -	\$ 89.88	\$ -	\$ 157.56	\$ 230.78	\$ 35.04	\$ 1,701.47
2031	\$ 489.14	\$ 700.25	\$ -	\$ 87.53	\$ -	\$ 163.86	\$ 224.47	\$ 35.74	\$ 1,701.00
2032	\$ 510.41	\$ 680.68	\$ -	\$ 85.09	\$ -	\$ 170.41	\$ 217.92	\$ 36.46	\$ 1,700.97
2033	\$ 533.01	\$ 660.26	\$ -	\$ 82.53	\$ -	\$ 177.23	\$ 211.10	\$ 37.19	\$ 1,701.32
2034	\$ 556.27	\$ 638.94	\$ -	\$ 79.87	\$ -	\$ 184.32	\$ 204.01	\$ 37.93	\$ 1,701.34
2035	\$ 580.19	\$ 616.69	\$ -	\$ 77.09	\$ -	\$ 191.69	\$ 196.64	\$ 38.69	\$ 1,700.99
2036	\$ 605.45	\$ 593.49	\$ -	\$ 74.19	\$ -	\$ 199.36	\$ 188.97	\$ 39.46	\$ 1,700.91
2037	\$ 632.03	\$ 569.27	\$ -	\$ 71.16	\$ -	\$ 207.33	\$ 181.00	\$ 40.25	\$ 1,701.04
2038	\$ 659.94	\$ 543.99	\$ -	\$ 68.00	\$ -	\$ 215.63	\$ 172.71	\$ 41.06	\$ 1,701.32
2039	\$ 688.52	\$ 517.59	\$ -	\$ 64.70	\$ -	\$ 224.25	\$ 164.08	\$ 41.88	\$ 1,701.02
2040	\$ 719.09	\$ 490.05	\$ -	\$ 61.26	\$ -	\$ 233.22	\$ 155.11	\$ 42.71	\$ 1,701.45
2041	\$ 750.33	\$ 461.28	\$ -	\$ 57.66	\$ -	\$ 242.55	\$ 145.78	\$ 43.57	\$ 1,701.18
2042	\$ 783.56	\$ 431.27	\$ -	\$ 53.91	\$ -	\$ 252.25	\$ 136.08	\$ 44.44	\$ 1,701.51
2043	\$ 817.45	\$ 399.93	\$ -	\$ 49.99	\$ -	\$ 262.34	\$ 125.99	\$ 45.33	\$ 1,701.04
2044	\$ 853.34	\$ 367.23	\$ -	\$ 45.90	\$ -	\$ 272.84	\$ 115.50	\$ 46.24	\$ 1,701.05
2045	\$ 891.22	\$ 333.10	\$ -	\$ 41.64	\$ -	\$ 283.75	\$ 104.58	\$ 47.16	\$ 1,701.45
2046	\$ 930.44	\$ 297.45	\$ -	\$ 37.18	\$ -	\$ 295.10	\$ 93.23	\$ 48.10	\$ 1,701.50
2047	\$ 970.98	\$ 260.23	\$ -	\$ 32.53	\$ -	\$ 306.91	\$ 81.43	\$ 49.07	\$ 1,701.13
2048	\$ 1,013.51	\$ 221.39	\$ -	\$ 27.67	\$ -	\$ 319.18	\$ 69.15	\$ 50.05	\$ 1,700.96
2049	\$ 1,058.04	\$ 180.85	\$ -	\$ 22.61	\$ -	\$ 331.95	\$ 56.38	\$ 51.05	\$ 1,700.88
2050	\$ 1,105.22	\$ 138.53	\$ -	\$ 17.32	\$ -	\$ 345.23	\$ 43.11	\$ 52.07	\$ 1,701.47
2051	\$ 1,153.74	\$ 94.32	\$ -	\$ 11.79	\$ -	\$ 359.04	\$ 29.30	\$ 53.11	\$ 1,701.29
2052	\$ 1,204.25	\$ 48.17	\$ -	\$ 6.02	\$ (1,252.42)	\$ 373.40	\$ 14.94	\$ 54.17	\$ 448.53
Total	\$ 20,754.70	\$ 15,979.44	\$ (518.87)	\$ 1,932.57	\$ (1,252.42)	\$ 6,715.09	\$ 4,934.94	\$ 1,237.53	\$ 49,782.97

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-11 – IMPROVEMENT AREA #1 LOT TYPE 6 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 6 PRINCIPAL ASSESSMENT: \$54,939.57

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 6

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 1,037.73	\$ (1,037.73)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 696.50	\$ 1,660.38	\$ -	\$ 207.55	\$ -	\$ 239.46	\$ 537.21	\$ 61.01	\$ 3,402.10
2024	\$ 727.07	\$ 1,632.52	\$ -	\$ 204.06	\$ -	\$ 249.04	\$ 527.63	\$ 62.23	\$ 3,402.55
2025	\$ 758.97	\$ 1,603.43	\$ -	\$ 200.43	\$ -	\$ 259.00	\$ 517.67	\$ 63.47	\$ 3,402.98
2026	\$ 790.87	\$ 1,573.07	\$ -	\$ 196.63	\$ -	\$ 269.36	\$ 507.31	\$ 64.74	\$ 3,401.99
2027	\$ 825.43	\$ 1,541.44	\$ -	\$ 192.68	\$ -	\$ 280.14	\$ 496.53	\$ 66.04	\$ 3,402.26
2028	\$ 861.32	\$ 1,508.42	\$ -	\$ 188.55	\$ -	\$ 291.34	\$ 485.33	\$ 67.36	\$ 3,402.32
2029	\$ 898.54	\$ 1,473.97	\$ -	\$ 184.25	\$ -	\$ 303.00	\$ 473.67	\$ 68.71	\$ 3,402.13
2030	\$ 938.41	\$ 1,438.03	\$ -	\$ 179.75	\$ -	\$ 315.11	\$ 461.55	\$ 70.08	\$ 3,402.94
2031	\$ 978.29	\$ 1,400.49	\$ -	\$ 175.06	\$ -	\$ 327.72	\$ 448.95	\$ 71.48	\$ 3,401.99
2032	\$ 1,020.82	\$ 1,361.36	\$ -	\$ 170.17	\$ -	\$ 340.83	\$ 435.84	\$ 72.91	\$ 3,401.93
2033	\$ 1,066.01	\$ 1,320.53	\$ -	\$ 165.07	\$ -	\$ 354.46	\$ 422.21	\$ 74.37	\$ 3,402.65
2034	\$ 1,112.54	\$ 1,277.89	\$ -	\$ 159.74	\$ -	\$ 368.64	\$ 408.03	\$ 75.86	\$ 3,402.68
2035	\$ 1,160.39	\$ 1,233.39	\$ -	\$ 154.17	\$ -	\$ 383.38	\$ 393.28	\$ 77.38	\$ 3,401.99
2036	\$ 1,210.90	\$ 1,186.97	\$ -	\$ 148.37	\$ -	\$ 398.72	\$ 377.95	\$ 78.92	\$ 3,401.83
2037	\$ 1,264.06	\$ 1,138.53	\$ -	\$ 142.32	\$ -	\$ 414.67	\$ 362.00	\$ 80.50	\$ 3,402.08
2038	\$ 1,319.89	\$ 1,087.97	\$ -	\$ 136.00	\$ -	\$ 431.26	\$ 345.41	\$ 82.11	\$ 3,402.64
2039	\$ 1,377.04	\$ 1,035.18	\$ -	\$ 129.40	\$ -	\$ 448.51	\$ 328.16	\$ 83.75	\$ 3,402.04
2040	\$ 1,438.19	\$ 980.09	\$ -	\$ 122.51	\$ -	\$ 466.45	\$ 310.22	\$ 85.43	\$ 3,402.89
2041	\$ 1,500.66	\$ 922.57	\$ -	\$ 115.32	\$ -	\$ 485.11	\$ 291.56	\$ 87.14	\$ 3,402.35
2042	\$ 1,567.12	\$ 862.54	\$ -	\$ 107.82	\$ -	\$ 504.51	\$ 272.16	\$ 88.88	\$ 3,403.03
2043	\$ 1,634.91	\$ 799.86	\$ -	\$ 99.98	\$ -	\$ 524.69	\$ 251.98	\$ 90.66	\$ 3,402.07
2044	\$ 1,706.68	\$ 734.46	\$ -	\$ 91.81	\$ -	\$ 545.68	\$ 230.99	\$ 92.47	\$ 3,402.09
2045	\$ 1,782.45	\$ 666.19	\$ -	\$ 83.27	\$ -	\$ 567.50	\$ 209.16	\$ 94.32	\$ 3,402.90
2046	\$ 1,860.87	\$ 594.89	\$ -	\$ 74.36	\$ -	\$ 590.20	\$ 186.46	\$ 96.21	\$ 3,403.00
2047	\$ 1,941.95	\$ 520.46	\$ -	\$ 65.06	\$ -	\$ 613.81	\$ 162.86	\$ 98.13	\$ 3,402.27
2048	\$ 2,027.02	\$ 442.78	\$ -	\$ 55.35	\$ -	\$ 638.37	\$ 138.30	\$ 100.09	\$ 3,401.91
2049	\$ 2,116.08	\$ 361.70	\$ -	\$ 45.21	\$ -	\$ 663.90	\$ 112.77	\$ 102.10	\$ 3,401.75
2050	\$ 2,210.45	\$ 277.06	\$ -	\$ 34.63	\$ -	\$ 690.46	\$ 86.21	\$ 104.14	\$ 3,402.94
2051	\$ 2,307.48	\$ 188.64	\$ -	\$ 23.58	\$ -	\$ 718.07	\$ 58.59	\$ 106.22	\$ 3,402.59
2052	\$ 2,408.50	\$ 96.34	\$ -	\$ 12.04	\$ (2,504.84)	\$ 746.80	\$ 29.87	\$ 108.34	\$ 897.06
Total	\$ 41,509.39	\$ 31,958.88	\$ (1,037.73)	\$ 3,865.14	\$ (2,504.84)	\$ 13,430.17	\$ 9,869.88	\$ 2,475.06	\$ 99,565.95

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

APPENDIX C-12 – IMPROVEMENT AREA #1 LOT TYPE 7 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 7 PRINCIPAL ASSESSMENT: \$64,096.16

As the purchaser of the real property described above, you are obligated to pay assessments to City of Lavon, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *Eleven 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 City of Lavon. The exact amount of each annual installment will be approved each year by the Lavon 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 City of Lavon.

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 when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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 _____

§

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 _____

§

§

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.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 7

Due 1/31	Improvement Area #1 Bonds					Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Annual Installment
	Principal	Interest ¹	Capitalized Interest	Additional Interest	Reserve Fund Release	Principal	Interest ²		
2022	\$ -	\$ 1,210.69	\$ (1,210.69)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ 812.58	\$ 1,937.11	\$ -	\$ 242.14	\$ -	\$ 279.37	\$ 626.74	\$ 71.18	\$ 3,969.11
2024	\$ 848.25	\$ 1,904.60	\$ -	\$ 238.08	\$ -	\$ 290.55	\$ 615.57	\$ 72.60	\$ 3,969.64
2025	\$ 885.46	\$ 1,870.67	\$ -	\$ 233.83	\$ -	\$ 302.17	\$ 603.94	\$ 74.05	\$ 3,970.14
2026	\$ 922.68	\$ 1,835.25	\$ -	\$ 229.41	\$ -	\$ 314.25	\$ 591.86	\$ 75.54	\$ 3,968.99
2027	\$ 963.00	\$ 1,798.35	\$ -	\$ 224.79	\$ -	\$ 326.82	\$ 579.29	\$ 77.05	\$ 3,969.30
2028	\$ 1,004.87	\$ 1,759.83	\$ -	\$ 219.98	\$ -	\$ 339.90	\$ 566.21	\$ 78.59	\$ 3,969.37
2029	\$ 1,048.29	\$ 1,719.63	\$ -	\$ 214.95	\$ -	\$ 353.49	\$ 552.62	\$ 80.16	\$ 3,969.15
2030	\$ 1,094.81	\$ 1,677.70	\$ -	\$ 209.71	\$ -	\$ 367.63	\$ 538.48	\$ 81.76	\$ 3,970.10
2031	\$ 1,141.33	\$ 1,633.91	\$ -	\$ 204.24	\$ -	\$ 382.34	\$ 523.77	\$ 83.40	\$ 3,968.99
2032	\$ 1,190.96	\$ 1,588.25	\$ -	\$ 198.53	\$ -	\$ 397.63	\$ 508.48	\$ 85.06	\$ 3,968.92
2033	\$ 1,243.68	\$ 1,540.62	\$ -	\$ 192.58	\$ -	\$ 413.54	\$ 492.57	\$ 86.77	\$ 3,969.75
2034	\$ 1,297.96	\$ 1,490.87	\$ -	\$ 186.36	\$ -	\$ 430.08	\$ 476.03	\$ 88.50	\$ 3,969.80
2035	\$ 1,353.78	\$ 1,438.95	\$ -	\$ 179.87	\$ -	\$ 447.28	\$ 458.83	\$ 90.27	\$ 3,968.99
2036	\$ 1,412.71	\$ 1,384.80	\$ -	\$ 173.10	\$ -	\$ 465.17	\$ 440.94	\$ 92.08	\$ 3,968.80
2037	\$ 1,474.74	\$ 1,328.29	\$ -	\$ 166.04	\$ -	\$ 483.78	\$ 422.33	\$ 93.92	\$ 3,969.10
2038	\$ 1,539.87	\$ 1,269.30	\$ -	\$ 158.66	\$ -	\$ 503.13	\$ 402.98	\$ 95.80	\$ 3,969.74
2039	\$ 1,606.55	\$ 1,207.71	\$ -	\$ 150.96	\$ -	\$ 523.26	\$ 382.86	\$ 97.71	\$ 3,969.05
2040	\$ 1,677.89	\$ 1,143.44	\$ -	\$ 142.93	\$ -	\$ 544.19	\$ 361.93	\$ 99.67	\$ 3,970.04
2041	\$ 1,750.77	\$ 1,076.33	\$ -	\$ 134.54	\$ -	\$ 565.96	\$ 340.16	\$ 101.66	\$ 3,969.41
2042	\$ 1,828.31	\$ 1,006.30	\$ -	\$ 125.79	\$ -	\$ 588.59	\$ 317.52	\$ 103.69	\$ 3,970.20
2043	\$ 1,907.39	\$ 933.16	\$ -	\$ 116.65	\$ -	\$ 612.14	\$ 293.98	\$ 105.77	\$ 3,969.08
2044	\$ 1,991.13	\$ 856.87	\$ -	\$ 107.11	\$ -	\$ 636.62	\$ 269.49	\$ 107.88	\$ 3,969.11
2045	\$ 2,079.52	\$ 777.22	\$ -	\$ 97.15	\$ -	\$ 662.09	\$ 244.03	\$ 110.04	\$ 3,970.05
2046	\$ 2,171.02	\$ 694.04	\$ -	\$ 86.76	\$ -	\$ 688.57	\$ 217.54	\$ 112.24	\$ 3,970.17
2047	\$ 2,265.61	\$ 607.20	\$ -	\$ 75.90	\$ -	\$ 716.11	\$ 190.00	\$ 114.49	\$ 3,969.31
2048	\$ 2,364.86	\$ 516.58	\$ -	\$ 64.57	\$ -	\$ 744.76	\$ 161.35	\$ 116.78	\$ 3,968.90
2049	\$ 2,468.76	\$ 421.98	\$ -	\$ 52.75	\$ -	\$ 774.55	\$ 131.56	\$ 119.11	\$ 3,968.71
2050	\$ 2,578.86	\$ 323.23	\$ -	\$ 40.40	\$ -	\$ 805.53	\$ 100.58	\$ 121.49	\$ 3,970.10
2051	\$ 2,692.06	\$ 220.08	\$ -	\$ 27.51	\$ -	\$ 837.75	\$ 68.36	\$ 123.92	\$ 3,969.69
2052	\$ 2,809.92	\$ 112.40	\$ -	\$ 14.05	\$ (2,922.31)	\$ 871.26	\$ 34.85	\$ 126.40	\$ 1,046.56
Total	\$ 48,427.63	\$ 37,285.36	\$ (1,210.69)	\$ 4,509.33	\$ (2,922.31)	\$ 15,668.54	\$ 11,514.86	\$ 2,887.57	\$ 116,160.27

¹ Interest on the Improvement Area #1 Bonds is calculated at a 4.00% rate.

² Interest on the Improvement Area #1 Reimbursement Obligation is calculated at a 4.00% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice of Obligation to Pay Improvement District Assessment

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

PROPOSED FORM OF OPINION OF BOND COUNSEL

*AN OPINION IN SUBSTANTIALLY THE FOLLOWING FORM WILL BE DELIVERED BY MCCALL,
PARKHURST & HORTON L.L.P., BOND COUNSEL, UPON THE DELIVERY OF THE BONDS,
ASSUMING NO MATERIAL CHANGES IN FACTS OR LAW.*

[ISSUE DATE]

**CITY OF LAVON, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ELEVON PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA # 1 PROJECT)**

IN THE AGGREGATE PRINCIPAL AMOUNT OF \$_____

AS BOND COUNSEL for the City of Lavon, Texas (the "Issuer"), we have examined into the legality and validity of the issue of the bonds described above (the "Bonds"), which bear interest from the date specified in the text of the Bonds, until maturity or prior redemption, at the rates and payable on the dates as stated in the text of the Bonds, and maturing and subject to redemption on the dates specified in the text of the Bonds, all in accordance with the Ordinance authorizing the issuance of the Bonds (the "Bond Ordinance") and the Trust Indenture (as defined below).

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and laws of the State of Texas, and have examined and relied upon a transcript of certified proceedings of the Issuer and other pertinent instruments furnished by the Issuer relating to the authorization, issuance and delivery of the Bonds; and we have examined various certificates and documents executed by officers and officials of the Issuer upon which certificates and documents we rely as to certain matters stated below. We have also examined one executed Bond which we found to be in proper form and duly executed.

BASED ON SAID EXAMINATION, IT IS OUR OPINION that the Bonds have been duly authorized, and have been duly issued and delivered, all in accordance with law, and that, except as may be limited by laws relating to governmental immunity, bankruptcy, reorganization, and other similar matters affecting creditors' rights or by general principles of equity which permit the exercise of judicial discretion, (i) the Bonds constitute valid and legally binding obligations of the Issuer which are payable as to principal and interest from the sources provided in the Bond Ordinance and the Indenture of Trust for the Bonds between the Issuer and Wilmington Trust, National Association, dated as of February 1, 2022 (the "Trust Indenture"), (ii) the covenants and agreements in the Trust Indenture constitute valid and binding obligations of the Issuer, (iii) the Bonds

constitute valid and legally binding special obligations of the Issuer secured as Bonds, on a parity with other outstanding bonds, under the Trust Indenture, and (iv) the Bonds are payable in accordance with the priorities established in the Trust Indenture from the sources provided therein.

THE ISSUER has reserved the right, subject to the restrictions stated in the Trust Indenture, to issue Additional Bonds which also may be secured by the Trust Indenture on the terms and conditions described therein.

THE ISSUER has also reserved the right, subject to the restrictions stated in the Trust Indenture, to amend the Trust Indenture in the manner provided therein; and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in principal amount of all outstanding bonds affected by such amendment and secured by the Trust Indenture.

THE REGISTERED OWNERS of the Bonds shall never have the right to demand payment of the principal thereof or interest thereon out of any funds raised or to be raised by taxation, or from any source whatsoever other than specified in the Trust Indenture.

IT IS FURTHER OUR OPINION, except as discussed below, that the interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes under the statutes, regulations, published rulings, and court decisions existing on the date of this opinion. We are further of the opinion that the Bonds are not "specified private activity bonds" and that, accordingly, interest on the Bonds will not be included as an individual or corporate alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). In expressing the aforementioned opinions, we have relied on certain representations, the accuracy of which we have not independently verified, and assume compliance by the Issuer with certain covenants, regarding the use and investment of the proceeds of the Bonds and the use of the property financed and refinanced therewith. In expressing the aforementioned opinions, we have relied on certain representations and covenants regarding the use and investment of the proceeds of the Bonds. We call your attention to the fact that if such representations are determined to be inaccurate or upon a failure by the Issuer to comply with such covenants, interest on the Bonds may become includable in gross income retroactively to the date of issuance of the Bonds.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state, or local tax consequences of acquiring, carrying, owning, or disposing of the Bonds, including the amount, accrual or receipt of interest on, the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

OUR OPINIONS ARE BASED ON EXISTING LAW, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any

law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the "Service"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the Issuer as the taxpayer. We observe that the Issuer has covenanted not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

WE EXPRESS NO OPINION as to any insurance policies issued with respect to the payments due for the principal of and interest on the Bonds, nor as to any such insurance policies issued in the future.

OUR SOLE ENGAGEMENT in connection with the issuance of the Bonds is as Bond Counsel for the Issuer, and, in that capacity, we have been engaged by the Issuer for the sole purpose of rendering our opinions with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the Issuer, or the disclosure thereof in connection with the sale of the Bonds, and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Bonds. Our role in connection with the Issuer's Limited Offering Memorandum prepared for use in connection with the sale of the Bonds has been limited as described therein.

Respectfully,

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

APPENDIX E-1

FORM OF DISCLOSURE AGREEMENT OF ISSUER

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

**CITY OF LAVON, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ELEVON PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement of the Issuer dated as of February 1, 2022 (this “Disclosure Agreement”) is executed and delivered by and between the City of Lavon, Texas (the “Issuer”), P3Works, LLC, (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (in such capacity, the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project)” (the “Bonds”). The Issuer, the Administrator, and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Administrator, and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of February 1, 2022, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, as amended or supplemented, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Collection Costs” shall have the meaning assigned to the term “Administrative Expenses” in the Indenture.

“Administrator” shall mean the Issuer or independent firm designated by the Issuer who shall have the responsibilities provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

“Affiliate” shall have the meaning assigned to such term in Section 22 of this Disclosure Agreement.

“Annual Financial Information” shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Service Plan Update” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Assessments” shall have the meaning assigned to such term in the Indenture.

“Audited Financial Statements” shall mean the audited financial statements of the Issuer that have been prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer and that have been audited by an independent certified public accountant.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee or any national holiday observed by the Trustee.

“Disclosure Agreement of Master Developer” shall mean the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 executed and delivered by the Master Developer, the Administrator, and the Dissemination Agent, relating to the Bonds.

“Disclosure Representative” shall mean the City Administrator of the Issuer or his or her designee, or such other officer or employee as the Issuer, may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Elevon Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the Issuer’s fiscal year, currently the calendar year from October 1 through September 30.

“Foreclosure Proceeds” shall have the meaning assigned to such term in the Indenture.

“Improvement Area #1” shall have the meaning assigned to such term in the Indenture.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“Master Developer” shall mean MA Elevon 429, LLC, a Texas limited liability company, and its successors and assigns.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive continuing disclosure reporting pursuant to the Rule.

“Outstanding” shall have the meaning assigned to such term in the Indenture.

“Owner” shall have the meaning assigned to such term in the Indenture.

“Participating Underwriter” shall mean FMSbonds, Inc. and its successors and assigns.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Trustee” shall mean Wilmington Trust, National Association, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place.

SECTION 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) Commencing with the Fiscal Year ending September 30, 2022, the Issuer shall provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB (i) not later than six (6) months after the end of the Issuer’s Fiscal Year, its Annual Financial Information and (ii) not later than twelve (12) months after the end of the Issuer’s Fiscal Year, its Audited Financial Statements. In each case, the Annual Financial Information and the Audited Financial Statements, as applicable, may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Financial Information or Audited Financial Statements, as applicable, pursuant to Section 4 of this Disclosure Agreement. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Upon delivery by the Issuer of the Annual Financial Information or the Audited Financial Statements, as applicable, to the Dissemination Agent together, with written instructions

to file such information or financial statements, as applicable, with the MSRB, the Dissemination Agent shall:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Financial Information or the Audited Financial Statements, as applicable, on the respective dates required in subsection (a); and

(ii) file the Annual Financial Information or the Audited Financial Statements, as applicable, on the respective dates required, containing or incorporating by reference the information set forth in Section 4 hereof;

(c) If the Issuer has provided the Dissemination Agent with the completed Annual Financial Information or the Audited Financial Statements, as applicable, together with written instructions to file such financial information or financial statements with the MSRB and the Dissemination Agent has filed such financial information or financial statements with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information or the Audited Financial Statements, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB, which such financial information or financial statements shall include a filing receipt from the MSRB.

SECTION 4. Content and Timing of Annual Financial Information and Audited Financial Statements. The Annual Financial Information and the Audited Financial Statements shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) *Annual Financial Information.* Within six (6) months after the end of each Fiscal Year, the Annual Financial Information of the Issuer (any or all of which may be unaudited) being:

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount, the principal amount remaining Outstanding, and the outstanding interest amount;

(B) The amounts in the funds and accounts under the Indenture securing the Bonds and a description of the related investments; and

(C) The assets and liabilities of the Trust Estate.

(ii) Financial information and operating data with respect to the Issuer of the general type, in substantially similar form to that shown in the tables provided under Sections 4(a)(ii)(A) and 4(a)(ii)(B) of Exhibit B attached hereto. Such information shall be provided: (a) as of the end of the Fiscal Year (for tables in Section 4(a)(ii)(A) of Exhibit B), and (b) both as of the end of the Fiscal Year and through February 1 of the calendar year immediately succeeding such Fiscal Year (for tables in Section 4(a)(ii)(B) of Exhibit B).

(iii) The certified total assessed value for the land in Improvement Area #1 of the District for such Fiscal Year according to the Collin Central Appraisal District.

(iv) Updates to the information in the Service and Assessment Plan or the Annual Service Plan Update as most recently amended or supplemented, including any changes to the methodology for levying the Assessments in Improvement Area #1 of the District.

(v) Until building permits have been issued for parcels or lots representing, in the aggregate, ninety-five percent (95%) of the total the Assessments levied within Improvement Area #1 of the District, the Annual Financial Information (in the Annual Service Plan Update or otherwise) shall include the number of certificates of occupancy (“COs”) issued for new homes completed in Improvement Area #1 of the District during such Fiscal Year and the aggregate number of COs issued for new homes completed within Improvement Area #1 of the District since filing the initial Annual Financial Information for Fiscal Year ending September 30, 2022.

(vi) If the total amount of delinquencies greater than 150 days equals or exceeds five percent (5%) of the amount of Assessments due in any fiscal year, a list of delinquent property owners.

(vii) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer’s audited financial statements during such Fiscal Year.

(b) *Audited Financial Statements.* Within twelve (12) months after the end of each Fiscal Year, the Audited Financial Statements of the Issuer, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If such audited financial statements are not complete within twelve (12) months after the end of each Fiscal Year, then the Issuer shall provide unaudited financial statements within such period and shall provide audited financial statements for the applicable Fiscal Year when and if the audit report on such statements becomes available.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs. The Issuer has designated P3Works, LLC, as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer’s staff, shall prepare the Annual Financial Information. In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of the Annual Financial Information and Audited Financial Statements under this Section 4.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the Bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer.
13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

Any sale by the Master Developer of real property within the District in the ordinary course of the Master Developer's business will not constitute a Listed Event for the purposes of paragraph (10) above.

For these purposes, any event described in paragraph (12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018. For the avoidance of doubt, the issuance of additional bonds under the Indenture or the incurrence of additional obligations will constitute the incurrence of a material Financial Obligation for which a notice of a Listed Event in accordance with Section must be filed with the MSRB.

Upon the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent, in writing, to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide Audited Financial Statements (or unaudited financial statements, if Audited Financial Statements are not available) or Annual Financial Information, as applicable, as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting "Notice to MSRB of Failure to File."

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to Sections 4 and 5 of this Disclosure Agreement. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, promptly, and not more than three (3) Business Days after obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than the Business Day immediately following the day on which it receives written instructions from the Issuer. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer, the Administrator, and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent. If the Issuer discharges the Dissemination Agent, the Issuer shall use best efforts to appoint a successor Dissemination Agent within 30 days of such discharge. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial

Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer will give prompt written notice to the Master Developer, or any other party responsible for providing quarterly information pursuant to the Disclosure Agreement of Master Developer, of any change in the identity of the Dissemination Agent under the Disclosure Agreement of Master Developer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Financial Information or Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Audited Financial Statements for the fiscal year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Financial

Information, Audited Financial Statements or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information, Audited Financial Statements or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Trustee (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Master Developer by the Master Developer, and a default under the Disclosure Agreement of Master Developer by the Master Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Financial Information and the Audited Financial Statements) prepared by the Issuer pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Master Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Master Developer or the failure of the Master Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Master Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent shall not be responsible for the Issuer's failure to submit a complete Annual Financial Information or Audited Financial Statements to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any

person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Master Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties, or the failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the Master Developer to provide information to the Administrator as and when required under the Disclosure Agreement of Master Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR

DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR, OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT OR THE ADMINISTRATOR IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessments Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit C which is solely intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments. Failure to adhere to such expected timeline shall not constitute a default by the Issuer under this Disclosure Agreement, the Indenture, the Bonds or any other document related to the Bonds.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator, or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer, the Administrator, or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent and the Administrator agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in Improvement Area #1 of the District, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Dissemination Agent and the Administrator, each respectively, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. The Dissemination Agent and the Administrator, each respectively, represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable the Issuer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Dissemination Agent and the Administrator, each respectively, and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

SECTION 20. No Discrimination Against Fossil-Fuel Companies. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, hereby verifies that it and its parent company, wholly- or

majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable Federal or Texas law; or (B) does business with a company described by (A) above.

SECTION 21. No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, (a) ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) ‘firearm entity’ means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) ‘firearm trade association’ means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net

earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

SECTION 22. Affiliate. As used in Sections 18 through 21, the Dissemination Agent and Administrator, each respectively, understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator within the meaning of SEC Rule 405, 17.C.F.R. § 230.405, and exists to make a profit.

SECTION 23. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement.

SECTION 24. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 25. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Issuer, the Administrator and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

[Signature pages follow.]

CITY OF LAVON, TEXAS
(as Issuer)

By: _____
Mayor

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(ELEVON PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

S-1

HTS CONTINUING DISCLOSURE SERVICES,
a division of Hilltop Securities Inc.
(as Dissemination Agent)

By: _____

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(ELEVON PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

S-2

P3WORKS, LLC,
(as Administrator)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(ELEVON PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

S-3

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
[ANNUAL FINANCIAL INFORMATION] [AUDITED FINANCIAL STATEMENTS]**

Name of Issuer: City of Lavon, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022
(Elevon Public Improvement District Improvement Area #1 Project)
Date of Delivery _____, 20__
CUSIP Nos: [Insert CUSIP Nos]

NOTICE IS HEREBY GIVEN that the City of Lavon, Texas, has not provided [an Annual Financial Information] [Audited Financial Statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of [_____], 2022, between the Issuer, P3Works, LLC, as Administrator and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent. The Issuer anticipates that the [Annual Financial Information] [Audited Financial Statements] will be filed by _____.

Dated: _____

HTS CONTINUING DISCLOSURE SERVICES, a
division of Hilltop Securities Inc.,
on behalf of the City of Lavon, Texas
(solely in its capacity as Dissemination Agent)

By: _____

Title: _____

cc: City of Lavon, Texas

EXHIBIT B

**CITY OF LAVON, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ELEVON PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

ANNUAL FINANCIAL INFORMATION*

Delivery Date: _____, 20__

CUSIP Nos: [Insert CUSIP Nos]

DISSEMINATION AGENT

Name: _____
Address: _____
City: _____
Telephone: _____
Contact Person _____

Section 4(a)(i)(A)

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

Section 4(a)(i)(B)

INVESTMENTS

Fund/Account Name	Investment Description	Par Value	Book Value	Market Value

* Excluding Audited Financial Statements of the Issuer

Section 4(a)(i)(A)

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

ASSETS

Bonds (Principal Balance) _____
 Funds and Accounts [list] _____
 TOTAL ASSETS _____

LIABILITIES

Outstanding Bond Principal _____
 Outstanding Program Expenses (if any) _____
 TOTAL LIABILITIES _____

EQUITY

Assets Less Liabilities _____
 Parity Ratio _____

Form of Accounting Cash Accrual Modified Accrual

Section 4(a)(ii)(A)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR

Debt Service Requirements on the Bonds

<u>Year Ending</u> <u>(September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
---	------------------	-----------------	--------------

Top Assessment Payers⁽¹⁾

<u>Property Owner</u>	<u>No. of</u> <u>Parcels/Lots</u>	<u>Percentage of</u> <u>Parcels/Lots</u>	<u>Outstanding</u> <u>Assessments</u>	<u>Percentage of</u> <u>Total</u> <u>Assessments</u>
-----------------------	--------------------------------------	---	--	--

⁽¹⁾ Does not include those owing less than one percent (1%) of total Assessments.

Section 4(a)(ii)(B)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR AND AS OF FEBRUARY 1 OF THE NEXT SUCCEEDING YEAR

Foreclosure History Related to the Assessments

<u>Time Period</u>	<u>Delinquent Assessment</u>			<u>Foreclosure Proceeds Received</u>
	<u>Parcels in Foreclosure Proceedings</u>	<u>Amount in Foreclosure Proceedings</u>	<u>Foreclosure Sales</u>	
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

Collection and Delinquency History of Assessments

<u>Time Period</u>	<u>Total Assessment Levied</u>	<u>Parcels Levied⁽¹⁾</u>	<u>Delinquent Amount as of 3/1</u>	<u>Delinquent % as of 3/1</u>	<u>Delinquent Amount as of 9/1</u>	<u>Delinquent % as of 9/1</u>	<u>Total Assessments Collected⁽²⁾</u>
[FISCAL YEAR END]	\$		\$	%	\$	%	\$
[FEB 1. OF CURRENT YEAR] ⁽³⁾	\$		\$	%	N/A	N/A	\$

⁽¹⁾ Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments (“Installment Payments”). Effective January 1, 2018, pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, April 1, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

⁽²⁾ [Does/does not] include interest and penalties. Includes \$_____ attributable to Prepayments.

⁽³⁾ Collected as of February 1, 20__.

History of Prepayment of Assessments

<u>Time Period</u>	<u>Number of Prepayments</u>	<u>Amount of Prepayments</u>	<u>Bond Call Date</u>	<u>Amount of Bonds Redeemed</u>
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

ITEM REQUIRED BY SECTION 4(a)(iii)

Assessed Value of the District

The [YEAR] certified total assessed value for the land in Improvement Area #1 of the District is approximately \$[AMOUNT] according to the Collin Central Appraisal District.

ITEMS REQUIRED BY SECTION 4(a)(iv) - (vii)

[Insert a line item for each applicable listing]

EXHIBIT C

BASIC TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES⁽¹⁾

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Assessments are due.
February 1	1	Assessments delinquent if not received. Upon receipt but no later than February 15, Issuer forwards payment to Trustee for all collections received, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year. If there is to be a shortfall of any Annual Installments due to be paid that Fiscal Year, the Dissemination Agent should be immediately notified in writing. Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual Annual Installment collections will be fully adequate for debt service in the corresponding March and September.
March 15	43/44	Issuer and/or Administrator should be aware of actual and specific delinquencies. Trustee pays bond interest payments to Owners. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent in writing of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or the Reserve Fund.

⁽¹⁾ Illustrates anticipated dates and procedures for pursuing the collection of delinquent Assessments, which dates and procedures shall be in accordance with Chapters 31, 32, 33 and 34, Texas Tax Code, as amended (the "Code"), and the County Tax/Assessor Collector's procedures, and are subject to adjustment by the Issuer. If the collection and delinquency procedures under the Code are subsequently modified, whether due to an executive order of the Governor of Texas or an amendment to the Code, such modifications shall control.

April 1

59/60

At this point, if total delinquencies are under 5% and if there is adequate funding for September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure delinquency. **For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure, in accordance with the County Tax/Assessor Collector's procedures.**

If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of the Bond Fund such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties, in accordance with the County Tax/Assessor Collector's procedures.

July 1

152/153

Issuer, or the Administrator on behalf of the Issuer, determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments, in accordance with the County Tax/Assessor Collector's procedures.

Issuer and/or Administrator to notify Dissemination Agent in writing for disclosure to MSRB of all delinquencies.

Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent in writing of the commencement of preliminary foreclosure activity.

If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.

If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the Owners under Section 11.2 of the

Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.

August 15

197/198

The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those Owners who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than August 15 (day 197/198).

Foreclosure action to be filed with the court.

Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing. Dissemination Agent notifies Owners.

If Owners and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

A committee of not less than 25% of the Owners may request a meeting with the City Administrator to discuss the Issuer's actions in pursuing the repayment of any delinquencies. This would also occur after day 30 if it is apparent that a Reserve Fund draw is required. Further, if delinquencies exceed 5%, Owners may also request a meeting with the Issuer at any time to discuss the Issuer's plan and progress on collection and foreclosure activity. If the Issuer is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the Issuer to pursue the collections of delinquent Assessments.

APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

**CITY OF LAVON, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ELEVON PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE MASTER DEVELOPER

This Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 (this “Disclosure Agreement”) is executed and delivered by and among MA Elevon 429, LLC (the “Master Developer”), P3Works, LLC (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., (in such capacity, the “Dissemination Agent”), with respect to the “City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project)” (the “Bonds”). The Master Developer, the Administrator and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Master Developer, the Administrator and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of February 1, 2022, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“2A Pod Developer” shall mean K. Hovnanian Homes-DFW, L.L.C., a Texas limited liability company, together with its Affiliates, successors, and assigns.

“2B-1 Pod Developer” shall mean HMH/Stratford Elevon JV, LLC, a Texas limited liability company, together with its Affiliates, successors, and assigns.

“2C Pod Developer” shall mean GRBK Edgewood, LLC, a Texas limited liability company, together with its Affiliates, successors, and assigns.

“2D Pod Developer” shall mean Qualico Developments (U.S.), Inc., a Delaware corporation, together with its Affiliates, successors, and assigns.

“Administrator” shall mean the Issuer or independent firm designated by the Issuer who shall have the responsibilities provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The initial Administrator is P3 Works, LLC.

“Affiliate” shall mean, with respect to any entity or Person, an entity or Person that owns property within the District and is controlled by, controls, or is under common control with such entity or Person.

“Annual Collection Costs” shall have the meaning assigned to the term “Administrative Expenses” in the Indenture.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Assessed Property” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Assessments” shall have the meaning assigned to such term in the Indenture.

“Authorized Improvements” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer, the Dissemination Agent or the Trustee or any national holiday observed by the Trustee.

“Certification Letter” shall mean a certification letter provided by the Master Developer, a Pod Developer or Significant Homebuilder, if any, pursuant to Section 3, in substantially the form attached as Exhibit D.

“CFA Agreement” shall mean that certain Elevon Public Improvement District Improvement Area #1 Construction, Funding, and Acquisition Agreement between the Issuer and the Master Developer, dated as of February 1, 2022.

“Development Agreement” shall mean that certain Elevon Development Agreement between the Issuer; the Master Developer; Far East Lavon, LP; 78 Straddle, LP; East Lavon Partners, LP; World Land Developer, LP; and Petro-Hunt, LLC; dated as of November 2, 2021, as may be amended from time to time.

“Development Pod” shall mean an undeveloped parcel of land within Improvement Area #1 of the District sold to a third-party purchaser unaffiliated with the Master Developer with the intention of such parcel of land being developed generally in accordance with the development plan for the District. Pod 2A, Pod 2B-1, Pod 2C and Pod 2D, as each are described in legal descriptions and depicted in the maps attached as Exhibit K-5 and Exhibit A-2, respectively, to the Service and Assessment Plan, are Development Pods within Improvement Area #1.

“Disclosure Agreement of Issuer” shall mean the Continuing Disclosure Agreement of the Issuer dated as of February 1, 2022, executed and delivered by and among the Issuer, the Administrator and the Dissemination Agent, relating to the Bonds.

“Dissemination Agent” shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent, or any successor

Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean the Elevon Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Future Improvement Area” means the approximately 645.995 acres located within the District and more specifically described in the Service and Assessment Plan. The Future Improvement Area includes all of the District save and except Zone 1. The Future Improvement Area may be subdivided into one or more improvement areas.

“HOA Amenities” shall mean the Master Developer constructed amenities as described in the Development Agreement and the Service and Assessment Plan, expected to consist of, among other things, (i) an amenity center, hike and bike trails, ponds, open space and pocket parks throughout the District.

“Homebuilder(s)” shall mean a Pod Developer who intends to construct homes on the lots within its Development Pod or any merchant homebuilder who enters into a Purchase and Sale Agreement with the Master Developer or a Pod Developer for the purchase of lots, and the successors and assigns of such homebuilder under such Purchase and Sale Agreement.

“Homebuilder Projects” shall mean the Improvement Area #1 Improvements and any Private Improvements benefiting a Development Pod and any other improvements required to be constructed by the Pod Developer under a Purchase and Sale Agreement.

“Improvement Area #1” means the approximately 232.664 acres located within Zone 1 of the District, more specifically described in the Service and Assessment Plan.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit the Assessed Property within Improvement Area #1, as further described in the Service and Assessment Plan.

“Issuer” shall mean the City of Lavon, Texas.

“Listed Events” shall mean any of the events listed in Section 4(a),4(b) and 4(c) of this Disclosure Agreement.

“Master Developer” shall mean MA Elevon 429, LLC, a Texas limited liability company, and each other Person, through assignment, who assumes the obligations, requirements or covenants to construct the improvements within the District and their designated successors and assigns.

“Master Developer Listed Events” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive continuing disclosure reports pursuant to the Rule.

“Offsite Improvements” means those Authorized Improvements that confer a special benefit to all of the Assessed Property within the District, as further described in the Service and Assessment Plan.

“Outstanding” shall have the meaning assigned to such term in the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Participating Underwriter” shall mean FMSbonds, Inc., and its successors and assigns.

“Person” shall mean any legal person, including any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

“Pod Developer” shall mean a Homebuilder (whether directly or through an Affiliate of the Homebuilder) or developer that acquires a Development Pod with the intention to develop lots within such parcel of land generally in accordance with the Development Agreement, CFA Agreement and/or the development plan for the District. The 2A Pod Developer, the 2B-1 Pod Developer, the 2C Pod Developer and the 2D Pod Developer are Pod Developers.

“Pod Developer Listed Event” shall mean any of the events listed in Section 4(b) of this Disclosure Agreement.

“Private Improvements” shall have the meaning assigned to such term in the Development Agreement.

“Purchase and Sale Agreement” shall mean, with respect to lots or land within the District, any lot or land purchase and sale agreement between a Homebuilder (or Pod Developer) and the Master Developer or a Pod Developer to purchase lots or to purchase land.

“Quarterly Ending Date” shall mean each March 31, June 30, September 30 and December 31, beginning June 30, 2022.

“Quarterly Filing Date” shall mean for each Quarterly Ending Date, the fifteenth calendar day of the second month following such Quarterly Ending Date being May 15, August 15, November 15, and February 15.

“Quarterly Information” shall have the meaning assigned to such term in Section 3 of this Disclosure Agreement.

“Quarterly Report” shall mean any Quarterly Report described in Section 3 of this Disclosure Agreement and substantially similar to that attached as Exhibit A hereto.

“Repurchase Option Agreement” shall mean the Repurchase Option Agreement made and entered into by the Master Developer with each Pod Developer effective as of November 12, 2021, which option to repurchase may be exercised only if a Pod Developer fails to commence construction of the Homebuilder Projects relating to its Development Pod prior to the dates specified in such agreement.

“Right of First Opportunity Agreement” shall mean the Right of First Opportunity Agreement and Restrictions on Transfers made and entered into by the Master Developer with each Pod Developer effective as of November 12, 2021, which prohibits each Pod Developer from selling property within their respective pods without first offering to sell such property to the Master Developer under the terms of such agreement.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Significant Homebuilder” shall mean a Homebuilder (including a Pod Developer who is also a Homebuilder) that then owns ten percent (10%) or more of the proposed or platted single family residential lots within any particular Development Pod in Improvement Area #1 of the District.

“Significant Homebuilder Listed Events” shall mean any of the events listed in Section 4(c) of this Disclosure Agreement.

“Trustee” shall mean Wilmington Trust, National Association, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place.

“Zone” means a portion of the property within the District provided by the Master Developer and as further described in the Service and Assessment Plan, which may include multiple construction phases.

“Zone 1” means the initial Zone within the District consisting of approximately 336.724 acres located within the District and more specifically described the Service and Assessment Plan. Zone 1 includes all of the District save and except the Future Improvement Area.

“Zone 1 Improvements” means those Authorized Improvements that confer a special benefit to all of the Assessed Property within Zone 1, as further described in the Service and Assessment Plan.

SECTION 3. Quarterly Reports.

(a) The Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten (10) days after each Quarterly Ending Date, beginning with June 30, 2022 the information required for the preparation of the Quarterly Report (with respect to each, the “Quarterly Information”). The Master Developer, any Pod Developer and any Significant Homebuilder, as applicable, shall provide, or cause to be provided, such Quarterly Information until such entity’s obligations terminate pursuant to Section 7 of this Disclosure Agreement. For the avoidance of doubt, a Pod Developer and a Significant Homebuilder shall only be obligated to

provide Quarterly Information solely with respect to the real property acquired by such Pod Developer or such Significant Homebuilder, as applicable. If the Master Developer elects, the Master Developer may (but shall not be obligated to) provide any Quarterly Information on behalf of any Pod Developer or Significant Homebuilder; provided, however, the Master Developer shall remain obligated to provide Quarterly Information with respect to any real property acquired by a Pod Developer or a Significant Homebuilder, as applicable, until an acknowledgment of assignment with respect to such real property is delivered in accordance with Sections 5 or 6, as applicable, of this Disclosure Agreement, at which time Master Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property so transferred.

(b) The Administrator shall (i) prepare each Quarterly Report with the Quarterly Information provided by the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, pursuant to subsection (a) above and (ii) provide to the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, each Quarterly Report for review no later than twenty (20) days after each Quarterly Ending Date. The Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, shall review the Quarterly Report and, upon such review, shall promptly, but no later than thirty (30) days after each Quarterly Ending Date, provide to the Administrator the Certification Letter and authorize the Administrator to provide such Quarterly Report and Certification Letter to the Issuer and Dissemination Agent pursuant to subsection (c) below.

(c) The Administrator shall provide to the Dissemination Agent, no later than thirty-five (35) days after each Quarterly Ending Date, the Quarterly Report containing the information described in this Section 3 and the Certification Letter(s) provided by the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable. The Dissemination Agent shall file the Quarterly Report and the Certification Letter(s) with the MSRB and provide a copy of such report to the Issuer and the Participating Underwriter within ten (10) days of the Dissemination Agent's receipt thereof pursuant to this subsection 3(c); provided, however, that the Quarterly Report and the Certification Letter(s) must be submitted to the MSRB not later than each Quarterly Filing Date. In the event that the Master Developer, any Pod Developer, any Significant Homebuilder, or the Administrator does not provide the information required by subsection (a) or (b) of this Section, as applicable, in a timely manner and, as a result, either an incomplete Quarterly Report is filed with the MSRB, or a Quarterly Report is not filed with the MSRB by each Quarterly Filing Date, the Dissemination Agent shall, upon written direction from the Master Developer, any Pod Developer, any Significant Homebuilder, or Administrator, as applicable, file a notice of failure to provide Quarterly Information or failure to file a Quarterly Report with the MSRB in substantially the form attached as Exhibit B, as soon as practicable. If incomplete Quarterly Information is provided by the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, to the Administrator, the Dissemination Agent shall not be responsible for the failure to submit a complete Quarterly Report to the MSRB. If the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, timely provides the required Quarterly Information to the Administrator as described in this Section 3, the failure of the Administrator to provide the information to the Dissemination Agent, or the failure of the Dissemination Agent to provide such information to the Participating Underwriter in a timely manner, shall not be deemed a default by the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, under this Disclosure Agreement.

(d) Such Quarterly Report shall be in a form similar to that as attached in Exhibit A hereof and shall include:

(i) In a form similar to that as Table 3(d)(i) in Exhibit A attached hereto, the composition of the property within the Improvement Area #1 subject to the Assessments, as of the Quarterly Ending Date, including:

A. The approximate number of acres remaining to be developed for single family residential purposes within Improvement Area #1 of the District;

B. The number of platted single family residential lots within Improvement Area #1 of the District;

C. The number of single family residential lots within Improvement Area #1 of the District identified in the original Service and Assessment Plan; and

D. An explanation as to any change to the number of lots/parcels within the Improvement Area #1 from the original Service and Assessment Plan;

(ii) In a form similar to that as Table 3(d)(ii) in Exhibit A attached hereto, the landowner composition of Improvement Area #1, including:

A. The number of lots owned by each type of landowner (i.e., Master Developer, Pod Developers, Homebuilders or end-user); and

B. The percentage of single family residential lots relative to the total single family residential lots for the Master Developer, each Pod Developer, each Homebuilder and end-users (end-users reported collectively), as of the Quarterly Ending Date;

(iii) In a form similar to that as Table 3(d)(iii) in Exhibit A attached hereto, for each parcel designated as single family residential, lot absorption statistics by lot type, on a quarter over quarter basis, including:

A. The number of single family lots platted in the Improvement Area #1;

B. The number of single family lots in Improvement Area #1 owned by the Master Developer or Pod Developer, applicable, closed with a Homebuilder;

C. The number of single family lots in Improvement Area #1 owned by the Master Developer or Pod Developer, as applicable, under contract (but not closed) with a Homebuilder; and

D. The number of single family lots in Improvement Area #1 owned by the Master Developer or Pod Developer, applicable, not closed or under contract with a Homebuilder;

(iv) In a form similar to that as Table 3(d)(iv) in Exhibit A attached hereto, for each parcel designated as single family residential, for each Homebuilder, broken down by lot type and phase, on a quarter over quarter basis:

A. The number of homes under construction in Improvement Area #1;

B. The number of completed homes not under contract with end-users in Improvement Area #1;

C. The number of homes under contract with end-users in Improvement Area #1;

D. The number of homes closed with (delivered to) end-users in Improvement Area #1;

E. The average sales price of homes closed with end-users within Improvement Area #1 of the District; and

F. The estimated date of completion of all homes to be constructed by the Homebuilder within Improvement Area #1 of the District;

(v) In a form similar to that as Table 3(d)(v) in Exhibit A attached hereto, materially adverse changes or determinations to permits/approvals for the development of Improvement Area #1 that necessitate changes to the land use plans of the Master Developer;

(vi) In a form similar to that as Table 3(d)(vi) in Exhibit A attached hereto, the incurrence of any new or modified mortgage debt on the land within Improvement Area #1 owned by the Master Developer or any Pod Developer, including the amount, interest rate and terms of repayment; and

(vii) In a form similar to that as Table 3(d)(vii) in Exhibit A attached hereto, evidence of available funds for the funding deficit and the remaining timeline for completion of any Homebuilder Projects not completed as of the end of each quarter;

(e) In a form similar to that as Tables 3(e)(i)-(v) in Exhibit A attached hereto, with respect to each category of the Improvement Area #1 Improvements, the Zone 1 Improvements, the Offsite Improvements and HOA Amenities as set forth in the Service and Assessment Plan, the Master Developer or any Pod Developer with respect to its Development Pod, as applicable, shall provide or cause to be provided the following information to the Administrator for inclusion in each Quarterly Report:

(i) Construction budget and timeline for the Improvement Area #1 Improvements, including:

A. Total budgeted costs of all Improvement Area #1 Improvements;

B. Total actual costs of the Improvement Area #1 Improvements drawn from the Improvement Area #1 Bond Improvement Account of the Project Fund, the Improvement Area #1 Developer Improvement Account of the Project Fund and/or the Reimbursement Fund established pursuant to the Indenture as of the Quarterly Ending Date;

C. Total actual costs of the Improvement Area #1 Improvements financed with other sources of funds (non-bond or non-assessment financed), as of the Quarterly Ending Date;

D. Forecast completion date; and

E. Actual Issuer acceptance date;

(ii) Construction budget and timeline for the Zone 1 Improvements, including:

A. Total budgeted costs of all Zone 1 Improvements and the budgeted costs allocable to Improvement Area #1;

B. Total actual costs of the Zone 1 Improvements drawn from the Improvement Area #1 Bond Improvement Account of the Project Fund, the Improvement Area #1 Developer Improvement Account of the Project Fund or the Reimbursement Fund established pursuant to the Indenture as of the Quarterly Ending Date;

C. Total actual costs of the Zone 1 Improvements financed with other sources of funds (non-bond or non-assessment financed), as of the Quarterly Ending Date;

D. Forecast completion date; and

E. Actual Issuer acceptance date;

(iii) Construction budget and timeline for the Offsite Improvements, including:

A. Total budgeted costs of all Offsite Improvements and the budgeted costs allocable to the Improvement Area #1;

B. Total actual costs of the Offsite Improvements drawn from the Improvement Area #1 Bond Improvement Account of the Project Fund, the Improvement Area #1 Developer Improvement Account of the Project Fund or the Reimbursement Fund established under the Indenture as of the Quarterly Ending Date;

C. Total actual costs of Offsite Improvements financed with other sources of funds (non-bond or non-assessment financed), as of the Quarterly Ending Date;

- D. Forecast completion date; and
- E. Actual Issuer acceptance date;
- (iv) Construction budget and timeline for the HOA Amenities:
 - A. Budgeted costs for the HOA Amenities;
 - B. Expected or actual construction start date;
 - C. Total actual costs spent, as of Quarterly Ending Date; and
 - D. expected or actual construction completion date if delay from previously reported an explanation of the delay
- (v) Narrative update on construction milestones for the Improvement Area #1 Improvements, the Zone 1 Improvements, the Offsite Improvements, and the HOA Amenities since the date of the prior Quarterly Report.

SECTION 4. Event Reporting Obligations.

(a) Pursuant to the provisions of this Section 4(a), each of the following is a Master Developer Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or the Assessments levied within Improvement Area #1 on a parcel owned by the Master Developer; provided, however, that the exercise of any right of the Master Developer as a landowner within Improvement Area #1 to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Master Developer Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement;

(ii) Material damage to or destruction of any development or improvements benefiting Improvement Area #1, including the Improvement Area #1 Improvements, the Zone 1 Improvements, the Offsite Improvements, and the HOA Amenities;

(iii) Material default by the Master Developer or any of the Master Developer's affiliates on any loan with respect to the acquisition, development or permanent financing of Improvement Area #1 undertaken by the Master Developer or any of the Master Developer's affiliates;

(iv) Material default by the Master Developer or any of Master Developer's affiliates on any loan secured by property within Improvement Area #1 owned by the Master Developer or any of the Master Developer's affiliates;

(v) The bankruptcy, insolvency or similar filing of the Master Developer or any of the Master Developer's affiliates or any determination that the Master Developer or any of the Master Developer's affiliates is unable to pay its debts as they become due;

(vi) The consummation of a merger, consolidation, or acquisition of the Master Developer, or the sale of all or substantially all of the assets of the Master Developer or any of the Master Developer's affiliates, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(vii) The filing of any lawsuit with a claim for damages, in excess of \$1,000,000 against the Master Developer or any of the Master Developer's affiliates that may adversely affect the completion of development of Improvement Area #1 or litigation that may materially adversely affect the financial condition of the Master Developer or any of the Master Developer's affiliates;

(viii) Any change in the legal structure, chief executive officer or controlling ownership of the Master Developer;

(ix) Any exercise of the Master Developer's right or option to purchase land within the Development Pods under the Right of First Opportunity Agreement, the Repurchase Option Agreement, or other similar agreement with one or more of the Pod Developers; and

(x) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Sections 5 or 6 herein.

(b) Pursuant to the provisions of this Section 4(b), each of the following occurrences related to any Pod Developer is a Pod Developer Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or the Assessments levied within the Development Pod owned by the Pod Developer; provided, however, that the exercise of any right of the Pod Developer as a landowner within such pod to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Pod Developer Listed Event under this Section 4(b) nor a breach or default of this Disclosure Agreement;

(ii) Material damage to or destruction of the Improvement Area #1 Improvements within the Development Pod owned by Pod Developer;

(iii) Material default by the Pod Developer or any of the Pod Developer's affiliates on any loan with respect to the acquisition, development or permanent financing of Improvement Area #1 undertaken by the Pod Developer or any of the Pod Developer's affiliates;

(iv) Material default by the Pod Developer or any of Pod Developer's affiliates on any loan secured by property within Improvement Area #1 owned by the Master Developer or any of the Master Developer's affiliates;

(v) The bankruptcy, insolvency or similar filing of the Pod Developer or any of the Pod Developer's affiliates or any determination that the Pod Developer or any of the Pod Developer's affiliates is unable to pay its debts as they become due;

(vi) The consummation of a merger, consolidation, or acquisition of the Pod Developer, or the sale of all or substantially all of the assets of the Pod Developer or any of the Pod Developer's affiliates, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(vii) The filing of any lawsuit with a claim for damages, in excess of \$1,000,000 against the Pod Developer or any of the Pod Developer's affiliates that may adversely affect the completion of development of Improvement Area #1 or litigation that may materially adversely affect the financial condition of the Pod Developer or any of the Pod Developer's affiliates;

(viii) Any change in the legal structure or controlling ownership of the Pod Developer; and

(ix) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Sections 5 or 6 herein.

(c) Pursuant to the provisions of this Section 4(c), each of the following occurrences related to any Significant Homebuilder is a Significant Homebuilder Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or the Assessments levied within Improvement Area #1 on a lot or parcel owned by such Significant Homebuilder; provided, however, that the exercise of any right of such Significant Homebuilder as a landowner within Improvement Area #1 to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Significant Homebuilder Listed Event under this Section 4(c) nor a breach or default of this Disclosure Agreement;

(ii) The bankruptcy, insolvency or similar filing of such Significant Homebuilder or any determination that such Significant Homebuilder is unable to pay its debts as they become due;

(iii) The consummation of a merger, consolidation, or acquisition involving such Significant Homebuilder or the sale of all or substantially all of the assets of the Significant Homebuilder, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(iv) Any change in the type of legal entity, chief executive officer, or controlling ownership of such Significant Homebuilder;

(v) Early termination of or material default by such Significant Homebuilder under a Purchase and Sale Agreement; and

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 6 herein.

(d) Whenever the Master Developer obtains knowledge of the occurrence of a Master Developer Listed Event, the Master Developer shall promptly notify the Issuer, the Administrator and the Dissemination Agent in writing and the Master Developer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Master Developer becomes aware of the occurrence of such Master Developer Listed Event. If the Master Developer timely notifies the Dissemination Agent of the occurrence of a Master Developer Listed Event, as described in this Section 4, the failure of the Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by the Master Developer under this Disclosure Agreement.

Whenever a Pod Developer obtains knowledge of the occurrence of a Pod Developer Listed Event, the applicable Pod Developer shall promptly notify the Issuer, the Administrator and the Dissemination Agent in writing and the Pod Developer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Pod Developer becomes aware of the occurrence of such Pod Developer Listed Event. If the Pod Developer timely notifies the Dissemination Agent of the occurrence of a Pod Developer Listed Event, as described in this Section 4, the failure of the Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by the Master Developer under this Disclosure Agreement.

Whenever a Significant Homebuilder obtains knowledge of the occurrence of a Significant Homebuilder Listed Event, the applicable Significant Homebuilder shall promptly notify the Issuer, the Administrator and the Dissemination Agent in writing and such Significant Homebuilder shall direct the Dissemination Agent in writing to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer, the Master Developer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Significant Homebuilder becomes aware of the occurrence of such Significant Homebuilder Listed Event. If the Significant Homebuilder timely notifies the Dissemination Agent of the occurrence of a Significant Homebuilder Listed Event, as described in this Section 4, the failure of the Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by the Significant Homebuilder under this Disclosure Agreement.

Any notice under the three (3) preceding paragraphs shall be accompanied with the text of the disclosure that the Master Developer, Pod Developer or Significant Homebuilder, as applicable, desires to make, the written authorization of the Master Developer, Pod Developer or the Significant Homebuilder, as applicable, for the Dissemination Agent to disseminate such information as provided herein, and the date the Master Developer, Pod Developer or Significant

Homebuilder, as applicable, desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the Master Developer, Pod Developer or Significant Homebuilder, as applicable, becomes aware of the occurrence of the Master Developer Listed Event, Pod Developer Listed Event or Significant Homebuilder Listed Event, as applicable).

The Master Developer, each Pod Developer and each Significant Homebuilder, if any, shall only be responsible for reporting the occurrence of a Listed Event applicable to such reporting Person and shall not be responsible for reporting the occurrence of a Listed Event applicable to any other reporting Person, regardless of if such Person is providing Quarterly Information on behalf of any other reporting Person. If a Pod Developer does not execute an assignment and assumption of disclosure obligations pursuant to Section 5 or a Significant Homebuilder does not execute the assignment and assumption of disclosure obligations pursuant to Section 6 hereof, and, therefore, the Master Developer is reporting on behalf of such Pod Developer or Significant Homebuilder, as applicable, the Master Developer shall not be required to conduct an independent investigation of the occurrence of a Significant Pod Developer or a Significant Homebuilder Event Listed Event, as applicable. In addition, the Master Developer, Pod Developer or the Significant Homebuilder, as applicable, shall have the sole responsibility to ensure that any notice required to be filed with the MSRB under this Section 4 is actually filed within ten (10) Business Days after the Master Developer, Pod Developer and/or any Significant Homebuilder, as applicable, obtains knowledge of the occurrence of the applicable Listed Event.

(e) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Issuer, the Master Developer, the Pod Developer and/or the Significant Homebuilder, if applicable, of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Master Developer, Pod Developer or Significant Homebuilder, as applicable, to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Master Developer, Pod Developer and/or Significant Homebuilder, as applicable, and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Master Developer, Pod Developer and/or Significant Homebuilder, as applicable, as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Participating Underwriter, the Issuer, the Master Developer, Pod Developer, Significant Homebuilder or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(f) If the Dissemination Agent has been notified in writing by the Master Developer, Pod Developer or Significant Homebuilder to report the occurrence of a Listed Event in accordance with subsections (d) or (e) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB promptly after its receipt of such written instructions from the Master Developer or Significant Homebuilder, as applicable; provided that all such notices must be filed no later than the date specified in subsection (c) of this Section 4 for such Listed Event.

SECTION 5. Assumption of Reporting Obligations by Master Developers and Pod Developer.

(a) The Master Developer shall cause each Person, who, through assignment, assumes the obligations, requirements or covenants to construct one or more of the Improvement Area #1 Improvements, the Zone 1 Improvements and/or the Offsite Improvements to assume and comply with the disclosure obligations of the Master Developer under this Disclosure Agreement, specifically to provide the Quarterly Information required by Section 3(e) above and the reporting of a Master Developer Listed Event as required by Section 4 above. The Master Developer shall deliver to the Dissemination Agent, Administrator and the Issuer, a written acknowledgment and assumption from each Person who assumes the obligations, requirements or covenants to construct one or more of the Improvement Area #1 Improvements, the Zone 1 Improvements and/or the Offsite Improvements, in substantially the form attached as Exhibit E (the “Master Developer Acknowledgment”), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(x) above, the Master Developer shall direct the Dissemination Agent to file a copy of each Master Developer Acknowledgment with the MSRB. Upon any such transfer to a Person, and such Person’s delivery of written acknowledgment of assumption of Master Developer’s obligations under this Disclosure Agreement as to the property transferred, the Master Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Master Developer shall not be liable for the acts or omissions of such Person arising from or in connection with such disclosure obligations under this Disclosure Agreement.

(b) The Master Developer has sold, assigned or otherwise transferred ownership of real property consisting of each Development Pod within Improvement Area #1 of the District to a Pod Developer. The Master Developer may require such Pod Developer to comply with Master Developer’s disclosure obligations hereunder, including specifically to provide the applicable Quarterly Information required by Sections 3(d) and 3(e) above and reporting of a Pod Developer Listed Event as required by Section 4 above, solely with respect to the Development Pod acquired by the Pod Developer. The Master Developer shall deliver to the Dissemination Agent, Administrator and the Issuer, any written acknowledgment, substantially in the form attached hereto as Exhibit F (the “Pod Developer Acknowledgment”), from each Pod Developer, acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(b)(ix) above, the Master Developer shall direct the Dissemination Agent to file a copy of each Pod Developer Acknowledgment with the MSRB. Upon any such transfer to a Pod Developer, and such Pod Developer’s delivery of written acknowledgment of assumption of Master Developer’s obligations under this Disclosure Agreement as to the real property transferred, Master Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the real property transferred or obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Master Developer shall not be liable for the acts or omissions of such Pod Developer arising from or in connection with such disclosure obligations under this Disclosure Agreement.

SECTION 6. Assumption of Reporting Obligations by Significant Homebuilders.

(a) If a Homebuilder acquires ownership of real property in Improvement Area #1 resulting in such Homebuilder becoming a Significant Homebuilder, the Master Developer shall cause such Significant Homebuilder to comply with the Master Developer's disclosure obligations under Sections 3(d)(iv) and 4(c) hereof, with respect to such acquired real property until such entity's disclosure obligations terminate pursuant to Section 7 of this Disclosure Agreement. The Master Developer shall deliver to the Dissemination Agent, Administrator and the Issuer, a written acknowledgment from each Significant Homebuilder, in substantially the form attached as Exhibit G (the "Significant Homebuilder Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Sections 4(a)(x) and 4(c)(vi) above, the Master Developer or Significant Homebuilder, as applicable, shall direct the Dissemination Agent to file a copy of the Significant Homebuilder Acknowledgment with the MSRB, in accordance with Sections 4(c) and 4(e) above. Upon any such transfer to a Significant Homebuilder, and such Significant Homebuilder's delivery of written acknowledgment of assumption of Master Developer's obligations under this Disclosure Agreement as to the property transferred, the Master Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Master Developer shall not be liable for the acts or omissions of such Significant Homebuilder arising from or in connection with such disclosure obligations under this Disclosure Agreement.

SECTION 7. Termination of Reporting Obligations.

(a) The reporting obligations of the Master Developer under this Disclosure Agreement shall terminate upon the earlier (i) the date when none of the Bonds remain Outstanding, or (ii) the date when (x) all of the Improvement Area #1 Improvements, the Zone 1 Improvements and the Offsite Improvements are complete, (y) the Master Developer no longer owns at least ten percent (10%)¹ of the single family residential lots within Improvement Area #1, and (z) the Master Developer is not reporting on behalf of any Pod Developer or any Significant Homebuilder.

(b) The reporting obligations of a Pod Developer, if any, under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) the date when (x) all of the Improvement Area #1 Improvements with its Development Pod are complete, (y) the Pod Developer no longer owns at least ten percent (10%) of the single family residential lots within its Development Pod, and (z) the Pod Developer is not reporting as a or on behalf of any Significant Homebuilder.

(c) The reporting obligations of a Significant Homebuilder, if any, under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) when the Significant Homebuilder no longer owns at least five percent (5%) of their contracted single family residential lots within a Development Pod.

(d) At such time that the reporting obligations of the Master Developer, Pod Developer and/or Significant Homebuilder, if any, terminate in accordance with subsection (a), (b), or (c) of

¹ At closing of the Bonds, based on the Developer's current concept plan, ten percent (10%) of the total single family residential lots within the Improvement Area #1 of the District is equal to approximately 93 lots.

this Section 7, the Administrator shall provide written notice to the Master Developer, Pod Developer or Significant Homebuilder, as applicable, the Participating Underwriter, the Issuer and the Dissemination Agent in substantially the form attached as Exhibit C, thereby, terminating the applicable entity's reporting obligations under this Disclosure Agreement (the "Termination Notice"). If such Termination Notice with respect to the Master Developer, Pod Developer or Significant Homebuilder, as applicable, occurs while any of the Bonds remain Outstanding, the Administrator shall immediately provide, or cause to be provided, the Termination Notice to the Dissemination Agent, and the Dissemination Agent shall provide such Termination Notice to the MSRB, the Issuer, the Trustee, the Master Developer, Pod Developer or Significant Homebuilder, as applicable, and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(e) The obligations of the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) termination of the Master Developer's, all Pod Developers' or all Significant Homebuilders', if any, reporting obligations in accordance with subsection (a), (b) or (c), respectively, of this Section 7 and any Termination Notice required by subsection (d) of this Section 7 has been provided to the MSRB, the Issuer, the Trustee, the Master Developer, the Pod Developer and the Significant Homebuilder, as applicable, and the Participating Underwriter.

SECTION 8. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Master Developer, any Person that has executed a Master Developer Acknowledgment pursuant to Section 5(a) hereof, any Pod Developer that has executed a Pod Developer Acknowledgment pursuant to Section 5(b) hereof or any Significant Homebuilder that has executed a Significant Homebuilder Acknowledgment pursuant to Section 6 hereof in carrying out their obligations under this Disclosure Agreement. The Issuer may not discharge any Dissemination Agent without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent; provided that the Trustee shall have no obligations hereunder until it has been notified in writing that there is not any other designated Dissemination Agent and that it is the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Master Developer, any Person that has executed a Master Developer Acknowledgment pursuant to Section 5(a) hereof, any Pod Developer that has executed a Pod Developer Acknowledgment pursuant to Section 5(b) hereof or any Significant Homebuilder that has executed a Significant Homebuilder Acknowledgment pursuant to Section 6 hereof of any change in the identity of the Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Master Developer, the Administrator and the Dissemination Agent may jointly amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Master Developer or Administrator), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal

requirements, change in law, or change in the identity, nature or status of the Master Developer, Pod Developer or any Significant Homebuilder, or the type of business conducted; and

(b) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

(c) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Administrator shall describe such amendment in the next related Quarterly Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Master Developer. The Master Developer shall provide, or cause to be provided, at its cost and expense, an executed copy of any amendment or waiver entered into under this Section 9 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Master Developer, any Pod Developer or any Significant Homebuilder from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in addition to that which is required by this Disclosure Agreement. If the Master Developer, Pod Developer or Significant Homebuilder chooses to include any information in any Quarterly Report or notice of occurrence of a Master Developer Listed Event, Pod Developer Listed Event or Significant Homebuilder Listed Event, as applicable, in addition to that which is specifically required by this Disclosure Agreement, the Master Developer, the Pod Developer and/or the Significant Homebuilder, as applicable, shall have no obligation under this Disclosure Agreement to update such information or include it in any future Quarterly Report or notice of occurrence of a Master Developer Listed Event, Pod Developer Listed Event or Significant Homebuilder Listed Event.

SECTION 11. Content of Disclosures. In all cases, the Master Developer, any Pod Developer and/or Significant Homebuilder, as applicable, shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures, whether provided under Section 3, 4 or 10 of this Disclosure Agreement.

SECTION 12. Default. In the event of a failure of the Master Developer, any Pod Developer, any Significant Homebuilder or the Administrator to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Trustee (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate to cause the Master Developer, Pod Developer, Significant Homebuilder and/or the Administrator to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Master Developer, Pod Developer, Significant Homebuilder or the Administrator to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Master Developer, any Pod Developer and/or any Significant Homebuilder, as applicable, shall not be deemed a default under the Disclosure Agreement of

Issuer by the Issuer, and a default under the Disclosure Agreement of Issuer by the Issuer shall not be deemed a default under this Disclosure Agreement by the Master Developer, any Pod Developer, any Significant Homebuilder, or the Administrator. Additionally, a default by the Master Developer of its obligations under this Disclosure Agreement shall not be deemed a default by any Pod Developer or any Significant Homebuilder of such Pod Developer's or Significant Homebuilder's respective obligations under this Disclosure Agreement; and, likewise, a default by any Pod Developer or any Significant Homebuilder of such Pod Developer's or Significant Homebuilder's respective obligations under this Disclosure Agreement shall not be deemed a default of the Master Developer of the Master Developer's obligations under this Disclosure Agreement.

SECTION 13. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Quarterly Report) prepared by the Master Developer, any Pod Developer, any Significant Homebuilder and/or the Administrator pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Master Developer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Master Developer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Dissemination Agent shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Dissemination Agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Dissemination Agent and believed to be genuine and to have been signed or presented by the proper party or parties.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. The Master Developer agrees to hold harmless the Administrator, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's breach, negligence or willful misconduct. The obligations of the Master Developer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an

“obligated person” under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

(c) The Dissemination Agent or the Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent and Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(d) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, THE MASTER DEVELOPER, ANY POD DEVELOPER OR ANY SIGNIFICANT HOMEBUILDER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY: (1) ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT, (2) A SIGNIFICANT HOMEBUILDER, OR (3) A POD DEVELOPER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT AND THE ADMINISTRATOR ARE UNDER NO OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

SECTION 14. No Personal Liability. No covenant, stipulation, obligation or agreement of the Master Developer, any Pod Developer, any Significant Homebuilder, the Administrator or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the Master Developer, any Pod Developer, any Significant Homebuilder, the Administrator or Dissemination Agent in other than that person’s official capacity.

SECTION 15. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation,

agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Master Developer, any Pod Developer, any Significant Homebuilder, the Administrator, the Dissemination Agent, the Issuer, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in Improvement Area #1, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 19. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Issuer, the Administrator and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

[Signature pages follow.]

**HTS CONTINUING DISCLOSURE
SERVICES**, a division of Hilltop Securities Inc.
(solely in its capacity as Dissemination Agent)

By: _____
Authorized Officer

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole
manager

By: _____
John D. Marlin, Manager

P3WORKS, LLC.
(as Administrator)

By: _____
Name: _____
Title: _____

EXHIBIT A

**CITY OF LAVON, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ELEVON PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

**MASTER DEVELOPER QUARTERLY REPORT
[INSERT QUARTERLY ENDING DATE]**

Delivery Date: _____, 20__

CUSIP Numbers: [Insert CUSIP Numbers]

DISSEMINATION AGENT

Name: _____
Address: _____
City: _____
Telephone: _____
Contact Person: _____

[Remainder of page intentionally left blank]

TABLE 3(d)(i)

THE IMPROVEMENT AREA #1 OVERVIEW

(as of [*Insert Quarterly Ending Date*])

ACRES OF SINGLE FAMILY PARCELS TO BE DEVELOPED AND NUMBER OF PLATTED SINGLE FAMILY LOTS IN IMPROVEMENT AREA #1 SUBJECT TO THE ASSESSMENTS:

	Acres Remaining to be developed as SF Residential within Improvement Area #1	Platted SF Lots within Improvement Area #1 ⁽¹⁾	Original Service and Assessment Plan ⁽²⁾	Explanation as to any change in Lots/Parcels from Original Service and Assessment Plan
Single Family				
Total SF				
Lot Type	-	-		
26' Lot				
31' Lot				
33' Lot				
35' Lot				
40' Lot				
45' Lot				
50' Lot				
60' Lot				
70' Lot				
[Future SF]				
<i>Total SF Lots:</i>				

⁽¹⁾ Single family lots represent the number of platted single family lots in Improvement Area #1, as of [*Insert Quarterly Ending Date*].

⁽²⁾ Single family lots represent the number of planned single family lots included in Exhibit I of the original Service and Assessment Plan.

[Remainder of page intentionally left blank]

TABLE 3(d)(ii)

LANDOWNER COMPOSITION (as of [<i>Insert Quarterly Ending Date</i>]) OF IMPROVEMENT AREA #1		
Landowner Composition	Number of Actual Single Family Residential Lots Owned	Percentage of Total Actual Single Family Residential Lots
Master Developer/Pod Developer Owned		
26' Lot		
31' Lot		
33' Lot		
35' Lot		
40' Lot		
45' Lot		
50' Lot		
60' Lot		
70' Lot		
[Future SF]		
<i>Total Master Developer/Pod Developer Owned SF Lots:</i>		
[Homebuilder] Owned⁽¹⁾ (Pod Developer can be a Homebuilder)		
26' Lot		
31' Lot		
33' Lot		
35' Lot		
40' Lot		
45' Lot		
50' Lot		
60' Lot		
70' Lot		
[Future SF]		
<i>Total Homebuilder Owned SF Lots:</i>		

End-User Owned		
26' Lot		
31' Lot		
33' Lot		
35' Lot		
40' Lot		
45' Lot		
50' Lot		
60' Lot		
70' Lot		
[Future SF]		
<i>Total End-User Owned SF Lots:</i>		
<i>Total Development:</i>		

⁽¹⁾ Add additional rows for each Homebuilder.

[Remainder of page intentionally left blank]

FOR EACH LOT/PARCEL DESIGNATED AS SINGLE FAMILY RESIDENTIAL:

TABLE 3(d)(iii)

MASTER DEVELOPER/[POD DEVELOPER] ABSORPTION STATISTICS FOR SINGLE FAMILY RESIDENTIAL IN IMPROVEMENT AREA #1											
	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__
# of platted SF lots: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] TOTAL											
# of SF lots under contract with Homebuilders: <ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] Subtotal <ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] Subtotal <ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] Subtotal											
# of SF lots closed with Homebuilders: <ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] Subtotal											

<ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] <p><i>Subtotal</i></p>										
<ul style="list-style-type: none"> • [Homebuilder] <ul style="list-style-type: none"> ○ 26' ○ 31' ○ 33' ○ 35' ○ 40' ○ 45' ○ 50' ○ 60' ○ 70' ○ [Future SF] <p><i>Subtotal</i></p>										
<p>TOTAL</p> <p># of SF lots not under contract with Homebuilders:</p> <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] <p>TOTAL</p>										

[Remainder of page intentionally left blank]

TABLE 3(d)(iv)

[Homebuilder] ABSORPTION STATISTICS FOR
SINGLE FAMILY RESIDENTIAL LOTS IN IMPROVEMENT AREA #1⁽¹⁾

	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__
# of SF homes under construction: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] TOTAL								
# of completed SF homes NOT under contract with end-user: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] TOTAL								
# of SF homes under contract with end-user: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] TOTAL								
# of SF homes delivered to end-users: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] TOTAL								

Average home prices of homes delivered to end-users: <ul style="list-style-type: none"> • 26' • 31' • 33' • 35' • 40' • 45' • 50' • 60' • 70' • [Future SF] • Average 								
--	--	--	--	--	--	--	--	--

⁽¹⁾ Additional tables to be added for each Homebuilder

The estimated date of completion of all homes to be constructed by [Homebuilder] is _____, ____.

The estimated date of completion of all homes to be constructed by [Homebuilder] is _____, ____.

The estimated date of completion of all homes to be constructed by [Homebuilder] is _____, ____.

[Remainder of page intentionally left blank]

STATUS OF DEVELOPMENT:

TABLE 3(d)(v)

PERMITS/APPROVALS	
Material Adverse Change or Determination to Permit/Approval	Description of the Necessitated Change to the Land Use Plan

TABLE 3(d)(vi)

INCURRENCE OF ANY NEW OR MODIFIED MORTGAGE DEBT				
Borrower	Lender	Amount	Interest Rate	Terms of Repayment

TABLE 3(d)(vii)

FUNDING DEFICIT FUNDING SOURCES		
Type of Security	Amount	Sufficient Funding Deficit Funding Sources (Y/N)

[Remainder of page intentionally left blank]

STATUS OF IMPROVEMENT AREA #1 IMPROVEMENTS, ZONE 1 IMPROVEMENTS AND OFFSITE IMPROVEMENTS:

TABLES 3(e)(i)-(v)

IMPROVEMENT AREA #1 IMPROVEMENTS, ZONE 1 IMPROVEMENTS AND OFFSITE IMPROVEMENTS BUDGETS AND TIMELINE OVERVIEW					
	Total Budgeted Costs	Actual Costs Draw from the respective account of the Project Fund or the Reimbursement Fund as of [Insert Quarterly Ending Date]	Actual Costs financed with sources other than Bond proceeds or Assessments as of [Insert Quarterly Ending Date]	Forecast Completion Date	Actual Issuer Acceptance Date
Total costs required to complete: Improvement Area #1 Improvements:					
• Street	\$ _____	\$ _____	\$ _____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____
• Sewer	\$ _____	\$ _____	\$ _____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	_____	_____
• ROW	\$ _____	\$ _____	\$ _____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	_____	_____
Zone 1 Improvements:					
• Street	\$ _____	\$ _____	\$ _____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____
• Sewer	\$ _____	\$ _____	\$ _____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	_____	_____
• ROW	\$ _____	\$ _____	\$ _____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	_____	_____
Offsite Improvements:					
• Street	\$ _____	\$ _____	\$ _____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____
• Sewer	\$ _____	\$ _____	\$ _____	_____	_____
• Wastewater Plant	\$ _____	\$ _____	\$ _____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	_____	_____
• ROW	\$ _____	\$ _____	\$ _____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	_____	_____

[Remainder of page intentionally left blank]

STATUS OF HOA AMENITIES					
	Expected or Actual Construction Start Date	Budgeted Costs	Total Costs Spent to Date	Expected or Actual Construction Completion Date	If Delay in Expected Completion Date from Previously Reported, an Explanation of Delay
HOA Amenities					

Narrative update on construction milestones for Improvement Area #1 Improvements, the Zone 1 Improvements, the Offsite Improvements and HOA Amenities since last Quarterly Report:

EXHIBIT B

**NOTICE TO MSRB OF FAILURE TO
[PROVIDE QUARTERLY INFORMATION][FILE QUARTERLY REPORT]**

[DATE]

Name of Issuer: City of Lavon, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022
(Elevon Public Improvement District Improvement Area #1 Project)
(the “Bonds”)
CUSIP Numbers: [insert CUSIP Numbers]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that _____, a _____ (the [“Master Developer”][“Pod Developer”][“Significant Homebuilder”]) has not provided the [Quarterly Information][Quarterly Report] for the period ending on [Insert Quarterly Ending Date] with respect to the Bonds as required by the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022, by and among MA Elevon 429, LLC, a Texas limited liability company (the “Master Developer”), P3Works, LLC as the “Administrator” and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as the “Dissemination Agent.” The [Master Developer][“Pod Developer”][Significant Homebuilder] anticipates that the [Quarterly Information][Quarterly Report] will be [provided][filed] by _____.

Dated: _____

HTS CONTINUING DISCLOSURE SERVICES, a
division of Hilltop Securities Inc.,
on behalf of the Master Developer
(acting solely in its capacity as
Dissemination Agent)

By: _____

Title: _____

cc: City of Lavon, Texas

² If applicable, replace with applicable successor(s)/assign(s).

EXHIBIT C

TERMINATION NOTICE

[DATE]

Name of Issuer: City of Lavon, Texas
 Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022
 (Elevon Public Improvement District Improvement Area #1 Project)
 (the "Bonds")
 CUSIP Numbers. [insert CUSIP Numbers]
 Date of Delivery: _____, 20__

FMSbonds, Inc.
 5 Cowboys Way, Suite 300-25
 Frisco, Texas 75034

HTS Continuing Disclosure Services,
 a division of Hilltop Securities Inc.
 717 N. Harwood, Suite 3400
 Dallas, Texas 75201

City of Lavon, Texas
 P.O. Box 159
 Lavon, Texas 75132

MA Elevon 429, LLC
 15443 Knoll Trail Drive, Suite 130
 Dallas, Texas 75248

[Significant Homebuilder][Pod Developer]

NOTICE IS HEREBY GIVEN that that _____, a
 _____ (the ["Master Developer"] ["Pod Developer"] ["Significant
 Homebuilder"]) is no longer responsible for providing [any Quarterly Information][the Quarterly
 Report] with respect to the Bonds, thereby, terminating such entity's reporting obligations under
 the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022, by
 and among MA Elevon 429, LLC, a Texas limited liability company (the "Master Developer"),
 P3Works, LLC as the "Administrator" and HTS Continuing Disclosure Services, a division of
 Hilltop Securities Inc., as the "Dissemination Agent."

Dated: _____

P3Works, LLC
 on behalf of the [Master Developer] ["Pod
 Developer"] [Significant Homebuilder]
 (solely in its capacity as Administrator)

By: _____

Title: _____

¹ If applicable, replace with applicable successor(s)/assign(s).

EXHIBIT D

CERTIFICATION LETTER

[DATE]

Name of Issuer: City of Lavon, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022
(Elevon Public Improvement District Improvement Area #1 Project)
CUSIP Numbers: [insert CUSIP Numbers]
Quarterly Ending Date: _____, 20__

Re: Quarterly Report for Elevon Public Improvement District – Improvement Area #1

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 by and among MA Elevon 429, LLC, a Texas limited liability company¹ (the “Master Developer”), P3Works, LLC as the “Administrator”, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as the “Dissemination Agent,” this letter constitutes the certificate stating that the Quarterly Information, provided by [Master Developer] [_____, as a “Pod Developer”] [_____, as a “Significant Homebuilder”], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Master Developer][Pod Developer][Significant Homebuilder], constitutes the [portion of the] Quarterly Report required to be furnished by the [Master Developer][Pod Developer][Significant Homebuilder]. Any and all Quarterly Information, provided by the [Master Developer][Pod Developer][Significant Homebuilder], contained in this Quarterly Report for the three month period ending on [Insert Quarterly Ending Date], to the best of my knowledge, is true and correct, as of [insert date].

Please do not hesitate to contact our office if you have and questions or comments.

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

¹ If applicable, replace with applicable successor(s)/assign(s).

[OR
[POD DEVELOPER]
(as Pod Developer)
By: _____
Title: _____]

[OR
SIGNIFICANT HOMEBUILDER
(as Significant Homebuilder)
By: _____
Title: _____]

EXHIBIT E

**FORM OF ACKNOWLEDGMENT OF ASSIGNMENT AND ASSUMPTION
OF MASTER DEVELOPER REPORTING OBLIGATIONS**

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

**Re: Elevon Public Improvement District Improvement Area #1 – Continuing Disclosure
Obligation**

Dear _____,

Per [*Insert name of applicable assignment*], as of _____, 20__, you have been assigned and have assumed the obligations, requirements or covenants to construct one or more of the Improvement Area #1 Improvements, the Zone 1 Improvements or the Offsite Improvements (as those terms are defined in the Disclosure Agreement of Master Developer (defined below)) within Improvement Area #1 of the Elevon Public Improvement District (the “District”).

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 (the “Disclosure Agreement of Master Developer”) by and among MA Elevon 429, LLC, a Texas limited liability company (the “Initial Master Developer”), P3Works, LLC (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., (the “Dissemination Agent”) with respect to the “City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project),” any person that, through assignment, assumes the obligations, requirements or covenants to construct one or more of the Improvement Area #1 Improvements, the Zone 1 Improvements or the Offsite Improvements within Improvement Area #1 of the District is defined as a Master Developer.

As a Master Developer, pursuant to Section 5 of the Disclosure Agreement of Master Developer, you acknowledge and assume the reporting obligations of the Disclosure Agreement of Master Developer for the property which is owned as detailed in the Disclosure Agreement of Master Developer, which is included herewith.

Sincerely,

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

Acknowledged by:

[INSERT ASSIGNEE NAME]

By: _____

Title: _____

EXHIBIT F

**FORM OF ACKNOWLEDGMENT OF POD DEVELOPER
REPORTING OBLIGATIONS**

[DATE]

[INSERT SIGNIFICANT HOMEBUILDER CONTACT INFORMATION AS APPLICABLE]

Re: Elevon Public Improvement District Improvement Area #1 – Continuing Disclosure Obligation

Dear _____,

As of _____, 20__, you acquired a Development Pod within Improvement Area #1 of Elevon Public Improvement District (the “District”) with the intention to develop such parcel of land generally in accordance with the development plan for the District.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 (the “Disclosure Agreement of Master Developer”) by and among MA Elevon 429, LLC, a Texas limited liability company (the “Master Developer”), P3Works, LLC (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., (the “Dissemination Agent”) with respect to the “City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project),” any entity that acquires a Development Pod within the Improvement Area #1 of the District with the intention to develop such parcel of land generally in accordance with the development plan for the District is defined as a Pod Developer.

As a Pod Developer, pursuant to Section 5(b) of the Disclosure Agreement of Master Developer, you acknowledge and assume the applicable reporting obligations under Sections 3(d), 3(e) and 4 of the Disclosure Agreement of Master Developer for the property which is owned as detailed in the Disclosure Agreement of Master Developer, which is included herewith.

Sincerely,

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

Acknowledged by:

[INSERT POD DEVELOPER BLOCK]

By: _____
Title: _____

EXHIBIT G

**FORM OF ACKNOWLEDGMENT OF SIGNIFICANT HOMEBUILDER
REPORTING OBLIGATIONS**

[DATE]

[INSERT SIGNIFICANT HOMEBUILDER CONTACT INFORMATION AS APPLICABLE]

Re: Elevon Public Improvement District Improvement Area #1 – Continuing Disclosure Obligation

Dear _____,

As of _____, 20__, you own [___] lots within Improvement Area #1 of Elevon Public Improvement District Improvement Area #1 Project (the “District”), which is equal to approximately ten percent (10%) of the single family residential lots within the Development Pod.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Master Developer dated as of February 1, 2022 (the “Disclosure Agreement of Master Developer”) by and among MA Elevon 429, LLC, a Texas limited liability company (the “Master Developer”), P3Works, LLC (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., (the “Dissemination Agent”) with respect to the “City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project),” any entity that owns ten percent (10%) or more of the single family residential lots within any particular Development Pod within Improvement Area #1 of the District is defined as a Significant Homebuilder.

As a Significant Homebuilder, pursuant to Section 6 of the Disclosure Agreement of Master Developer, you acknowledge and assume the reporting obligations under Sections 3(d)(iv) and 4(c) of the Disclosure Agreement of Master Developer for the property which is owned as detailed in the Disclosure Agreement of Master Developer, which is included herewith.

Sincerely,

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

Acknowledged by:

[INSERT SIGNIFICANT HOMEBUILDER SIGNATURE BLOCK]

By: _____
Title: _____

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

APPENDIX F

IMPROVEMENT AREA #1 CFA AGREEMENT

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

ELEVON PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1
CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

This **ELEVON PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT** (this “Agreement”), dated February 1, 2022 is by and between the **CITY OF LAVON, TEXAS**, a type A general law municipality of the State of Texas (the “City”), and **MA ELEVON 429, LLC**, a Texas limited liability company, (the “Developer”). The Developer and the City are sometimes individually referred to as a “Party” and collectively as the “Parties.”

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

“**Act**” means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

“**Actual Costs**” means, with respect to each Improvement Area #1 Projects, the costs of the Improvement Area #1 Projects actually paid or incurred for construction and installation of the Improvement Area #1 Projects.

“**Administrator**” means, initially, P3Works, LLC, or any other individual or entity designated by the City to administer the District.

“**Annual Service Plan Update**” means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to the Service and Assessment Plan.

“**Authorized Amount**” has the meaning assigned to such term in Section 6.5(g)(1) of the Indenture.

“**Authorized Improvements**” means the improvements authorized by Section 372.003 of the Act, including those listed in Section III of the Service and Assessment Plan. An individual Authorized Improvement, including a completed segment or part, shall be referred to as an **Authorized Improvement**.

“**Bond Ordinance**” means the ordinance adopted by the City Council on February 1, 2022 authorizing the issuance of the Bonds pursuant to the Indenture.

“Bonds” means the City’s bonds designated “City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2022 (Elevon Public Improvement District Improvement Area #1 Project)”.

“Budgeted Costs” means the anticipated, agreed upon costs of the Improvement Area #1 Projects as shown in Exhibit B-1 of the Service and Assessment Plan.

“Certificate for Payment” means a certificate, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the Developer, the Administrator and the City Representative, executed by the Developer and approved by the City Representative, provided each month to the City Representative and the Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment from the Improvement Area #1 Bond Improvement Account or the Improvement Area #1 Developer Improvement Account of the Project Fund for Actual Costs of Improvement Area #1 Projects under the Indenture.

“City Administrator” means the City Administrator of the City.

“City Representative” means that official or agent of the City authorized by the City Council to undertake the action referenced herein. As of the date hereof, the City Administrator, and/or its designees are the authorized City Representatives.

“Closing Disbursement Request” means the certificate, substantially in the form of **Exhibit A** hereto or otherwise mutually agreed to by the Developer, Administrator and City Representative, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative (as defined in the Indenture), specifying the amounts to be disbursed for the costs related to the creation of the District and the costs of issuance of the Bonds.

“Construction Contracts” means the contracts for the construction of an Improvement Area #1 Project. “Construction Contract” means any one of the Construction Contracts.

“Cost” means the Budgeted Costs or the cost of an Improvement Area #1 Project as reflected in a Construction Contract, if greater than the Budgeted Costs.

“Cost Overrun” means, with respect to each Improvement Area #1 Project, the Actual Cost of such Improvement Area #1 Project in excess of the Budgeted Cost.

“Development Agreement” means that certain Elevon Development Agreement executed by and between the City, Petro-Hunt, LLC, a Texas limited liability company, Far East Lavon, LP, a Texas limited partnership, 78 Straddle, LP, a Texas limited partnership, East Lavon Partners, LP, a Texas limited partnership, and World Land Developers, LP, a Texas limited liability company, and the Developer, effective as of November 2, 2021.

“District” shall mean Elevon Public Improvement District.

“Final Completion” means completion of an Improvement Area #1 Project in compliance with existing City standards for dedication under the City’s ordinances and the Development Agreement.

“Force Majeure” means any act that (i) materially and adversely affects the affected Party’s ability to perform the relevant obligations under this Agreement or delays such affected Party’s ability to do so, (ii) is beyond the reasonable control of the affected Party (financial inability excepted), (iii) is not due to the affected Party’s fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. “Force Majeure” shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events if caused by the action or inaction of the Developer: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any Affiliate of the Developer, other than industry or nationwide strikes or labor disputes; (x) weather conditions which could reasonably be anticipated by experienced contractors operating the relevant location; (y) the occurrence of any manpower, material or equipment shortages; or (z) any delay, default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the Developer, or any construction contracts for the Authorized Improvements.

“Indenture” means that certain Indenture of Trust between the City and Wilmington Trust, National Association, as trustee, dated as of February 1, 2022 relating to the Bonds.

“Inspector” means (i) with respect to an Improvement Area #1 Project other than Water Improvements, an individual employed by the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected, and (ii) with respect to Water Improvements, a SUD Representative whose job is, in part or in whole, to inspect infrastructure to be owned by applicable SUD for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

“Improvement Area” means specifically defined and designated portions of the District that are developed in phases, including Improvement Area #1.

“Improvement Area #1” means the initial phase to be developed in the District, as further identified and depicted in Exhibit A-2 and more specifically described in Exhibit K-4 to the Service and Assessment Plan and in Exhibit A to the Indenture.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit property within Improvement Area #1 of the District, as described in Section III.B., shown on Exhibit B-1 and depicted on Exhibit G-2 to the Service and Assessment Plan.

“Improvement Area #1 Projects” means, collectively, (i) the pro rata portion of the Zone 1 Improvements allocable to Improvement Area #1; (ii) the pro rata portion of the Offsite Improvements allocable to Improvement Area #1; and (iii) the Improvement Area #1 Improvements.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements, as determined by the City Council.

“Offsite Improvements” means those improvements authorized by Section 372.003 of the PID Act that confer a special benefit to all property within the District, other than Non-Benefited Property, as further described in Section III.C. and depicted on Exhibit G-1 to the Service and Assessment Plan.

“Plans” means the plans, specifications, schedules and related construction contracts for the Improvement Area #1 Projects, respectively, approved pursuant to the applicable standards, ordinances, procedures, policies and directives of the City, the Development Agreement, a SUD, and any other applicable governmental entity.

“Project Fund” means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, and monies from the Developer, shall be deposited, and the fund by such name created under the Indenture.

“Reimbursement Agreement” means the “Elevon Public Improvement District Improvement Area #1 Reimbursement Agreement” between the City and the Developer, dated February 1, 2022 which provides for the payment of costs to the Developer for funds advanced by the Developer and used to pay Actual Costs of Improvement Area #1 Projects and other matters related thereto.

“Service and Assessment Plan” means Elevon Public Improvement District Service and Assessment Plan adopted on February 1, 2022 by the City Council, prepared pursuant to the Act, as amended and updated from time to time.

“SUD” means, as applicable, either (i) the Bear Creek Special Utility District, a political subdivision of the State of Texas, located in Collin County, or (ii) the Nevada Special Utility District, a political subdivision of the State of Texas, located in Collin County.

“SUD Representative” means that official or agent of a SUD authorized by the Board of Directors of such SUD to undertake the action referenced herein.

“Water Improvements” means the water lines, facilities and infrastructure improvements constituting a portion of the Improvement Area #1 Projects.

“Zone 1” means approximately 336.724 acres located within the District and more specifically described in Exhibit K-3 and depicted on Exhibit A-2 to the Service and Assessment Plan.

“Zone 1 Improvements” means those improvements authorized by Section 372.003 of the PID Act that confer a special benefit to all property within Zone 1, other than Non-Benefited Property, as further described in Section III.A. and depicted on Exhibit G-1 to the Service and Assessment Plan.

ARTICLE II RECITALS

Section 2.01. The District and the Improvement Area #1 Projects.

(a) The City has created the District under the Act for the financing of, among other things, the acquisition, construction and installation of the Improvement Area #1 Projects.

(b) The City has authorized the issuance of the Bonds in accordance with the provisions of the Act, the Bond Ordinance and the Indenture, a portion of the proceeds of which shall be used, in part, to finance a portion of the Improvement Area #1 Projects.

(c) All Improvement Area #1 Projects are eligible to be financed with proceeds of the Bonds to the extent specified in the Indenture and the Service and Assessment Plan.

(d) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with the Indenture.

(e) The Developer shall deposit monies into the Improvement Area #1 Developer Improvement Account in the amount specified in the Indenture.

(f) The Developer will perform or cause to be performed the engineering, construction and development of the Improvement Area #1 Projects for acquisition and acceptance by the City or, in the case of the Water Improvements, the applicable SUD.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III FUNDING

Section 3.01. Bonds.

(a) The City, in connection with this Agreement, is proceeding with the issuance and delivery of the Bonds.

(b) Subject to the Cost Overrun provisions set forth in the Development Agreement and Section 4.04 of this Agreement, the Bonds will finance a portion of the Actual Costs of the Improvement Area #1 Projects as provided for in the Service and Assessment Plan, as may be updated or amended. The payment of costs from the proceeds of the Bonds for such Improvement Area #1 Projects shall be made from the Project Fund established under the Indenture.

(c) The City's obligation with respect to the payment of the Improvement Area #1 Projects shall be limited to the Actual Costs and shall be payable solely from amounts on deposit for the payment of such costs as provided herein and in the Indenture. The Developer agrees and acknowledges that it is responsible for all Cost Overruns, Actual Costs and all expenses related to the Improvement Area #1 Projects, qualified, however, by the distribution of Cost Underrun (as defined in Section 4.04 hereof) monies, as detailed in Section 4.04. The Developer agrees and acknowledges that, based on the estimated costs of the Improvement Area #1 Projects, it is expected that the Developer or its designees will expend funds for Actual Costs of Improvement Area #1 Projects in amounts greater than the amount deposited by the Developer into the Improvement Area #1 Developer Improvement Account of the Project Fund under the Indenture.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Improvement Area #1 Projects in the District, including the Developer to the extent it owns any real property in the District. The obligation of a property owner in the District to pay Assessments is not in any way dependent on the availability of amounts in the Project Fund to pay for all or any portion of the Costs of the Improvement Area #1 Projects.

(e) The Developer acknowledges that any lack of availability of amounts in the funds or accounts established in the Indenture to pay the Costs of the Improvement Area #1 Projects shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Improvement Area #1 Projects required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

(f) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Improvement Area #1 Projects submitted and approved in accordance with Section 5.02 of this Agreement with an approved Certificate for Payment. Both

parties acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund under the terms of the Indenture, as money is deposited into the Project Fund for the payment of such costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to acquire, construct or ensure the construction of the Improvement Area #1 Projects in accordance with the Development Agreement, the Service and Assessment Plan, and this Agreement.

(g) The Developer acknowledges that each of K. Hovnanian DFW Elevon, LLC, HMH/Stratford Elevon JV, LLC, GRBK Edgewood LLC, and Qualico Developments (U.S.), Inc. (each, a “Builder”) have or will execute a builder completion agreement (each, an “IA #1 Builder Completion Agreement”) with the Trustee relating to each Builder’s obligations to fund certain of the costs of the Improvement Area #1 Projects and Private Improvements (as defined in the Development Agreement) in Improvement Area #1 in satisfaction of the requirements of Sections 3.02(c)(vii) and 3.04 of the Development Agreement, and under the terms of each IA #1 Builder Completion Agreement, each Builder has provided or will provide certain, specified evidence of its ability to fund (a “Funding Deficit Funding Source”) its portion of the costs of such Private Improvements and its portion of the costs of the Improvement Area #1 Projects not funded with proceeds of the Bonds (each, a “Funding Deficit”). In the event that a Builder fails to provide, maintain or file evidence of its agreed-to Funding Deficit Funding Source under the terms of its IA #1 Builder Completion Agreement, upon notice by the City to the Developer of such failure, the Developer agrees to provide to the City evidence of the Developer’s ability to fund the Builder’s Funding Deficit in conformance with the requirements of Sections 3.02(c)(vii) and 3.04 of the Development Agreement.

Section 3.02. Disbursements and Transfers at Bond Closing.

(a) The City and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the Administrator, the City will cause the Trustee to pay at closing of the Bonds from the Costs of Issuance Account of the Project Fund and/or the Improvement Area #1 Bond Improvement Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District as of the delivery of the Bonds, as described in the Service and Assessment Plan, as may be updated and amended.

Section 3.03 Accounts. In addition to the Costs of Issuance Account, there shall be two subaccounts, the Improvement Area #1 Bond Improvement Account and the Improvement Area #1 Developer Improvement Account, in the Project Fund administered by the Trustee at the direction of the City Representative:

(a) The Improvement Area #1 Bond Improvement Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Improvement Area #1

Projects shall be deposited into the Improvement Area #1 Bond Improvement Account of the Project Fund in the amount shown in the Indenture.

(b) The Improvement Area #1 Developer Improvement Account of the Project Fund. On the Closing Date and pursuant to the terms of the Indenture, if required, the Developer shall make an initial deposit to the Improvement Area #1 Developer Improvement Account of the Project Fund in the amount shown in the Indenture.

Section 3.04. Security for the Improvement Area #1 Projects.

(a) Prior to completion and conveyance to the City of an Improvement Area #1 Project, including a segment, section, or portion thereof, the Developer or the Developer's contractor shall provide to the City a maintenance bond, which maintenance bond shall be for a term of two years from the date of final acceptance of the Improvement Area #1 Project. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that the City, through the City attorney, shall retain the right to reject any surety company as a surety for any work hereunder regardless of such company's authorization to do business in Texas. Approvals by the City shall not be unreasonably withheld or delayed. The Developer shall construct or cause to be constructed the Improvement Area #1 Projects in accordance with the City's established ordinances, regulations, policies, procedures, specifications, and the Development Agreement. Prior to City accepting any Improvement Area #1 Project and/or approving a final disbursement for an Improvement Area #1 Project, the Developer shall provide an "all bills paid/no liens" affidavit, in the form provided by the City and shall also provide such supporting documentation as required by the City, that affirms that all invoices and bills, other than statutory ten percent (10%) retainage, were paid for the Improvement Area #1 Project.

(b) The Developer shall construct or cause to be constructed the Water Improvements in accordance with the applicable SUD regulations and the Development Agreement.

ARTICLE IV

DEDICATION OF LAND AND CONSTRUCTION OF IMPROVEMENT AREA #1 PROJECTS

Section 4.01. Duty of Developer to Construct.

(a) All Improvement Area #1 Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Improvement Area #1 Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work

and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Improvement Area #1 Projects, to be acquired and accepted by the City (or, with respect to the Water Improvements, the applicable SUD), from the Developer as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Improvement Area #1 Project and, upon completion, inspection, and acceptance, convey each such Improvement Area #1 Project to the City (or, with respect to the Water Improvements, the applicable SUD) in accordance with the terms hereof, even if there are insufficient funds in the Project Fund to pay the Actual Costs thereof. In any event, this Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject, with respect to the Improvement Area #1 Projects required in connection with the development of the land within the District.

Section 4.02. No Competitive Bidding. The Improvement Area #1 Projects shall not require competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code, as amended, based upon current cost estimates.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Improvement Area #1 Projects.

Section 4.04. Remaining Funds After Completion of an Improvement Area #1 Project. Upon the Final Completion of an Improvement Area #1 Project (or its completed segment or phase thereof) and payment of all outstanding invoices for such Improvement Area #1 Project (or its completed segment or phase thereof), if the Actual Cost of such Improvement Area #1 Project is less than the Budgeted Cost (a “Cost Underrun”), any remaining Budgeted Cost may be made available to pay Cost Overruns on any other Improvement Area #1 Project (or its completed segment or phase thereof) with the approval of the City Administrator and provided that all Improvement Area #1 Projects as set forth in the Service and Assessment Plan are undertaken at least in part. The elimination of a category of Improvement Area #1 Projects in the Service and Assessment Plan will require an amendment to the Service and Assessment Plan. Upon the approval of a final bid for an Improvement Area #1 Project (or segment or phase thereof), if the Construction Contract for an Improvement Area #1 Project (or segment or phase thereof) is lower than the Budgeted Cost, funds available from the applicable improvement category may be used as Cost Underruns and applied to another improvement category with the approval of the City Administrator, and the Service and Assessment Plan shall be amended or updated in an Annual Service Plan Update to reflect the reallocation of Budgeted Costs. If, upon completion of the Improvement Area #1 Projects in any improvement category, there are funds remaining in any

improvement categories for the Improvement Area #1 Projects, those funds can then be used to reimburse the Developer for any qualifying costs of the Improvement Area #1 Projects that have not been previously paid.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as “Change Orders”) required for the construction of the Improvement Area #1 Projects. Developer or its contractors may approve and implement any Change Orders, even if such Change Order would increase the Cost of an Improvement Area #1 Project, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such Change Orders except to the extent amounts are available pursuant to Section 4.04. If any Change Order is for work that requires changes to be made by an engineer to the construction and design documents and plans previously approved under Section 4.01, then such revisions made by an engineer must be submitted to the City for approval by the City’s engineer prior to execution of the Change Order.

ARTICLE V ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Project Fund at closing of the Bonds described in Section 3.02, on or prior to the fifteenth (15th) day before the closing of the Bonds, the Developer shall cause to be delivered to the Trustee at Closing a Closing Disbursement Request, substantially in the form of **Exhibit A** hereto or otherwise acceptable and agreed to by the Developer, Administrator, and the City Representative for the disbursements described in Section 3.02.

Section 5.02. Certificate for Payment for an Improvement Area #1 Project.

(a) No payment hereunder shall be made from the Project Fund to the Developer for work on an Improvement Area #1 Project until a monthly Certificate for Payment is received from the Developer for work with respect to an Improvement Area #1 Project (or its completed segment or phase thereof). Upon receipt of a Certificate for Payment substantially in the form of **Exhibit B** hereto (and all accompanying documentation acceptable to the City) from the Developer, the City Representative shall conduct a review in order to confirm that such request is complete, that the work with respect to such Improvement Area #1 Project identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certificate for Payment (collectively, the “Developer Compliance Requirements”), and shall forward the request to the Trustee. The approval of the Certificate for Payment by the City Representative shall constitute a representation by the City to the Trustee that the Developer Compliance Requirements have been satisfied with respect to the Improvement Area #1 Projects identified therein. The Inspector shall also conduct such review as is required in his discretion to

confirm the matters certified in the Certificate for Payment. The Developer agrees to cooperate with the Inspector in conducting each such review and to provide the Inspector with such additional information and documentation as is reasonably necessary for the Inspector to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certificate for Payment, the City Representative or their designee shall either (i) approve and execute the Certificate for Payment and forward the same to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the City Representative or their designee disapproves the Certificate for Payment, give written notification to the Developer of the City's disapproval, in whole or in part, of such Certificate for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certificate for Payment. If a Certificate for Payment seeking reimbursement is approved only in part, the City shall specify the extent to which the Certificate for Payment is approved and shall deliver such partially approved Certificate for Payment to the Trustee for payment to the Developer or its designee in accordance with Section 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03(c) hereof notwithstanding such partial denial.

(c) If the City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Certificate for Payment, the City shall deliver a detailed notice to the Developer within fifteen (15) business days of receipt thereof, then payment with respect to disputed portion(s) of the Certificate for Payment shall not be made until the Developer and the City have jointly settled such dispute or additional information has been provided to the City's reasonable satisfaction. The denial may be appealed to the City Council by the Developer in writing within thirty (30) days of being denied by the City Representative. Denial of the Certificate for Payment by the City Council shall be attempted to be resolved by half-day mediation between the Parties in the event an agreement is not otherwise reached by the Parties, with the mediator's fee being paid by Developer. The portion of the Certificate for Payment in dispute shall not be forwarded to the Trustee for payment until the dispute is resolved by the City and the Developer.

(d) The City shall deliver the approved or partially approved Certificate for Payment to the Trustee for payment and the Trustee shall make such payment from the Project Fund in accordance with Section 5.03 below.

Section 5.03. Payment for an Improvement Area #1 Project.

(a) Upon receipt of a reviewed and approved Certificate for Payment, the Trustee shall make payment from the following funds: (1) first, from the Improvement Area #1 Bond Improvement Account of the Project Fund; then (2) second, from the Improvement Area #1 Developer Improvement Account of the Project Fund as designated in the Certificate for Payment pursuant to the terms of the Certificate for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular Improvement Area #1 Project (or its completed segment),

unless a Cost Overrun amount has been approved for a particular Improvement Area #1 Project. If a Cost Overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved Cost Overrun amount. Notwithstanding the foregoing, if the Authorized Amount has been disbursed and prior to the satisfaction of a Release Condition, the Trustee shall make payment from the Improvement Area #1 Developer Improvement Account until satisfaction of a Release Condition.

(b) Until such time as the Authorized Amount has been disbursed from the Improvement Area #1 Bond Improvement Account, the Trustee shall pay Actual Costs of the Improvement Area #1 Projects from funds in the Improvement Area #1 Bond Improvement Account. After the Authorized Amount has been disbursed from the Improvement Area #1 Bond Improvement Account and prior to the satisfaction of the Release Condition (as such term defined in the Indenture), the Trustee shall pay Actual Costs of the Improvement Area #1 Projects only from funds on deposit in the Improvement Area #1 Developer Improvement Account. After the Authorized Amount has been disbursed from the Improvement Area #1 Bond Improvement Account and the Release Condition has been satisfied, the Trustee shall pay Actual Costs of the Improvement Area #1 Projects, first, from funds in the Improvement Area #1 Bond Improvement Account until such Account is depleted, and thereafter from funds on deposit in the Improvement Area #1 Developer Improvement Account. In the event of any conflict between this provision and Section 6.5 of the Indenture, Section 6.5 of the Indenture shall control.

(c) Approved Certificates for Payment that await reimbursement shall not accrue interest.

(d) Notwithstanding any other provisions of this Agreement, when payment is made, the Trustee shall make payment directly to the person or entity specified by the Developer in an approved Certificate for Payment, including: (1) a general contractor or supplier of materials or services or jointly to the Developer (or any permitted assignee of the Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certificate for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release (or a conditional lien release accompanied by evidence of payment satisfactory to the City) related to the items referenced in the Certificate for Payment is attached to such Certificate for Payment; and (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certificate for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release (or a conditional lien release accompanied by evidence of payment satisfactory to the City) for a portion of the work covered by a Developer or any assignee of the Developer to the extent of such lien release. Neither the Trustee, nor the City, City Council, City Administrator, or City Representative or their designee shall have any liability for relying on the accuracy of the payee information in any Certificate for Payment as presented by the Developer or its assignees.

(e) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of such remedy, so long as such delay in performance shall not subject the Improvement Area #1 Project to foreclosure, forfeiture, or sale.

Section 5.04. Reimbursement Agreement Certificate for an Improvement Area #1 Project.

(a) The Developer shall submit a Reimbursement Agreement Certificate substantially in the form of **Exhibit C** hereto (and all accompanying documentation acceptable to the City) for work on an Improvement Area #1 Project for reimbursement of Actual Costs on an Improvement Area #1 Project (or its completed segment or phase thereof) pursuant to the Reimbursement Agreement. The Developer may submit Reimbursement Agreement Certificates periodically, but not more often than once each calendar month. Upon receipt of a Reimbursement Agreement Certificate from the Developer, the City Representative shall conduct a review in order to confirm that such request is complete, that the work with respect to such Improvement Area #1 Project identified therein for which reimbursement is requested was completed in accordance with the Developer Compliance Requirements, and to verify and approve the Actual Cost of such work specified in such Reimbursement Agreement Certificate. The Inspector shall also conduct such review as is required in his discretion to confirm the matters certified in the Reimbursement Agreement Certificate. The Developer agrees to cooperate with the Inspector in conducting each such review and to provide the Inspector with such additional information and documentation as is reasonably necessary for the Inspector to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Reimbursement Agreement Certificate, the City Representative or their designee shall either (i) approve and execute the Reimbursement Agreement Certificate or (ii) in the event the City Representative or their designee disapproves the Reimbursement Agreement Certificate, give written notification to the Developer of the City's disapproval, in whole or in part, of such Reimbursement Agreement Certificate, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Reimbursement Agreement Certificate. If a Reimbursement Agreement Certificate seeking reimbursement is approved only in part, the City shall specify the extent to which the Reimbursement Agreement Certificate is approved.

(c) If the City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Reimbursement Agreement Certificate, the City shall deliver a detailed notice to the Developer within fifteen (15) business days of receipt thereof, then establishment of an amount for reimbursement under the Reimbursement Agreement with respect

to disputed portion(s) of the Reimbursement Agreement Certificate shall not be made until the Developer and the City have jointly settled such dispute or additional information has been provided to the City's reasonable satisfaction. The denial may be appealed to the City Council by the Developer in writing within thirty (30) days of being denied by the City Representative. Denial of the Reimbursement Agreement Certificate by the City Council shall be attempted to be resolved by half-day mediation between the Parties in the event an agreement is not otherwise reached by the Parties, with the mediator's fee being paid by Developer.

(d) The reimbursement amount under a Reimbursement Agreement Certificate approved or partially approved Reimbursement Agreement Certificate shall be added to the "Reimbursement Amount" under the Reimbursement Agreement, subject to the maximum amount allowed for such Reimbursement Amount or other provisions of the Reimbursement Agreement.

ARTICLE VI OWNERSHIP AND TRANSFER OF IMPROVEMENT AREA #1 PROJECTS

Section 6.01. Improvement Area #1 Projects to be Owned by the City– Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to an Improvement Area #1 Project to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least thirty (30) calendar days prior to the transfer of title of an Improvement Area #1 Project to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Improvement Area #1 Project until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Improvement Area #1 Project Constructed on City Land or Developer Land. If an Improvement Area #1 Project is on land owned by the City, the City hereby grants to the Developer, where applicable, a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Improvement Area #1 Project. The provisions for inspection and acceptance of such Improvement Area #1 Project otherwise provided herein shall apply. If the Improvement Area #1 Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Improvement Area #1 Project. The provisions for inspection and acceptance of such Improvement Area #1 Project otherwise provided herein and in the Development Agreement shall apply.

ARTICLE VII REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

(a) Organization. The Developer is a limited liability company duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to fulfill its obligations in this Agreement and to carry on its business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Improvement Area #1 Projects in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Improvement Area #1 Projects.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund or reimbursement under the Reimbursement Agreement for the acquisition, construction or installation of any improvements that are not part of the Improvement Area #1 Projects, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certificate for Payments.

(f) Financial Records. For a period of two years after completion of the Improvement Area #1 Projects, the Developer covenants to maintain proper books of record and account for the construction of the Improvement Area #1 Projects and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles and shall be available for inspection by the City or its agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City, the applicable SUD, and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Improvement Area #1 Projects have been or will be constructed in full compliance with such Plans and any change orders thereto consistent with the

Act, this Agreement and the Development Agreement. Developer shall provide as-built plans for all Improvement Area #1 Projects to the City.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the initial purchaser of the Bonds, the Inspector and the City Representative related to the status of construction of Improvement Area #1 Projects within the District, the anticipated completion dates for future improvements and any other matter that the initial purchaser of the Bonds or City Representative deems material to the investment quality of the Bonds.

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent, dated as February 1, 2022 in connection with the Bonds.

(j) Tax Certificate. The City will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the “Tax Certificate”) containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, “Bond Proceeds”).

The Developer covenants to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquiries to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Improvement Area #1 Projects) that would cause any of the covenants or agreements of the City contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

(k) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement, the Service and Assessment Plan and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. The Developer shall assume the defense of, and indemnify and hold harmless the Inspector, the City, employees, officials, officers,

representatives and agents of the City, and each of them (each an “Indemnified Party”), from and against all actions, damages, claims, loses or expense of every type and description to which they may be subjected or put, by reason of, or resulting from the breach of any provision of this Agreement by the Developer, the negligent design, engineering and/or construction by the Developer or any architect, engineer or contractor hired by the Developer of any of the Improvement Area #1 Projects or other Authorized Improvements constructed by the Developer hereunder, the Developer’s nonpayment under contracts between the Developer and its consultants, engineers, advisors, contractors, subcontractors and suppliers in the provision of the Improvement Area #1 Projects or other Authorized Improvements constructed by Developer, or any claims of Persons employed by the Developer or its agents to construct such projects. Notwithstanding the foregoing, no indemnification is given hereunder for any action, damage, claim, loss or expense directly attributable to the willful misconduct or gross negligence of any Indemnified Party. The City does not waive its defenses and immunities, whether governmental, sovereign, official, or otherwise, and nothing in this Agreement is intended to or shall confer any right or interest in any person not a party hereto.

Section 7.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Improvement Area #1 Projects, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Improvement Area #1 Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Assessments to be levied within the Improvement Area #1 as of the effective date of this Agreement.

ARTICLE VIII TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Improvement Area #1 Projects not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of an

Improvement Area #1 Project hereunder for any remaining work, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Improvement Area #1 Projects. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of forty-five (45) days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to an Improvement Area #1 Project only as provided for under the terms of the Indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Improvement Area #1 Projects, provided that the Developer shall receive payment of the Actual Costs of any Improvement Area #1 Projects that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement and of the Development Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Improvement Area #1 Projects not accepted by the City or the applicable SUD and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Improvement Area #1 Projects hereunder, except as

otherwise may be provided upon the mutual written consent of the City and the Developer or as provided for in the Indenture. The City shall have no obligation to perform any work related to an Improvement Area #1 Project or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 8.04. Construction of the Improvement Area #1 Projects Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Improvement Area #1 Projects in accordance with this Agreement and the Development Agreement.

Section 8.05. Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time.

ARTICLE IX MISCELLANEOUS

Section 9.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the moneys, if any, in the Project Fund and from no other source. Neither the City, the Inspector, City Representative nor any other City employee, officer, official or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The Inspector, City Representative or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Improvement Area #1 Projects and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City: Attn: Kim Dobbs
City Administrator
City of Lavon
120 School Road
P.O. Box 340
Lavon, Texas 75166
kdobbs@lavontx.gov

With a copy to: Attn: Julie Fort
Messer, Fort & McDonald
6371 Preston Road, STE 200
Frisco, Texas 75034
julie@txmunicipallaw.com

To the Developer: Attn: John Marlin
MA Elevon 429, LLC
15443 Knoll Trail Drive, Suite 130
Dallas, Texas 75248
jmarlin@madev.com

With a copy to: Attn: Robert Miklos
Miklos Cinclair, PLLC
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234
Robert@m-legal.com

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any Inspector who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Administrator, except pursuant to a collateral assignment to any person or entity providing construction financing to the Developer for the Developer for an Improvement Area #1 Project, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Improvement Area #1 Project. No such assignment shall be made by the Developer or any successor or assignee of the Developer that results in the City being an “obligated person” within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the City. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee’s express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned. The City may assign by a separate writing certain rights as described in this Agreement and in the Indenture, to the Trustee and the Developer hereby consents to such assignment.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City’s or the Developer’s rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Indenture, the Indenture shall control. To the extent there is a conflict between this Agreement and the Development Agreement, this Agreement shall control.

Section 9.07. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party’s right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 9.10. Amendment. Except as otherwise provided in Section 9.05, upon agreement by the parties, this Agreement may be amended, from time to time in a manner consistent with the Act, the Indenture, and the Bond Ordinance by written supplement hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement shall become effective as of the date first above written. All representations and warranties set forth therein shall be deemed to have been made on the effective date of this Agreement and on the Closing Date of the Bonds.

Section 9.13 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.14. Not a Listed Company. The Developer hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 9.15. Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 9.16. Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, “SB 19”), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[Execution pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed February 1, 2022.

ATTEST:

CITY OF LAVON, TEXAS

Name: Rae Norton
Title: City Secretary

By: _____
Name: Vicki Sanson
Title: Mayor

Date: _____

(City Seal)

DEVELOPER:

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

Exhibit A

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for MA Elevon 429, LLC, (the “Developer”) and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Improvement Area #1 Bond Improvement Account of the Project Fund] from Wilmington Trust, National Association (the “Trustee”) in the amount of _____ DOLLARS (\$_____) for costs incurred in the establishment, administration, and operation of the Elevon Public Improvement District (the “District”), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Elevon Public Improvement District Improvement Area #1 Construction, Funding, and Acquisition Agreement between the Developer and the City, dated as of February 1, 2022 (the “CFA Agreement”).

In connection to the above referenced payments, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the above referenced establishment, administration, and operation of the District at the time of the delivery of the Bonds has not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Developer with the establishment of the District at the time of the delivery of the Bonds, and such costs are in compliance with and within the costs as set forth in the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Indenture, and the Service and Assessment Plan.
5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

6. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

- a. X amount to Person or Account Y for Z goods or services.
- b. Payment Instructions

I hereby declare that the above representations and warranties are true and correct.

DEVELOPER:

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

APPROVAL OF REQUEST

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and authorizes and directs payment of such amounts by Trustee from the accounts listed below to the Developer or other person designated by the Developer.

Closing Costs	Amount to be Paid by Trustee from Costs of Issuance Account	Amount to be paid by Trustee from Improvement Area #1 Bond Improvement Account
\$ _____	\$ _____	\$ _____

CITY OF LAVON, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit B

CERTIFICATE FOR PAYMENT FORM – IMPROVEMENT AREA #1 PROJECT

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Elevon Public Improvement District Improvement Area #1 Construction, Funding, and Acquisition Agreement between the Developer and the City, dated as of February 1, 2022 (the “CFA Agreement”).

The undersigned is an agent for MA Elevon 429, LLC, a Texas limited liability company (the “Developer”) and requests payment to the Developer (or to the person designated by the Developer) from:

_____ the Improvement Area #1 Bond Improvement Account of the Project Fund

_____ the Improvement Area #1 Developer Improvement Account of the Project Fund

from Wilmington Trust, National Association, (the “Trustee”), in the amount of _____ (\$ _____) for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Improvement Area #1 Projects providing a special benefit to property within the Elevon Public Improvement District.

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certificate for Payment Form on behalf of the Developer and is knowledgeable as to the matters set forth herein.
2. The itemized payment requested for the below referenced Improvement Area #1 Projects has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The itemized amounts listed for the Improvement Area #1 Projects below is a true and accurate representation of the Improvement Area #1 Projects associated with the creation, acquisition, or construction, or installation of said Improvement Area #1 Projects and such costs (i) are in compliance with the CFA Agreement, and (ii) are consistent with and within the cost identified for such Improvement Area #1 Projects as set forth in the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Indenture, and the Service and Assessment Plan.
5. The Developer or their assignee is not delinquent on PID assessments or property taxes for property under their respective control within the District.
6. All conditions set forth in the Indenture and the CFA Agreement for the payment hereby requested have been satisfied.

7. The work with respect to Improvement Area #1 Projects referenced below (or its completed segment) has been completed, and the Inspector has inspected such Improvement Area #1 Projects (or its completed segment).

8. The Developer agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested are as follows:

Payee / Description of Improvement Area #1 Projects	Total Cost of Improvement Area #1 Projects	Budgeted Cost of Improvement Area #1 Projects	Amount requested to be paid from the Improvement Area #1 Bond Improvement Account ¹	Amount requested to be paid from the Improvement Area #1 Developer Improvement Account	Total amount disbursed from the Improvement Area #1 Bond Improvement Account upon payment of sums under this Payment Certificate	Total amount disbursed from the Improvement Area #1 Developer Improvement Account upon payment of sums under this Payment Certificate

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are **“bills paid” affidavits and supporting documentation** in the standard form for City construction projects evidencing that any contractor or subcontractor having performed work on an Improvement Area #1 Project described above has been paid in full for all work completed through the previous Certificate for Payment.

Pursuant to the CFA Agreement, after receiving this payment request, the Inspector has inspected the Improvement Area #1 Projects (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

Payments requested hereunder shall be made as directed below:

- a. X amount to Person or Account Y for Z goods or services.
- b. Payment instructions

[FOR INITIAL PAYMENT OUT OF IMPROVEMENT AREA #1 BOND IMPROVEMENT ACCOUNT THAT EXCEEDS THE AUTHORIZED AMOUNT, THE FOLLOWING REPRESENTATIONS MUST BE PROVIDED]

¹ Any amount over the Authorized Amount shall not be released from the Improvement Area #1 Bond Improvement Account unless and until satisfaction of a Release Condition (as defined in the Indenture)

[With this Certificate for Payment, the Developer is requesting disbursement of money from the Improvement Area #1 Bond Improvement Account in excess of the Authorized Amount, and the Developer hereby certifies that as of the date of submission of this Certificate for Payment [the City has issued a certificate of occupancy for at least two (2) homes within Improvement Area #1][the ratio of the estimated taxable assessed value of the property within Improvement Area #1 to the total amounts drawn from the Improvement Area #1 Bond Improvement Account and the Improvement Area #1 Developer Improvement Account, inclusive of the amounts requested under this Certificate for Payment, equals [TO BE PROVIDED] to 1.00, which is at least 2.00 to 1.00 as required under Section 6.5(g) of the Indenture. The estimated taxable assessed value of the property within Improvement Area #1 is \$[TO BE PROVIDED] which is derived from: (i) the sale price (as evidenced by executed real estate contracts or HUD-1 settlement statement provided to the City) of property within the District that has been sold and for which development on that property has begun; (ii) the sale price (as evidenced by executed real estate contracts or HUD-1 settlement statement provided to the City) of property which has been sold but for which development has not begun; (iii) the Collin Central Appraisal District's value of property established by the last tax statement sent by the Collin County Tax Assessor; or (iv) any combination of (i) through (iii) without duplication. The total amount drawn from the Improvement Area #1 Bond Improvement Account and from the Improvement Area #1 Developer Improvement Account, inclusive of the amounts requested under this Certificate for Payment is \$[TO BE PROVIDED].]

I hereby declare that the above representations and warranties are true and correct.

Dated: _____.

DEVELOPER:

MA ELEVON 429, LLC,
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company, its sole manager

By: _____
John D. Marlin, Manager

APPROVAL OF REQUEST

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, and finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and authorizes and directs payment of the amounts set forth below by Trustee from the Project Fund to the Developer or other person designated by the Developer as listed and directed on such Certificate for Payment. The City’s approval of the Certificate for Payment shall not have the effect of estopping or preventing the City from asserting claims under the CFA Agreement, the Indenture, the Service and Assessment Plan, or any other agreement between the parties or that there is a defect in the Improvement Area #1 Projects.

Pursuant to the CFA Agreement, after or upon receiving this payment request, the City has inspected or been provided inspection reports for the Improvement Area #1 Projects (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

Amount of Payment Certificate Request	Amount to be Paid by Trustee from Improvement Area #1 Bond Improvement Account	Amount to be paid by Trustee from Improvement Area #1 Developer Improvement Account
\$ _____	\$ _____	\$ _____

[TO BE CERTIFIED WITH CERTIFICATION FOR PAYMENT FOR INITIAL PAYMENT OUT OF IMPROVEMENT AREA #1 BOND IMPROVEMENT ACCOUNT THAT EXCEEDS THE AUTHORIZED AMOUNT AND SATISFACTION OF A RELEASE CONDITION (AS DEFINED IN THE INDENTURE): The City hereby certifies that it has received satisfactory evidence of satisfaction of a Release Condition set forth in the Indenture.]

CITY OF LAVON, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit C

**REIMBURSEMENT AGREEMENT CERTIFICATE FORM – IMPROVEMENT AREA
#1 PROJECT**

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Elevon Public Improvement District Improvement Area #1 Construction, Funding, and Acquisition Agreement between the Developer and the City, dated as of February 1, 2022 (the “CFA Agreement”).

The undersigned is an agent for MA Elevon 429, LLC, a Texas limited liability company (the “Developer”) and requests establishment of an amount of _____ (\$_____) for reimbursement to the Developer under the Reimbursement Agreement for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Improvement Area #1 Projects providing a special benefit to property within the Elevon Public Improvement District.

In connection with the above referenced reimbursement amount, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Reimbursement Agreement Certificate Form on behalf of the Developer and is knowledgeable as to the matters set forth herein.
2. The itemized reimbursement requested for the below referenced Improvement Area #1 Projects has not been the subject of any prior reimbursement request submitted for the same work to the City.
3. The itemized amounts listed for the Improvement Area #1 Projects below is a true and accurate representation of the Improvement Area #1 Projects associated with the creation, acquisition, or construction, or installation of said Improvement Area #1 Projects and such costs (i) are in compliance with the CFA Agreement, and (ii) are consistent with and within the cost identified for such Improvement Area #1 Projects as set forth in the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Indenture, and the Service and Assessment Plan.
5. The Developer or their assignee is not delinquent on PID assessments or property taxes for property under their respective control within the District.
6. All conditions set forth in the Reimbursement Agreement for the reimbursement hereby requested have been satisfied.
7. The work with respect to Improvement Area #1 Projects referenced below (or its completed segment) has been completed, and the Inspector has inspected such Improvement Area #1 Projects (or its completed segment).

8. The Developer agrees to cooperate with the City in conducting its review of the requested reimbursement and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Reimbursement amount requested is as follows:

Payee / Description of Improvement Area #1 Projects	Total Cost of Improvement Area #1 Projects	Budgeted Cost of Improvement Area #1 Projects	Amount requested to be reimbursed under Reimbursement Agreement	Total Reimbursement Amount requested under Reimbursement Agreement upon addition of sums under this Reimbursement Agreement Certificate

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are **“bills paid” affidavits and supporting documentation** in the standard form for City construction projects evidencing that any contractor or subcontractor having performed work on an Improvement Area #1 Project described above has been paid in full for all work completed through the previous Reimbursement Agreement Certificate.

Pursuant to the CFA Agreement, after receiving this reimbursement request, the Inspector has inspected the Improvement Area #1 Projects (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

I hereby declare that the above representations and warranties are true and correct.

Dated: _____.

DEVELOPER:

MA ELEVON 429, LLC,
 a Texas limited liability company

By: MA Partners, LLC,
 a Texas limited liability company, its sole manager

By: _____
 John D. Marlin, Manager

APPROVAL OF REQUEST

The City is in receipt of the attached Reimbursement Agreement Certificate, acknowledges the Reimbursement Agreement Certificate, and finds the Reimbursement Agreement Certificate to be in order. After reviewing the Reimbursement Agreement Certificate, the City approves the Reimbursement Agreement Certificate and authorizes the reimbursement amount to be added to the “Reimbursement Amount” under the Reimbursement Agreement, subject to any maximum amount or other provisions of the Reimbursement Agreement. The City’s approval of the Reimbursement Agreement Certificate shall not have the effect of estopping or preventing the City from asserting claims under the CFA Agreement, the Indenture, the Service and Assessment Plan, the Reimbursement Agreement, or any other agreement between the parties or that there is a defect in the Improvement Area #1 Projects.

Pursuant to the CFA Agreement, after or upon receiving this reimbursement request, the City has inspected or been provided inspection reports for the Improvement Area #1 Projects (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

Amount of Reimbursement Agreement Certificate Request	Amount to be added to the Reimbursement Amount under the Reimbursement Agreement
\$ _____	\$ _____

CITY OF LAVON, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)

APPENDIX G
DEVELOPMENT AGREEMENT

(THIS PAGE IS INTENTIONALLY LEFT BLANK.)



20211112002318500 11/12/2021 01:55:20 PM AG 1/147

**ELEVON
DEVELOPMENT AGREEMENT**

BETWEEN

MA ELEVON 429, LLC

AND

PETRO-HUNT, L.L.C.

FAR EAST LAVON, LP

78 STRADDLE, LP

EAST LAVON PARTNERS, LP

WORLD LAND DEVELOPERS, LP

AND

THE CITY OF LAVON, TEXAS

Dated: November 2, 2021

**ELEVON
DEVELOPMENT AGREEMENT**

This Elevon Development Agreement (this “**Agreement**”), dated as of November 2, 2021 (the “**Effective Date**”), is entered into between MA Elevon 429, LLC, a Texas limited liability company (the “**Developer**”), Petro-Hunt, LLC, a Texas limited liability company, Far East Lavon, LP, a Texas limited partnership, 78 Straddle, LP, a Texas limited partnership, East Lavon Partners, LP, a Texas limited partnership, and World Land Developers, LP, a Texas limited liability company (collectively, the “**Owners**”), and the City of Lavon, Texas (the “**City**”), a general law city, acting by and through its duly authorized representative.

Recitals:

WHEREAS, unless otherwise defined: (1) all references to “sections” shall mean sections of this Agreement; (2) all references to “exhibits” shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes; (3) all references to “ordinances” or “resolutions” shall mean ordinances or resolutions adopted by the City Council of the City of Lavon (the “**City Council**”); and (4) all capitalized terms used herein shall have the meanings set forth in this Agreement; and

WHEREAS, the Developer and the City are collectively referred to as the “Parties”; and

WHEREAS, the Developer has entered into a contract with the Owners to acquire approximately 1,268.695 acres of land, of which approximately 131.651 acres are located within the city limits (the “**In-City Property**”) and approximately 1,137.044 acres are located within the extraterritorial jurisdiction of the City (the “**ETJ Property**”), which In-City Property and ETJ Property are collectively described by metes and bounds and depicted in the attached Exhibit A-1 (the “**Property**”); and

WHEREAS, with respect to provisions in this Agreement that are applicable to the Property, the Parties intend that this Agreement will be automatically assigned to the Developer with respect to such portions of the Property that have been acquired by the Developer; and

WHEREAS, with respect to provisions in this Agreement that are applicable to the Property, the Parties intend that this Agreement will be automatically assigned by the Developer to an affiliate of the Developer with respect to a specifically identified portion of the Property; and

WHEREAS, it is intended that the Property will be developed by the Developer and its affiliates primarily as a residential housing development (the “**Project**”); and

WHEREAS, the Developer may request the addition of land not to exceed three hundred (300) acres to the Project, and the City may consider an amendment to this Agreement to include such additional land (the “**Additional Land**”); and

WHEREAS, in order to incentivize the development of the Property and the annexation of the ETJ Property and encourage and support economic development within the City and to promote employment, the City desires to facilitate the development of the Property through the

financing of certain Public Improvements and providing certain economic development incentives and grants; and

WHEREAS, in order to finance the Public Improvements, the City Council intends to create a public improvement district (the “**PID**”) over the single-family residential portions of the Property as described by metes and bounds and depicted in the attached Exhibit A-2 (the “**PID Property**”) in accordance with Chapter 372 Texas Local Government Code, as amended (the “**PID Act**”) and to create a tax increment reinvestment zone for a period of fifty (50) years over the Property (the “**TIRZ**”); and

WHEREAS, the City recognizes that financing of the Public Improvements confers a special benefit to the PID Property; and

WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement), (i) adopt separate Assessment Ordinances to levy Assessments against specially benefitted property within the PID, (ii) approve one or more Service and Assessment Plans which provide for the construction and financing of the Public Improvements payable in whole or in part by and from the Assessments, (iii) enter into a PID Reimbursement Agreement relating to the PID for the reimbursement of Public Improvement Project Costs, (iv) create a TIRZ over the Property and approve a TIRZ Project and Finance Plan, all to provide for the construction and financing of the Public Improvements and payment of Public Improvement Project Costs, as more specifically provided herein; (v) enter into the TIRZ Reimbursement Agreement(s) with the Developer for the payment or reimbursement of the Public Improvement Project Costs not paid for by PID Bond Proceeds in accordance with the TIRZ Act and the TIRZ Project and Finance Plan; (vi) issue multiple series of PID Bonds up to an aggregate maximum principal amount of \$250,000,000 for payment or reimbursement of the Public Improvement Project Costs in accordance with the PID Act and as set forth in the Service and Assessment Plan, and (vii) to provide for a Chapter 380 Texas Tax Code grant to the Developer; and

WHEREAS the payment and reimbursement for the Public Improvements shall be solely from (i) the installment payments of Assessments, (ii) proceeds of the PID Bonds, (ii) and revenues from the TIRZ, all as set forth herein, and the City shall never be responsible for the payment of the Public Improvements or the PID Bonds from its general fund or its ad valorem taxes; and

WHEREAS, the Parties agree that the Public Improvements are improvements that qualify as projects under Chapter 311, Texas Tax Code, as amended (the “**TIRZ Act**”); and

WHEREAS, upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement, the City intends to use TIRZ Revenues for payment or reimbursement of the Public Improvement Project Costs, as set forth herein; and

WHEREAS, the Parties agree that the commercial, business park, and mixed-use portions of the ETJ Property will be annexed voluntarily into the city limits of the City upon the issuance of the first series of PID Bonds and the PID Property will be annexed voluntarily into the city limits of the City on a Zone by Zone basis, upon the issuance of the first series of PID Bonds for a PID Zone of development in a Zone as set forth herein; and

WHEREAS, immediately following each annexation of the ETJ Property, the City intends to consider zoning the annexed portion of the ETJ Property as a planned development district consistent with the Governing Regulations, and the Parties acknowledge that the Property may be developed and used in accordance with this Agreement notwithstanding any zoning of the Property in conflict with this Agreement; and

WHEREAS, with respect to the ETJ Property, the Parties have the authority to enter into this Agreement pursuant to Section 212.171 et seq of the Texas Local Government Code; and

WHEREAS, the Parties intend that this Agreement is a development agreement as provided for by state law in Section 212.171 et seq of the Texas Local Government Code;

WHEREAS, this Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code and as allowed pursuant to Section 212.172(g) of the Texas Local Government Code; and

WHEREAS, the City recognizes the positive impact that the annexation and construction and installation of the Public Improvements will bring to the City and that such annexation and construction and installation will promote state and local economic development; to stimulate business and commercial activity in the municipality; for the development and diversification of the economy of the State; development and expansion of commerce in the State, and elimination of unemployment or underemployment in the State.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Article have the meanings assigned to them in the Recitals or this Article, and all such terms include the plural as well as the singular.

“Actual Costs” means the demonstrated, reasonable, allocable, and allowable costs of constructing the Public Improvements, as specified in a payment request in a form that has been reviewed and approved by the City and in an amount not to exceed the amount for each Public Improvement as set forth in the applicable Service and Assessment Plan relating to such Public Improvements, except for authorized reallocations, which include Cost Underruns in any category of Public Improvements being reallocated to cover Cost Overruns in any different category of Public Improvements as approved by the City. Actual Costs may include: (1) the costs incurred by, caused to be incurred by, or on behalf of the Developer (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Public Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Public Improvements; (3) construction management fees equal to 4% of the hard cost of the Public Improvements (not soft costs); (4) the costs incurred by or on behalf of the Developer for external professional costs, such as engineering,

geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (5) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Public Improvements; and (6) all related permitting and public approval expenses, architectural, engineering, and consulting fees, and governmental fees and charges, and (7) any other costs as allowed by law and agreed to by the Parties.

“Additional Land” is defined in the recitals.

“Affiliates” of MA Elevon 429, LLC means any other person directly controlling, or directly controlled by or under direct common control with MA Elevon 429, LLC As used in this definition, the term “control,” “controlling” or “controlled by” shall mean the possession, directly, of the power either to: (a) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of the Developer, or (b) direct or cause the direction of management or policies of the Developer, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of the Developer or any affiliate of such lender.

“Agreement” is defined in the introductory paragraph and means this Elevon Development Agreement.

“Agricultural Exemption” is defined in Section 14.25.

“Agricultural Exemption Waiver Agreement” is defined in Section 14.25.

“Annual Installment” means with respect to each parcel subject to Assessments, each annual payment of the Assessments, including any applicable interest and other costs, as set forth and calculated in a SAP.

“Applicable Law” means any applicable, valid and lawful statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority. Applicable Laws shall include, but not be limited to, City Regulations.

“Appraisal” means an independent appraisal of the property to be assessed in the PID provided by a licensed MAI Appraiser acceptable to the City, such Appraisal to include (i) the projected value of land assuming the construction and installation of the Public Improvements to be financed in part with PID bonds (i.e., “as-complete”), and the construction and installation of the Private Improvements to be financed by the Developer (i.e., “as-complete”), necessary to get to a Final Lot Value.

“Assessment Ordinance” means the City’s ordinance(s) approving the SAP(s) and levying Assessments on the benefitted PID Property within the PID.

“Assessments” means those certain assessments levied by the City pursuant to the PID Act on specially benefitted parcels within the PID for the purpose of paying the costs of the Public Improvements.

“Assessment Revenue” means the revenues received by the City from the collection of Assessments.

“Bear Creek SUD” means the Bear Creek Special Utility District.

“Builder Completion Agreement” means an agreement satisfactory to the City entered into between the Trustee and a Publicly-Held Builder or a Substantial Builder for the completion of improvements within the Elevon Development.

“City” is defined in the introductory paragraph and means the City of Lavon, Texas.

“City Council” means the City Council of the City of Lavon, Texas.

“City Regulations” mean the applicable, valid and lawful City Code provisions, ordinances, and uniform and international building and construction codes, duly adopted by the City, as they may be amended, which shall be applied to the Elevon Development, and the Governing Regulations.

“City Representative” means the City Administrator or designee which may include a third-party inspector or representative.

“City Tax Increment” means, for any given year beginning with the 2021 tax year, forty-five percent (45%) of the ad valorem property taxes levied and collected by the City for that year on the captured appraised value of real property taxable by the City and located within the TIRZ for the term of the TIRZ, as set forth in 3.06 herein.

“Closing Disbursement Request” means the Closing Disbursement Request described in Section 7.03, the form of which is attached as Exhibit B.

“Commencement of Construction” shall mean that (i) the plans have been prepared and all approvals thereof required by applicable Governmental Authorities have been obtained for construction of the applicable improvement, or portion thereof, as the case may be, in each PID Phase; (ii) all necessary permits for the initiation of construction of the improvement, or portion thereof, as the case may be, in each PID Phase pursuant to the respective plans therefore having been issued by all applicable governmental authorities; and (iii) grading for the construction of the applicable improvement, or portion thereof, as the case may be, has commenced.

“Completion of Construction” shall mean that (i) the construction of the applicable Public Improvement, or portion or segment thereof, as the case may be, benefitting the Property has been substantially completed in accordance with City Regulations; and (ii) the City has with respect to applicable Public Improvements accepted the respective Public Improvements or segment or portion thereof.

“Concept Plan” means that certain conceptual drawing of the Elevon Development which shall be set forth on Exhibit C-1.

“Construction Agreement” mean the Developer’s contracts for the construction of the Public Improvements.

“Cost Overruns” means those Public Improvement Project Costs that exceed the budget cost set forth in the SAP

“Cost Underruns” means Public Improvement Project Costs that are less than the budgeted cost set forth in the SAP.

“County” means Collin County, Texas.

“County Tax Increment” means the percentage of the County’s ad valorem taxes collected within the Property pursuant to a participation agreement between the County and the City in accordance with the TIRZ Act.

“Cure Time Notice” is defined in Section 12.01.

“Deficit” is defined in Section 3.04.

“Developer” is defined in the introductory paragraph and means MA Elevon 429, LLC, its successors, all affiliates, and permitted assigns.

“Developer Contribution” means that portion of the Public Improvement Project Costs that the Developer is contributing to initially fund the Public Improvements for each PID Phase, as determined pursuant to Section 3.04 and as may be reimbursed as set forth herein.

“Development Annexation Fee” is defined in Section 5.10.

“Effective Date” is defined in the introductory paragraph of this Agreement.

“Eminent Domain Fees” is defined in Section 4.03.

“End Buyer” means any developer, homebuilder, tenant, user, or owner of a Fully Developed and Improved Lot.

“Estimated Build Out Value” means the estimated value of an assessed property with fully constructed buildings, as provided by the Developer and confirmed by the City by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value.

“Event of Default” means the occurrence of a default by a Party in accordance with Section 12.01.

“Elevon Development” means that residential and commercial development to be developed and constructed on the Property as contemplated by the PD and this Agreement.

“Final Lot Value” means the developed lots value established by an Appraisal.

“Force Majeure” means any act that (i) materially and adversely affects the affected Party’s ability to perform the relevant obligations under this Agreement or delays such affected Party’s ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the

affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics; and (g) actions or omissions of a Governmental Authority (including the actions of the City in its capacity as a Governmental Authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any Applicable Law or failure to comply with City Regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events if caused by the action or inaction of the Developer: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any Affiliate of the Developer, other than industry or nationwide strikes or labor disputes; (x) weather conditions which could reasonably be anticipated by experienced contractors operating the relevant location; (y) the occurrence of any manpower, material or equipment shortages; or (z) any delay, default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the Developer, or any construction contracts for the Public Improvements.

"Form 1295" is defined in Section 14.21.

"Fully Developed and Improved Lot" means any lot in the Property, regardless of proposed use, intended to be served by the Public Improvements and for which a final plat has been approved by the City and recorded in the real property records of Collin County, Texas.

"Future Improvement Area" means a distinct portion of the PID that may be developed in an existing PID Phase, as a separate and distinct PID Phase, which portion of the PID is in an area of the Property with Assessments levied to pay debt service on outstanding PID Bonds.

"Future Improvement Area Assessed Property" means any and all parcels within a Future Improvement Area as shown on an assessment roll against which a Future Improvement Area Assessment relating to the Future Improvement Area Improvements is levied.

"Future Improvement Area Assessment" means the Assessments levied on Future Improvement Area Assessed Property within a Future Improvement Area to fund Future Improvement Area Improvements.

"Future Improvement Area Bonds" means bonds, notes or other obligations issued or incurred to fund Future Improvement Area Improvements (or a portion thereof) in a Future Improvement Area secured by Future Improvement Area Assessments levied against the Future Improvement Area Assessed Property located within the Future Improvement Area benefitting from the Future Improvement Area Improvements being financed.

"Future Improvement Area Improvements" means the Public Improvements which only benefit the Future Improvement Areas and will be described in the Service and Assessment Plan.

"Gas Franchise Fees" means the five percent (5%) fee that the City currently charges for the use of its rights-of-way, by the provider of natural gas to the Property.

“Governmental Authority” means any Federal, state or local governmental entity (including any taxing authority), the City, or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof) and any arbitrator to whom a dispute has been presented under Applicable Law, pursuant to the terms of this Agreement or by agreement of the Parties.

“Governing Regulations” means the following regulations by which development of the Property shall be governed (collectively, the “Governing Regulations”):

- (a) the Concept Plan, which Concept Plan is considered to be a development plan as provided for in Section 212.172 of the Texas Local Government Code;
- (b) the Open Space Plan, which Open Space Plan is considered to be a development plan as provided for in Section 212.172 of the Texas Local Government Code;
- (c) the Road Plan, which Road Plan, is considered to be a development plan as provided for in Section 212.172 of the Texas Local Government Code;
- (d) the Development Standards as set forth in Exhibit E;
- (e) the development charges set forth in Section 5 below;
- (f) the City's building codes in effect on the date a preliminary plat for that phase is approved by the City for each phase of the Elevon Development and generally applicable within the City's corporate limits;
- (g) the subdivision ordinance of the City in effect on the date a preliminary plat for that phase is approved by the City for each phase of the Elevon Development, as modified by the Development Standards; and
- (h) the PD Zoning.

“HOA” is defined in Section 9.01(a).

“HOA Maintenance Agreement” is defined in Section 9.01(a).

“HOA Maintained Improvements” is defined in Section 9.01(a).

“Home or Property Buyer Disclosure Program” means the disclosure program, which shall mandate that a document meeting the requirements set forth in Exhibit D shall be provided to an End Buyer of residential property within the PID.

“Impositions” shall mean all valid taxes, assessments, use and occupancy taxes, sales taxes, charges, excises, license and permit fees, and other charges by public or Governmental Authority, which are or may be assessed, charged, levied, or imposed by any public or Governmental Authority on Developer, or any property or any business owned by Developer within City, so long as such Impositions are not illegal exactions, illegal fees or illegal taxes.

“Improvement Area Improvements” means those Public Improvements that are constructed for and only benefit each PID Phase or a portion of a PID Phase of the Elevon Development, as set forth in the Service and Assessment Plan.

“Indenture” means the applicable trust indenture pursuant to which each series of PID Bonds are issued.

“Landowner Consent” means a consent certificate by the owner(s) of the Property consenting to the formation of the PID and the levy of Assessments in substantially the form attached hereto as Exhibit H.

“Major Improvements” means those Public Improvements that are constructed for and benefit all PID Property, as set forth in the Service and Assessment Plan.

“Nevada SUD” means the Nevada Special Utility District.

“Open Space Plan” means that certain open space drawing of the Elevon Development which shall be set forth on Exhibit C-2.

“Oversized Public Improvements” means the oversizing of Public Improvements that will serve areas outside the Property.

“Parties” or “Party” means the City, the Owners, and the Developer as parties to this Agreement.

“Payment Certificate” means a certificate for payment submitted pursuant to an Indenture or a PID Reimbursement Agreement as set forth in Section 7.03, substantially in the form attached as Exhibit F. Notwithstanding the foregoing, the PID Administrator may request consolidation of Payment Certificates into one form to be paid from differing sources of revenues.

“PD” or “PD Zoning” means the Planned Development Zoning District Ordinance, to be approved by the City as each Zone is annexed in conformity with the Concept Plan Development Standards and this Agreement which will zone the Property.

“Plans and Specifications” means the engineering and architectural drawings and schematic designs of the Private Improvements and Public Improvements approved by the City.

“PID” means the Elevon Public Improvement PID to be created by the City pursuant to the PID Act.

“PID Administrator” means an employee or designee of the City who shall have the responsibilities provided in the Service and Assessment Plan, Assessment Ordinance or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the PID.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“PID Bond Proceeds” means the proceeds of the PID Bonds, net of costs of issuance, capitalized interest, reserve funds and other financing costs, that are deposited to the Project Fund.

“PID Bonds” means each series of special assessment revenue bonds issued by the City pursuant to the PID Act for the payment or reimbursements of the Public Improvement Project Costs.

“PID Bond Fee” is defined in Section 14.02.

“PID Phase” means a distinct portion of the PID described by metes and bounds that will be developed as a construction phase of the Development.

“PID Property” is defined in the recitals.

“PID Reimbursement Agreement(s)” means the agreement between the City and the Developer in which Developer agrees to fund certain Public Improvement Project Costs and the City agrees to reimburse the Developer for a portion of such costs of the Public Improvement with interest from the proceeds of Assessments or Reimbursement Bonds pursuant to the applicable SAP.

“PID Reimbursement Obligation” means the amount of Assessment or Reimbursement Bond revenue due to Developer pursuant to the PID Reimbursement Agreement(s).

“POA” is defined in Section 9.02(a).

“POA Maintenance Agreement” is defined in Section 9.02(a).

“POA Maintained Improvements” is defined in Section 9.02(a).

“Private Improvements” means those private horizontal improvements necessary to get to a Final Lot Value, excluding the Public Improvements, described in the Plans and Specifications, submitted to the City pursuant to the City Regulations or development process, as applicable, being constructed in the PID.

“Project Fund” means the fund by that name created under the applicable Indenture into which PID Bond Proceeds shall be deposited.

“Property” is defined in the recitals.

“Public Improvements” means public improvements to be developed and constructed or caused to be developed or constructed inside and outside of the PID by the Developer to serve the assessed property within the PID and the applicable PID Phase, which includes the improvements described in Exhibit G and in the applicable Service and Assessment Plan.

“Public Improvement Financing Date” means the date the City approves a bond purchase agreement and sells the initial series of PID Bonds for each PID Phase. With respect to the initial PID Phase, the Public Improvement Financing Date shall be no later than January 31, 2022; and, for each subsequent PID Phase thereafter, the Public Improvement Financing Date shall be no later

than sixty (60) days from the date the City approves a preliminary amended and restated Service and Assessment Plan for the applicable PID Phase, unless otherwise agreed to by the Developer and the City; which dates may be extended by written agreement of the Developer and the City upon City Council approval.

“Public Improvement Project Costs” means the Actual Costs of the Public Improvements as set forth in Exhibit G, as may be amended pursuant to this Agreement and as set forth in the applicable Service and Assessment Plan, such costs to be eligible “project costs,” as defined in the PID Act and the TIRZ Project and Finance Plan.

“Public Safety Site” means 6.8 acres or more of the Property to be dedicated to the City for emergency service usages as shown on the Concept Plan.

“Publicly-Held Builder” means a homebuilder that is a public company, a publicly traded company, a publicly held company, a publicly listed company, or a public limited company with shares of stock which are intended to be freely traded on a stock exchange or in over-the-counter markets.

“Reimbursement Bonds” means PID Bonds issued pursuant to a PID Reimbursement Agreement to reimburse the Developer for Public Improvements that have reached Completion of Construction and for prior expenditures of Public Improvement Project Costs that have been verified by the City.

“Road Plan” means that certain roadway plan of the Elevon Development which shall be set forth on Exhibit C-3.

“Service and Assessment Plan” or “SAP” means the Service and Assessment Plan for the PID and any amendments, supplements or updates thereto, adopted and approved by the City that identifies and allocates the Assessments on benefitted parcels within the PID and sets forth the method of assessment, the parcels assessed, the amount of the Assessments, the Public Improvements and the method of collection of the Assessment.

“Sewer Tap Fees” means all fees charged by the City within the each PID Phase to fund the construction of sewer improvements, collected at the time of building permit application to the City, in accordance with the City Regulations in effect from time to time.

“Substantial Builder” means a homebuilder that has constructed a minimum of 300 of single family residential homes in the last calendar year.

“SUD” means the Bear Creek SUD or the Nevada SUD, as applicable.

“Tax Certificate” is defined in Section 3.02(f).

“TEC” means the Texas Ethics Commission.

“TIRZ Account” is defined in Section 3.06.

“TIRZ Act” means Chapter 311, Texas Tax Code, as amended.

“TIRZ(s)” means the tax increment reinvestment zone created by the City pursuant to Section 3.06 herein.

“TIRZ Fund” means the fund set up by the City in order to receive the TIRZ Revenues in accordance with this Agreement, the TIRZ Act and the TIRZ Project and Finance Plan.

“TIRZ Zone” means that subaccount of the TIRZ Fund that will receive the TIRZ revenue for that specific Zone of the TIRZ.

“TIRZ Zone Fund” means the fund set up by the City in order to receive the TIRZ Revenues for that TIRZ Zone in accordance with this Agreement, the TIRZ Act and the TIRZ Project and Finance Plan.

“TIRZ Project and Finance Plan” means that certain project plan and finance plan for the TIRZ required by Chapter 311, Texas Tax Code, as amended that sets for the projects to be undertaken in the TIRZ.

“TIRZ Reimbursement Agreement” means the agreement that may be entered in the future between the City and the Developer in which Developer agrees to fund certain Public Improvement Project Costs and the City agrees to reimburse the Developer for a portion of such costs of the Public Improvement with TIRZ Revenues.

“TIRZ Revenues” means the revenues received from the City Tax Increment and the County Tax Increment collected and deposited to the applicable TIRZ Account.

“Trustee” means the trustee under the Indenture.

“Up Front Bonds” means PID Bonds issued by the City to pay for Public Improvement Project Costs prior to the expenditure of material funds by the Developer for payment of such Public Improvement Project Costs.

“Water Improvements” means the water lines, facilities and infrastructure improvements needed to serve the Property and constituting Public Improvements.

“Zone” means a portion of the Property described by metes and bounds provided by the Developer to the City and as further described in the Service and Assessment Plan, which may include multiple phases, including one or more PID Phases.

“Zone Improvements” means those Public Improvements within the Elevon Development that benefit more than one PID Phase but are not Major Improvements.

“380 Grant” means an economic development grant to the Developer of a portion of the collected Gas Franchise Fees pursuant to Chapter 380, Texas Local Government Code, as amended.

ARTICLE II

ELEVON DEVELOPMENT

Section 2.01. Scope of Agreement. This Agreement establishes provisions for the annexation of the Property on a Zone by Zone basis, the establishment of Governing Regulations and PD Zoning, creation of the PID, the apportionment, levying, and collection of Assessments on the Property within the PID, the construction of the Public Improvements; reimbursement, acquisition, ownership and maintenance of the Public Improvements; and the issuance of PID Bonds for the financing of a portion of the Public Improvements benefitting the Property within the PID; the use of TIRZ Revenues; the funding of certain economic development grants; and the dedication of the Public Safety Site.

Section 2.02. Project Overview – Elevon Development.

(a) The Developer will undertake or cause the undertaking of the design, development, construction, maintenance (until the time of City or SUD acceptance, as applicable), management, use and operation of the Elevon Development, including the Public Improvements. The Elevon Development will consist of the elements, as set forth and described in the Concept Plan and in the PD if, as and when each PID Phase is acquired by the Developer to deliver a high-quality, master-planned community.

(b) Subject to the terms and conditions set forth in this Agreement, the Developer shall plan, design, construct, and complete or cause the planning, designing, construction and completion of the Public Improvements in accordance with the Governing Regulations and subject to the City's approval as provided herein and in accordance with Applicable Law.

(c) Upon completion and acceptance by the City, the City shall own and maintain all of the Public Improvements but not the Water Improvements, which will be owned, operated and maintained by Bear Creek SUD or the Nevada SUD, as applicable.

(d) A maximum of 1,000 multifamily residential units shall be allowed as a part of the development of the Property.

(e) A maximum of 3,700 single family residential units shall be allowed as a part of the development of the Property.

ARTICLE III

PUBLIC IMPROVEMENT DISTRICT AND TAX INCREMENT REINVESTMENT ZONE

Section 3.01. Creation.

The Developer intends to request the creation of a PID encompassing the PID Property by submitting a petition to the City that contains a list of the Public Improvements for the PID to be funded or acquired with Assessment Revenues and/or PID Bond Proceeds and the estimated or actual Public Improvement Project Costs. Upon receipt and acceptance of such petition, the City intends to schedule a public hearing to consider the creation of a PID in accordance with the PID

Act. The PID will be created, at the City Council's discretion, after such public hearing. The Developer and the City may enter into a professional services agreement that obligates Developer to fund the costs of the City's consultants relating to the creation of the PID and preparation for and issuance of PID Bonds, and agree that such costs are eligible to be reimbursed to the Developer from such PID Bond Proceeds.

Section 3.02. Issuance of PID Bonds.

(a) Subject to the terms and conditions set forth in this Article, the City intends to authorize the issuance of the PID Bonds for each PID Phase, which PID Bonds may be in multiple series per PID Phase, up to an aggregate principal amount of \$250,000,000 for all PID Phases to construct, reimburse or acquire the Public Improvements. The Public Improvements to be constructed and funded in connection with the PID Bonds and the levy of Assessments are detailed in Exhibit G and as included in the Service and Assessment Plan, which may be amended from time to time. The Developer may request issuance of PID Bonds for a PID Phase by filing with the City a list of Public Improvements to be funded with the PID Bonds and the estimated or actual Public Improvements Project Costs of such. The PID Bond Proceeds will be used to pay for, reimburse or acquire the Public Improvements. Notwithstanding the foregoing or anything in this Agreement appearing to the contrary, the issuance of each series of PID Bonds is a discretionary, governmental action by the City Council and is subject to future determination by the City Council and is further conditioned upon the adequacy of the bond security and the financial ability and obligation of the Developer to satisfy the Developer Contribution as set forth in Section 3.04. Furthermore, if the City fails to issue PID Bonds within one hundred eighty (180) days of a request by the Developer, provided that such failure to issue PID Bonds is not due to any action or inaction of the Developer, the Developer may terminate this Agreement as to the remainder of the PID Property as set forth in Section 10.01.

(b) The issuance of each series of PID Bonds (which may include more than one series of PID Bonds for each PID Phase, as determined by the City) is subject to the discretion of the City Council and such PID Bonds shall be issued with the terms deemed appropriate by the City Council at the time of issuance.

(c) The following conditions must be satisfied prior to the City's consideration of the sale of any series of PID Bonds:

(i) the aggregate maximum par amount of all PID Bonds shall not exceed \$250,000,000;

(ii) the maximum Assessment shall be no greater than \$1.00 per \$100 of assessed value at the time of the levy of the Assessment on each PID Phase based on the Estimated Build Out Value of each parcel; such rate limit for each PID Phase as determined at the time of the levy of the Assessments applies on an individual assessed parcel basis by lot type based on Estimated Build Out Value, as will be set forth in more detail in the Service and Assessment Plan. If after application of the limitations set forth herein, Assessments are more than \$1.00 per \$100, a TIRZ credit shall be applied to reduce the Assessments to \$1.00 per \$100 in accordance with the applicable TIRZ Reimbursement Agreement;

(iii) the City will only issue a series of PID Bonds if:

A. For Up Front Bonds: (1) the total assessment value to lien ratio on the PID Phase is at least 1.5:1 at the time of the levy of assessments, and the total assessment value to lien ratio of each series of PID Bonds for each PID Phase is at least 2:1 at the time of the issuance of PID Bonds for each PID Phase; such values shall be confirmed by Appraisal from licensed MAI appraiser, unless the Appraisal determines a value for residential lots at an amount less than \$1,400.00 a front foot. In the case of the Appraisal being less than \$1,400 a front foot, the total assessment value to lien for the PID Bonds to be issued for a PID Phase can be lower than 2:1 (based on the Appraisal) but cannot be lower than 2:1 based on the \$1,400 per front foot at the time of issuance. PID Bond Proceeds in an amount equal to the difference between a 2:1 ratio based on the \$1,400 a front foot and the lower Appraisal ratio shall be restricted until the lien to value ratio meets a minimum of 2:1 as calculated based on the number of completed homes at the average value in that improvement area as identified in the SAP at the time of such PID Bonds being issued, and (2) for additional PID Bonds issued after the first series of PID Bonds are issued for a particular PID Phase which additional PID Bonds are secured by existing Assessments levied within that PID Phase that secure the first series of PID Bonds, the ratio of the appraised value of all property in the PID Phase for which such additional PID Bonds are issued, based on the appraised value of all property in that PID Phase as established by publicly available data from the county appraisal district, to the sum of (x) the principal amount of the additional PID Bonds being issued and (y) the outstanding principal amount of the PID Bonds previously issued for that PID Phase, must be at least 2:1; or

B. For Reimbursement Bonds: the total assessment value to lien ratio is at least 2:1 at the time of issuance of PID Bonds for each PID Phase in the Elevon Development; such values shall be confirmed by Appraisal from licensed MAI appraiser; and

C. Additionally, for Up Front Bonds or Reimbursement Bonds that constitute Future Improvement Area Bonds:

1. The Trustee and the City shall receive a certificate from the Developer certifying that Major Improvements and Zone Improvements in the prior PID Phase necessary to deliver finished lots in the Future Improvement Area are complete; and

2. The Trustee and the City shall receive a certificate from the Developer (including any homebuilder developer) certifying that:

a. property representing at least seventy five percent (75%) of the Assessments within the particular Future Improvement Area for which Future Improvement Area Bonds will be issued (the “**Future Improvement Bonded Area**”) is sold to a Publicly-Held Builder or a Substantial Builder; or

b. if property representing less than seventy-five percent (75%) of the Assessments within the particular Future Improvement Bonded Area are to be developed by the Developer, an application for building permits for twenty-five percent (25%) of the lots or parcels within the prior PID Phase in the Future Improvement Bonded Area has been approved by the City; and

3. The Trustee and City shall receive an Independent Appraisal evidencing that the aggregate value of the assessed parcels in the Future Improvement Area for which Future Improvement Area Assessments have been or will be levied to the sum of (x) the principal amount of the Future Improvement Area Bonds being issued or incurred to finance the Future Improvement Area Improvements for that particular Future Improvement Area and (y) the portion of the outstanding principal amount of any outstanding PID Bonds issued to finance the portion of the Major Improvements and Zone Improvements allocable to such Future Improvement Area, is at least 2:1. In establishing such appraised value, an "*Independent Appraisal*" means (i) the appraised value of all property in the particular Future Improvement Area as established by publicly available data from the county appraisal district or (ii) an Appraisal from a licensed MAI appraiser.

(iv) no Event of Default by the Developer has occurred or no event has occurred which but for notice, the lapse of time or both, would constitute an Event of Default by the Developer pursuant to Section 12.01 herein;

(v) subject to Section 3.05, the Developer or its Affiliates shall own all property to be assessed or all of the property owners in that PID Phase to be assessed have consented to the levy of Assessments, at the time of the levy of Assessments in each PID Phase for which the series of PID Bonds are being issued;

(vi) compliance with the requirements of section 3.05 herein;

(vii) the Developer shall have submitted evidence of a closed loan(s) from a bank or financial institution in the amount necessary to fund the Private Improvements, and any other private improvements or private amenities, and the evidence required in Section 3.04 for that portion of the Public Improvements not funded with PID Bond Proceeds for each applicable PID Phase or Zone for which PID Bonds are being sold. Any loan agreement for such improvements shall have no conditions to funding other than those customarily included in similar financing and such loan shall meet the approval of the City's financial advisor and the underwriter of the PID Bonds. Notwithstanding anything to the contrary, a Publicly-Held Builder or a Substantial Builder that is a developer may provide a Builder Completion Agreement or other evidence satisfactory to the City's financial advisor and the underwriter of its ability to fund the Private Improvements, and any other private improvements or private amenities, and that portion of the Public Improvements not funded with PID Bond Proceeds for each applicable PID Phase or Zone for which PID Bonds are being sold in accordance with Section 3.04;

(viii) a site plan including preliminary engineering is approved by City staff for the Public Improvements for the Phase for which PID Bonds are being issued;

(ix) Developer is current on all taxes, assessments, fees and obligations to the City, including without limitation payment of Assessments;

(x) Developer is not in default under this Agreement, a PID Reimbursement Agreement, any Developer Continuing Disclosure Agreement, or any other agreement with the City related to the PID

(xi) No outstanding PID Bonds are in default and no reserve funds have been drawn upon that have not been replenished;

(xii) Submission to the City of a complete application for preliminary plats and preliminary construction plans for the Public Improvements for which the respective series of PID Bonds are being issued to fund;

(xiii) The Administrator has certified that the specified portions of the costs to be paid from the PID Bond Proceeds are eligible to be paid therewith;

(xiv) The City's engineer determines that the Engineer's Report assumptions and details are reasonable;

(xv) The City has determined that there will be no negative impact on the City's creditworthiness, bond ratings, access to or cost of capital, or potential for liability, and that the PID Bonds are structured and marketed appropriately, meet all regulatory and legal requirements and are marketable under financially reasonable terms and conditions;

(xvi) The City has determined that the amount of proposed Assessments and the structure, terms, conditions and timing of the issuance of the PID Bonds are reasonable for the Authorized Improvements to be financed and the degree of development activity within the PID, and that there is sufficient security for the PID Bonds to be creditworthy;

(xvii) The maximum maturity for any sales of PID Bonds shall not exceed 30 years from the date of delivery thereof and Assessments shall not be levied for any period exceeding 50 years from the Effective Date of this Agreement;

(xviii) The final maturity for any PID Bonds shall be not later than 50 years from the date of this Agreement;

(xix) A series of PID Bonds may, but shall not be obligated to, include up to two years capitalized interest for that series of PID Bonds;

(xx) The PID Bonds shall be offered and sold and may be transferred or assigned only (A) upon compliance with applicable securities laws; and (B) unless otherwise agreed to by the City, (i) to qualified institutional buyers, investors or accredited investors as such buyers/investors are defined in compliance with applicable securities laws, and (ii) in minimum denominations of \$100,000 or integral multiples of \$5,000 in excess thereof;

(xxi) No information regarding the City, including without limitation financial information, shall be included in any offering document relating to PID Bonds without the consent of the City;

(xxii) Developer agrees to provide periodic information and notices of certain events regarding Developer and Developer's development of the Property within the PID in accordance with Securities and Exchange Commission Rule 15c2-12 and any Developer Continuing Disclosure Agreement.

(d) PID Bonds shall be issued to fund or reimburse the following, in the following order:

(i) Major Improvement Public Improvement Project Costs allocated to each PID Phase; and

(ii) Zone Improvement Public Improvement Project Costs allocated to each PID Phase, if any; and

(iii) Improvement Area Improvement Public Improvement Project Costs for each PID Phase;

(e) Prior to the issuance of a series of PID Bonds by the City, Developer agrees to provide or cause to be provided all relevant information, including financial information that is reasonably necessary in order to provide potential bond investors with a true and accurate offering document for any series of PID Bonds. Developer agrees, represents, and warrants that any information provided by Developer for inclusion in a disclosure document for an issue of PID Bonds will not, to its knowledge, contain any untrue statement of a material fact or omit any statement of material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and Developer further agrees that it will provide a certification to such effect as of the date of the closing of any PID Bonds.

(f) If, in connection with the issuance of the PID Bonds, the City is required to deliver a certificate as to tax exemption (a "Tax Certificate") to satisfy requirements of the Internal Revenue Code of 1986, Developer agrees to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. Developer represents that such facts and estimates will be based on its reasonable expectations as of the date of issuance of the PID Bonds and will be, to the best of the knowledge of the officers of Developer providing such facts and estimates, true, correct and complete as of such date. To the extent that it exercises control or direction over the use or investment of the PID Bond Proceeds, including, but not limited to, the use of the Authorized Improvements, Developer further agrees that it will not knowingly make, or permit to be made, any use or investment of such funds that would cause any of the covenants or agreements of the City contained in a Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the PID Bonds for federal income tax purposes

Section 3.03. Apportionment and Levy of Assessments.

(a) The City intends to levy Assessments on the benefitted PID Property within the PID in accordance herewith and with the Service and Assessment Plan (as such plan is amended supplemented or updated from time to time) and the Assessment Ordinances on or before such time as PID Bonds are issued. The City's apportionment and levy of Assessments shall be made in accordance with the PID Act.

(b) Concurrently with the levy of the Assessments, the Developer shall execute and deliver a Landowner Consent, substantially in the form set forth in Exhibit H, for the portion of the Property owned or controlled by Developer that is subject to Assessments, or otherwise evidence consent to the creation of the PID and the levy of Assessments as determined by the City and shall record evidence and notice of the Assessments in the real property records of Collin County with respect to such portions of the Property, and shall cause any other owner of the PID Property to comply with the requirements as set forth in Section 3.05.

Section 3.04. Developer Contribution. At closing on any series of PID Bonds intended to fund construction of Public Improvements, if the PID Bond Proceeds are not sufficient to pay the estimated Public Improvement Project Costs for the PID Phase to which such PID Bond Proceeds relate, the Developer shall be required to provide the following with respect to the difference between the estimated Public Improvement Project Costs for each PID Phase and the amount of PID Bond Proceeds available for such PID Phase and minus any approved Developer expenditures for Public Improvement Project Costs for such PID Phase as confirmed and approved by the City or its PID administrator (the "Deficit") as illustrated below:

Total Amount of estimated Public Improvement Project Costs of the PID Phase being financed by Bond Proceeds	
- PID Bond Proceeds deposited to Project Fund	
- <u>Actual Costs for the PID Phase</u>	
= Total amount of Deficit	

(a) Evidence by one or more of the following for the remainder of the Deficit:

(i) a deposit of cash in the amount of Deficit to a designated account under the applicable Indenture from which funds may be drawn to pay the Public Improvement Project Costs for such Phase; or

(ii) satisfactory evidence to the City that Developer has sufficient available funds to finance as the Developer Contribution for the Public Improvement Project Costs not to be financed by applicable series of PID Bond Proceeds. Such satisfactory evidence may consist of:

A. A closed loan with a bank or financial institution, acceptable to the City. A representative for the City shall have access to such loan documentation for review.

B. A letter of credit with a financial institution, rated A+/A1 or higher, acceptable to the City. A representative for the City shall have access to such letter of credit documentation for review.

C. Other evidence that the City finds acceptable, in its sole discretion after review.

D. A Builder Completion Agreement with a Publicly-Held Builder or a Substantial Builder.

(b) The determination of the amount of the Deficit shall be estimated prior to pricing of each series of PID Bonds and shall be finalized within five (5) days of pricing of each series of PID Bonds. Evidence required by this Section shall be provided to the City prior to pricing of the applicable series of PID Bonds and any required cash deposit shall be provided at closing of the applicable series of PID Bonds.

Example Calculation of Developer Contribution. For a PID Bond Issuance with Public Improvement Project Costs for a PID Phase equal to \$15,000,000 with estimated PID Bond Proceeds of \$8,000,000 and where the Developer has expended \$1,000,000 on Public Improvement Project Costs for the PID Phase and those expenditures have been verified and approved, the following is the calculation of the Developer Contribution:

PID Eligible Public Infrastructure Costs	\$ 15,000,000
Anticipated PID Bond Proceeds	(8,000,000)
Expended Public Improvement Project Costs	<u>(1,000,000)</u>
	\$ 6,000,000
Cash Due from Developer at PID Bond Closing	\$ 1,500,000
Amount to be Evidenced with Closed Loan	\$ <u>4,500,000</u>
	\$ 6,000,000

Section 3.05. Transfer of Property. No sale of property within the PID by the Developer or Owners is expected to occur prior to the City's levy of Assessments in each PID Phase, such that the Owners or Developer shall own all property within a PID Phase at the time of the levy of Assessment on such PID Phase; however, if a transfer of property within the PID occurs, the following provisions shall apply:

(a) *Transfer to a Merchant Homebuilder after the Levy of Assessments.* Upon transfer of property within the PID by the Developer or its Affiliates after the levy of Assessments to a merchant homebuilder with which the Developer or its Affiliates have entered into a contract for the sale of residential property within the PID, the Developer or its Affiliates shall require that such merchant homebuilder agree to participate in the Home or Property Buyer Disclosure Program and shall agree to provide notice meeting the requirements set forth in Exhibit D to an

End Buyer of residential property within the PID as required by Texas Property Code, Section 5.014, as amended.

(b) *Transfer to Any Party Prior to Levy of Assessments.* Upon transfer of any property within the PID by the Developer or its Affiliates prior to the levy of Assessments of the property subject to such transfer, the Developer shall require, in its contract of sale: (i) an agreement to participate in the Home or Property Buyer Disclosure Program and the provision of notice meeting the requirements set forth in Exhibit D to an End Buyer of residential property within the PID as required by Texas Property Code, Section 5.014, as amended, if such sale is to a merchant homebuilder; (ii) the filing of the Assessment Ordinance, the Creation Resolution, the Landowner Consent and any additional notice of assessment as drafted by the City, in the property records of the property being transferred; and (iii) execution of a consent to the levy of Assessments on such property being transferred in the form prepared by the City.

(c) *Proof of Purchase.* The Developer shall provide the City and the PID Administrator proof of purchase with respect to all land transfers within the PID between the time of creation of the PID and the time of levy of Assessments for each series of PID Bonds.

Section 3.06. Tax Increment Reinvestment Zone.

(a) The City intends to create a tax increment reinvestment zone pursuant to and in accordance with the TIRZ Act for a term of fifty (50) years. The Property shall be within the boundaries of the proposed TIRZ. The City shall create multiple accounts within the TIRZ Fund (“**TIRZ Accounts**”) that correspond to the commercial, business park, and mixed use portion of the Property and the PID Property, in order to identify and allocate the tax increment as set forth herein and the TIRZ Project and Finance Plan.

(b) The City, in exercising its powers under the TIRZ Act, shall dedicate the City Tax Increment in a minimum amount of forty-five percent (45%) collected within the Property and deposited to the corresponding TIRZ Account for a period of fifty (50) years for the uses described below. Such deposits of the City Tax Increment shall continue in each TIRZ Account for a period equal to the lesser of (i) the time required (subject to (c)(ii) below) for the total aggregate amount allocated to each PID Phase as set forth in the Service and Assessment Plan to be collected, or (ii) the expiration of the term of the TIRZ. To the extent the County participates in the proposed TIRZ in Subsection (a), the City Tax Increment shall be reduced in a dollar amount equal to the dollar amount of the County Tax Increment contribution.

(c) The City Tax Increment and County Tax Increment, if any, from the PID Property shall be deposited to the TIRZ Fund and used for the following purposes:

(i) First, to pay the City administrative costs relating to the TIRZ, including any reasonable third-party administrative costs; and

(ii) Second, to the applicable TIRZ Account corresponding to each PID Phase and used for the following purposes as determined by the City. The City shall work cooperatively with the Developer in developing and drafting financing plans.

A. To subsidize Assessments for each PID Phase from the applicable TIRZ Account in order to lower the Annual Installments of the Assessments in each PID Phase by assigning TIRZ funds from the TIRZ Account such phase to offset Assessments for each parcel within the PID Phase on a parcel-by-parcel basis as shown in the Service and Assessment Plan; and then

1. the Improvement Area Improvements Public Improvement Project Costs allocable to each PID Phase that are not assessed for in that same PID Phase, subject to the limitation of (b) above in accordance with the TIRZ Act pursuant to a TIRZ Reimbursement Agreement.

2. the Zone Improvements Public Improvement Project Costs allocable to each PID Phase, that are not assessed for in that same PID Phase, subject to the limitation of (b) above in accordance with the TIRZ Act pursuant to a TIRZ Reimbursement Agreement.

3. The Major Improvements Public Improvement Project Costs allocable to each PID Phase that are not assessed for in that same PID Phase, subject to the limitation of (b) above in accordance with the TIRZ Act pursuant to a TIRZ Reimbursement Agreement.

And/or;

B. To reimburse the costs of the construction or acquisition of public improvements in the TIRZ, in accordance with the TIRZ Act pursuant to a TIRZ Reimbursement Agreement by:

1. Utilizing the TIRZ revenue stream to pay all or a portion of an obligation under a TIRZ Reimbursement Agreement held by the Developer through a bond issuance secured by TIRZ revenues that the City may consider specific to the TIRZ Reimbursement Agreement infrastructure; and/or

2. Reimbursing the Developer from TIRZ Revenues.

(d) The City Tax Increment and County Tax Increment, if any, from the commercial, business park, and mixed-use portions of the Property shall be deposited to the TIRZ Fund and used for the following purposes:

(i) First, to pay the City administrative costs relating to the TIRZ, including any reasonable third-party administrative costs;

(ii) Second, to reimburse public improvement attributable to the commercial, business park, and mixed-use portions of the Property in accordance with the TIRZ Act pursuant to a TIRZ Reimbursement Agreement; and

(iii) Third, to provide an economic development grant to the Developer to incentivize commercial development as set forth in an economic development agreement pursuant to Chapter 380, Texas Local Government Code, as amended.

(e) Upon the refunding of any series of PID Bonds, any reduction in the assessments for such PID Bonds shall mean a dollar-for-dollar reduction in any TIRZ credit allocated to such PID Bonds, with such excess TIRZ funds resulting from such reduction to be used for purposes set forth in the TIRZ Project and Finance Plan.

Section 3.07. TIRZ Fund.

In accordance with the TIRZ Project and Finance Plan, the City Tax Increment and County Tax Increment shall be deposited to the applicable TIRZ Account upon adoption of the ordinance creating the TIRZ.

ARTICLE IV DEVELOPMENT

Section 4.01. Governing Regulations. Development and use of the Property, including, without limitation, the construction, installation, maintenance, repair, and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the Property, shall be in compliance with the applicable City Regulations, except when in conflict with the Governing Regulations. Upon an administratively complete application for a preliminary plat for any portion of the Property, Developer may claim vested rights as to the portion of the Property contained in the preliminary plat based upon City Regulations in effect at the time of preliminary plat application. When there is a conflict between the applicable City Regulations and the Governing Regulations, the Governing Regulations shall control.

Section 4.02. Concept Plan, Road Plan, and Open Space Plan Revisions. As consideration for the City's obligations under this Agreement and in consideration for the issuance of the PID Bonds, the Developer agrees that the development and use of the Property, including, without limitation, the construction, installation, maintenance, repair and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the Property, shall be in general conformance with the Concept Plan, attached as Exhibit C-1, the Open Space Plan, attached as Exhibit C-2, and the Road Plan, attached as Exhibit C-3, and shall require all builders within the Elevon Developer to comply with such Concept Plan Road Plan, and Open Space Plan. Any amendment to the Concept Plan, Road Plan, or Open Space Plan approved by the City Council through its platting or zoning procedures shall be considered an amendment to this Agreement and shall replace the attached Concept Plan, Road Plan, or Open Space Plan, as applicable, and become part of this Agreement. The City Administrator or designee may administratively approve any amendments to the Concept Plan, Road Plan, or Open Space Plan that the City Administrator or designee deems in his or her reasonable discretion to be minor in nature. Without limitation, minor amendments to the Concept Plan, Road Plan, or Open Space Plan may include: (a) adjustments to the street network and layout, including the addition or removal of a roadway as supported by a Traffic Impact Analysis; (b) changes as a result of a finding or determination by a Governmental Authority; and (c) adjustments to the boundaries and