

## NEW ISSUE

NOT RATED

**THE BONDS ARE INITIALLY OFFERED AND SOLD ONLY TO “QUALIFIED INSTITUTIONAL BUYERS” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR “ACCREDITED INVESTORS” (WITHIN THE MEANING OF SECURITIES AND EXCHANGE COMMISSION RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED). SEE “NOTICE TO INVESTORS - LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.”**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See “TAX MATTERS” herein.*

**\$8,710,000\*****TRAVIS COUNTY DEVELOPMENT AUTHORITY****(a public nonprofit local government corporation acting on behalf of Travis County, Texas)****CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022****(TURNER’S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)****Dated Date: September 1, 2022****Due: September 1, as shown on the inside cover****Interest to Accrue from Closing Date (as defined below)**

The Travis County Development Authority, a public nonprofit local government corporation (the “TCDA”), was established by Travis County, Texas (the “County”) to aid, assist, and act on behalf of the County in the performance of the County’s governmental functions to promote the economic development of the County, including the management of public improvement districts. TCDA is issuing its Contract Assessment Revenue Bonds, Series 2022 (Turner’s Crossing Public Improvement District Improvement Area #1 Project) (the “Bonds”), which will be issued in fully registered form, without coupons, in authorized denominations of \$100,000 of principal amount and any integral multiple of \$1,000 in excess thereof. The Bonds will bear interest at the rates set forth on the inside cover page hereof, and such interest will be calculated on the basis of a 360-day year of twelve 30-day months, and will be payable on each March 1 and September 1, commencing March 1, 2023\*, until maturity or earlier redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. No physical delivery of the Bonds will be made to the Beneficial Owners (as defined herein) thereof. For so long as the book-entry only system is maintained, the principal of and interest on the Bonds will be paid from the sources described herein by Wilmington Trust, National Association, as trustee (the “Trustee”), to DTC as the registered owner thereof. See “BOOK-ENTRY ONLY SYSTEM.”

The Bonds are being issued by TCDA pursuant to the Constitution and general laws of the State of Texas (the “State”), including particularly Chapter 431, as amended, Texas Transportation Code (“LGC Act”), Chapter 372, as amended, Texas Local Government Code (the “PID Act”), a bond resolution (the “Bond Resolution”) expected to be adopted by the Board of Directors of TCDA (the “Board”) on September 13, 2022, and an Indenture of Trust, dated as of September 1, 2022 (the “Indenture”), entered into by and between TCDA and the Trustee. The issuance of the Bonds will also be approved by the Commissioners Court of the County (the “Commissioners Court”).

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Actual Costs of the Improvement Area #1 Improvements, (ii) funding a reserve fund for the payment of principal of and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization and administration of the Turner’s Crossing Public Improvement District (the “District”), and (iv) paying the costs of issuance of the Bonds. See “THE IMPROVEMENT AREA #1 IMPROVEMENTS” and “APPENDIX A — Form of Indenture.” Capitalized terms not otherwise defined shall have the meanings assigned in the Indenture.

The Bonds, when issued and delivered, will constitute valid and binding special, limited obligations of TCDA payable solely from and secured by the Pledged Contract Revenues, consisting primarily of the Contract Assessment Revenues (defined herein). See “SECURITY FOR THE BONDS.” **The Bonds are not obligations of the County. The Bonds are not payable from funds raised or to be raised from taxation, or any other revenue or funds of TCDA or the County.** The Bonds are subject to redemption at the times, in the amounts, and at the redemption price more fully described herein under the subcaption “DESCRIPTION OF THE BONDS — Redemption Provisions.”

**The Bonds involve a significant degree of risk, are speculative in nature and are not suitable for all investors. See “BONDHOLDERS’ RISKS” and “SUITABILITY FOR INVESTMENT.” Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should consult with their legal and financial advisors before considering a purchase of the Bonds, and should be willing to bear the risks of loss of their investment in the Bonds. The Bonds are not credit enhanced or rated and no application has been made for a rating on the Bonds.**

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF TCDA PAYABLE SOLELY FROM THE PLEDGED CONTRACT REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF TCDA OR THE COUNTY OTHER THAN THE PLEDGED CONTRACT REVENUES, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE COUNTY’S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. NEITHER TCDA NOR THE COUNTY SHALL HAVE ANY LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE COUNTY OR TCDA OTHER THAN THE PLEDGED CONTRACT REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE. SEE “SECURITY FOR THE BONDS.” THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE BONDS. INVESTORS MUST READ THIS ENTIRE LIMITED OFFERING MEMORANDUM TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds are offered for delivery when, as, and if issued by TCDA and accepted by the Underwriter, subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel, as to the validity of the Bonds and the excludability of interest thereon from gross income for federal income tax purposes. See “APPENDIX C — Form of Opinion of Bond Counsel.” Certain legal matters will be passed upon for TCDA by its counsel, Naman, Howell, Smith & Lee, PLLC, Austin, Texas. Certain legal matters will be passed upon for the County by the Travis County Attorney’s Office. Certain legal matters will be passed upon for the Underwriter by its counsel, Kelly Hart & Hallman LLP, Austin and Fort Worth, Texas, and for the Managing Developer by its counsel, Metcalfe Wolff Stuart & Williams, LLP, Austin, Texas. It is expected that the Bonds will be delivered in book entry form through the facilities of DTC on or about October 13, 2022 (the “Closing Date”).

**FMSbonds, Inc.**

\* Preliminary; subject to change.

**MATURITY SCHEDULE**  
**CUSIP Prefix:** \_\_\_\_\_<sup>(a)</sup>

\$8,710,000<sup>(d)</sup>  
TRAVIS COUNTY DEVELOPMENT AUTHORITY  
(a public nonprofit local government corporation acting on behalf of Travis County, Texas)  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

\$ \_\_\_\_\_ % Term Bonds, Due September 1, 20\_\_, Priced to Yield \_\_\_\_%; CUSIP \_\_\_\_<sup>(a) (b) (c)</sup>

\$ \_\_\_\_\_ % Term Bonds, Due September 1, 20\_\_, Priced to Yield \_\_\_\_%; CUSIP \_\_\_\_<sup>(a) (b) (c)</sup>

(Interest to accrue from the Delivery Date)

- (a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the service provided by CGS. CUSIP numbers are provided for convenience of reference only. None of TCDA, TCDA's Financial Advisor, the County or the Underwriter takes any responsibility for the accuracy of such numbers.
- (b) The Bonds are subject to redemption, with the prior written consent of the Commissioners Court, in whole or in part, prior to stated maturity, at the option of TCDA, on any date on or after September 1, 20\_\_, at the redemption price of par plus accrued interest to the date of redemption as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (d) *Preliminary; subject to change.*

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## **NOTICE TO INVESTORS – LIMITATIONS APPLICABLE TO INITIAL PURCHASERS**

Each initial purchaser is advised that the Bonds being offered pursuant to this Limited Offering Memorandum are being offered and sold only to “accredited investors” as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933 and “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act of 1933. Each initial purchaser of the Bonds (each, an “Investor”) will be deemed to have acknowledged, represented and warranted to the TCDA, the County, the Trustee and the Underwriter as follows:

- 1) The Investor has authority and is duly authorized to purchase the Bonds and to execute any instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.
- 2) The Investor is an “accredited investor” under Rule 501 of Regulation D of the Securities Act or a “qualified institutional buyer” under Rule 144A of the Securities Act, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.
- 3) The Bonds are being acquired by the Investor for investment and not with a view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds solely for its own account for investment purposes and for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Bonds. However, the investor may sell the Bonds at any time the Investor deems appropriate. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.
- 4) The Investor understands that the Bonds are not registered under the Securities Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will not carry a rating from any rating service.
- 5) The Investor acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the County, the TCDA, the Improvement Area #1 Improvements, the Bonds, the security therefor, and such other information as the Investor has deemed necessary or desirable in connection with its decision to purchase the Bonds (collectively, the “Investor Information”). The Investor has received a copy of this Limited Offering Memorandum relating to the Bonds. The Investor acknowledges that it has assumed responsibility for its review of the Investor Information and it has not relied upon any advice, counsel, representation or information from the TCDA or the County in connection with the Investor’s purchase of the Bonds. The Investor agrees that none of the TCDA or the County or their respective members, officers, employees, or consultants shall have any liability to the Investor whatsoever for, or in connection with the Investor’s decision to purchase the Bonds except for fraud or willful misconduct, to the extent permitted by law. For the avoidance of doubt, it is acknowledged that the Underwriter is not deemed an officer or employee of the TCDA or the County.
- 6) The Investor acknowledges that the obligations of the TCDA under the Indenture are special, limited obligations payable solely from amounts paid by the TCDA pursuant to the terms of the Indenture and the TCDA shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the TCDA for amounts due under the Indenture. The Investor understands that the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the County, the TCDA (which has no taxing power), the State of Texas (the “State”) or any political subdivision or taxing district thereof; that the Bonds will never represent or constitute a general obligation or a pledge of the faith and credit of the TCDA (which has no taxing authority), the County, the State or any political subdivision thereof; that no right will exist to have taxes levied by the State or any political subdivision thereof for the payment of principal and interest on the Bonds; and that the liability of the TCDA, the County and the State with respect to the Bonds is subject to further limitations as set forth in the Bonds and the Indenture.

- 7) The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor. The Investor is aware that the development of the District involves certain economic and regulatory variables and risks that could adversely affect the security for the Bonds.
- 8) The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations and warranties described in items 1-7 above.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**TRAVIS COUNTY DEVELOPMENT AUTHORITY - BOARD OF DIRECTORS  
TRAVIS COUNTY – COMMISSIONERS COURT**

<u>Name</u>	<u>TCDA Position</u>	<u>County Position</u>	<u>Term Expires (December 31)</u>
Andy Brown	President/Director	County Judge	2022
Margaret Gómez	Vice President/Director	Commissioner, Precinct 4	2022
Ann Howard	Secretary/Director	Commissioner, Precinct 3	2024
Jeffrey W. Travillion, Sr.	Treasurer/Director	Commissioner, Precinct 1	2024
Brigid Shea	Assistant Secretary/Director	Commissioner, Precinct 2	2022

**TCDA ADMINISTRATION**

<u>Name</u>	<u>Position</u>
Andrea Shields	Managing Director

**COUNTY OFFICIALS**

<u>Name</u>	<u>Position</u>
Patti Smith	County Auditor
Dolores Ortega Carter	County Treasurer
Rebecca Guerrero	County Clerk
Bruce Elfant	County Tax Assessor-Collector

**DISTRICT ADMINISTRATOR**

P3Works, LLC, Austin and North Richland Hills, Texas

**FINANCIAL ADVISOR TO TCDA**

PFM Financial Advisors LLC, Austin, Texas

**BOND COUNSEL TO TCDA**

Orrick, Herrington & Sutcliffe LLP, Austin, Texas

**UNDERWRITER'S COUNSEL**

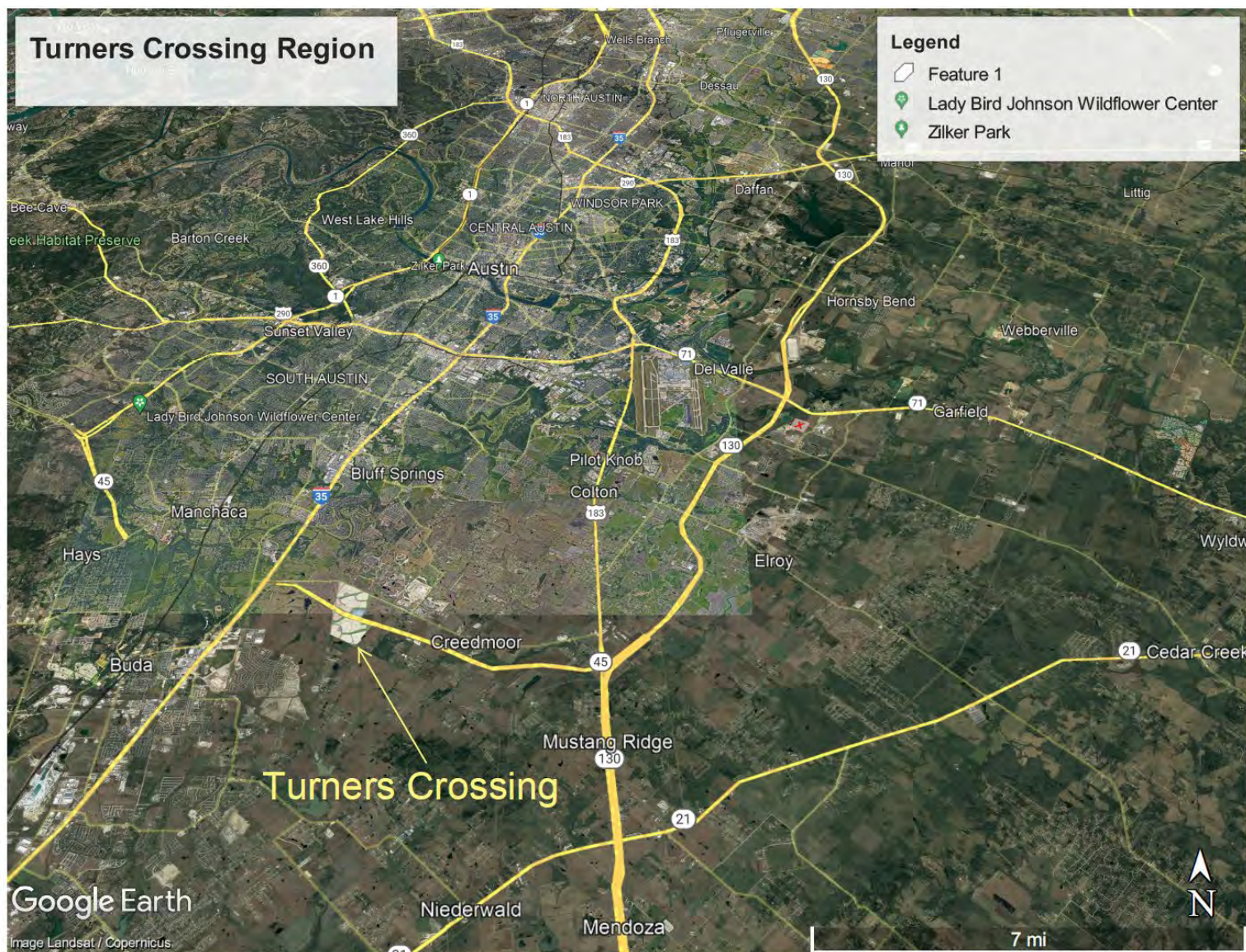
Kelly Hart & Hallman LLP, Austin and Fort Worth, Texas

For additional information regarding TCDA, please contact:

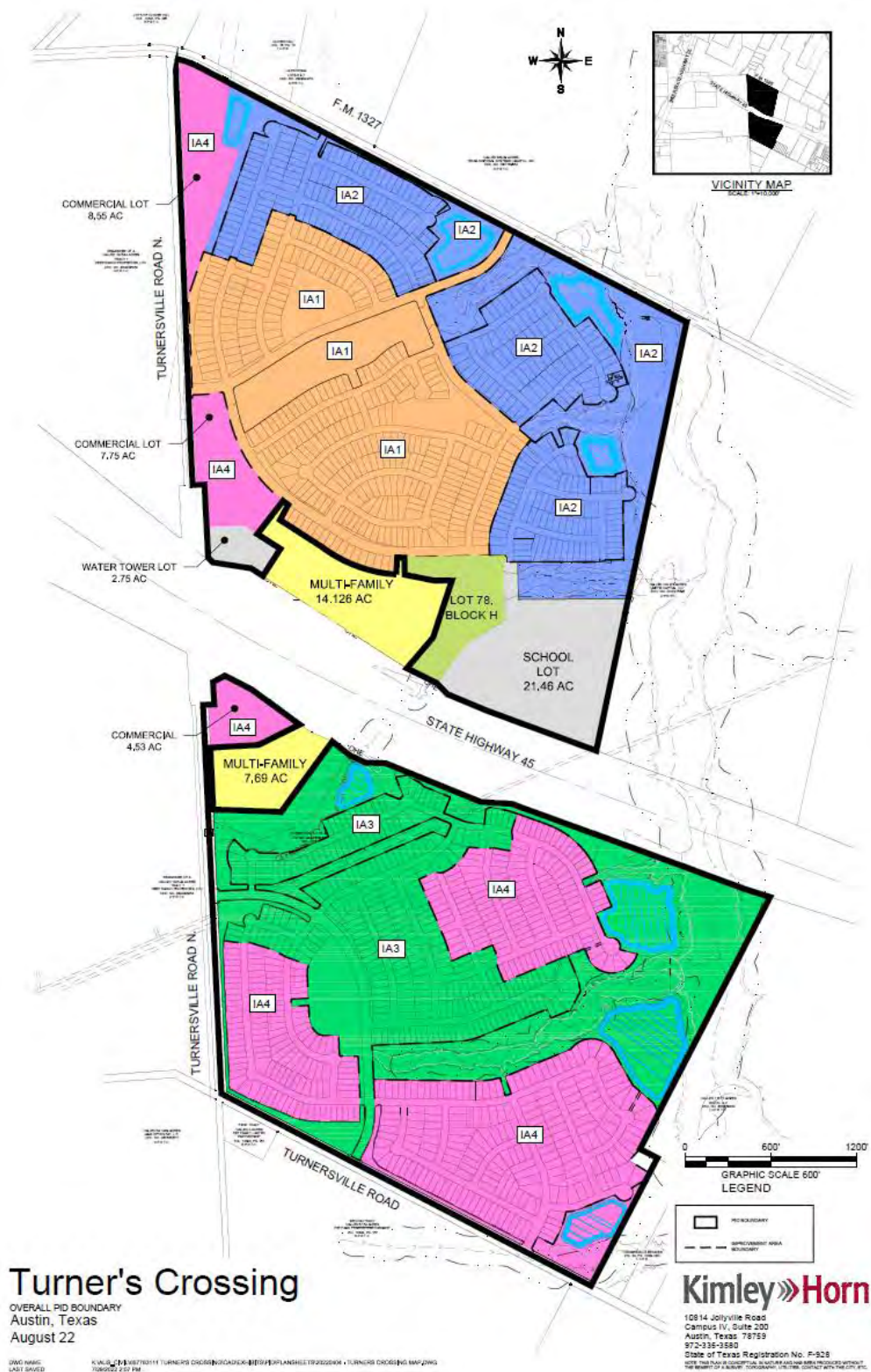
Andrea Shields  
Managing Director  
Travis County Development Authority  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701  
(512) 854-9116  
andrea.shields@traviscountytexas.gov

Blake Roberts  
Director  
PFM Financial Advisors LLC  
111 Congress Avenue, Suite 2150  
Austin, Texas 78701  
(512) 614-5324  
robertsb@pfm.com

## AREA LOCATION MAP OF THE DISTRICT



# MAP SHOWING BOUNDARIES OF THE DISTRICT<sup>(1)</sup>



<sup>(1)</sup> Improvement Area #1 is depicted in orange above and labeled as IA1.

*FOR PURPOSES OF COMPLIANCE WITH RULE 15C2-12 OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, AS AMENDED AND IN EFFECT ON THE DATE OF THIS PRELIMINARY LIMITED OFFERING MEMORANDUM, THIS DOCUMENT CONSTITUTES AN "OFFICIAL STATEMENT" OF TCDA WITH RESPECT TO THE BONDS THAT HAS BEEN "DEEMED FINAL" BY TCDA AS OF ITS DATE EXCEPT FOR THE OMISSION OF NO MORE THAN THE INFORMATION PERMITTED BY RULE 15C2-12.*

INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THE LIMITED OFFERING MEMORANDUM ARE BEING OFFERED AND SOLD ONLY TO "QUALIFIED INSTITUTIONAL BUYERS", AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED AND "ACCREDITED INVESTORS," AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SEE "NOTICE TO INVESTORS - LIMITATIONS APPLICABLE TO INITIAL PURCHASERS" HEREIN. EACH PROSPECTIVE INITIAL PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS, MUST BE ABLE TO BEAR THE ECONOMIC AND FINANCIAL RISK OF SUCH INVESTMENT IN THE BONDS, AND MUST BE ABLE TO AFFORD A COMPLETE LOSS OF SUCH INVESTMENT. CERTAIN RISKS ASSOCIATED WITH THE PURCHASE OF THE BONDS ARE SET FORTH UNDER "BONDHOLDERS' RISKS" HEREIN. EACH INITIAL PURCHASER, BY ACCEPTING THE BONDS, AGREES THAT IT WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGMENTS AND REPRESENTATIONS DESCRIBED UNDER THE HEADING "NOTICE TO INVESTORS - LIMITATIONS APPLICABLE TO INITIAL PURCHASERS."

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY TCDA OR THE UNDERWRITER TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY EITHER OF THE FOREGOING. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY AND THERE SHALL BE NO OFFER, SOLICITATION OR SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE UNITED STATES FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION. THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY TCDA AND OBTAINED FROM SOURCES, INCLUDING THE COUNTY, THE MANAGING DEVELOPER, AND THE NON-MANAGING DEVELOPERS, WHICH ARE BELIEVED BY TCDA AND THE UNDERWRITER TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF TCDA, THE COUNTY, THE MANAGING DEVELOPER OR THE NON-MANAGING DEVELOPERS SINCE THE DATE HEREOF.

NEITHER TCDA, TCDA'S FINANCIAL ADVISOR NOR THE UNDERWRITER MAKE ANY REPRESENTATION AS TO THE ACCURACY, COMPLETENESS, OR ADEQUACY OF THE INFORMATION SUPPLIED BY THE DEPOSITORY TRUST COMPANY FOR USE IN THIS LIMITED OFFERING MEMORANDUM.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH LAWS. THE REGISTRATION OR QUALIFICATION OF THE BONDS UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THEY MAY HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF SUCH JURISDICTIONS, OR ANY OF THEIR AGENCIES, HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS LIMITED OFFERING MEMORANDUM CONSTITUTE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 21E OF THE UNITED STATES EXCHANGE ACT OF 1934, AS AMENDED, AND SECTION 27A OF THE SECURITIES ACT OF 1933. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY THE TERMINOLOGY USED SUCH AS "PLAN," "EXPECT," "ESTIMATE," "PROJECT," "ANTICIPATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE

MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. TCDA DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER “CONTINUING DISCLOSURE” HEREIN.

THE TRUSTEE HAS NOT PARTICIPATED IN THE PREPARATION OF THIS LIMITED OFFERING MEMORANDUM AND ASSUMES NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS LIMITED OFFERING MEMORANDUM OR THE RELATED TRANSACTIONS AND DOCUMENTS OR FOR ANY FAILURE BY ANY PARTY TO DISCLOSE EVENTS THAT MAY HAVE OCCURRED AND MAY AFFECT THE SIGNIFICANCE OR ACCURACY OF SUCH INFORMATION.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## TABLE OF CONTENTS

INTRODUCTION .....	1	Assessment Amounts.....	29
PLAN OF FINANCE .....	2	Assessment Payer Concentration.....	31
Authority of the County.....	2	Prepayment of Assessments .....	32
Introduction to Development Plan.....	3	Priority of Lien .....	33
Financing Plan .....	3	Foreclosure Proceedings.....	33
Reduction of Assessments.....	4	TCDA .....	34
Status of Lot Development in the District .....	4	THE COUNTY.....	34
Status of Home Construction in Improvement Area #1.....	4	Background .....	34
The Bonds.....	5	Population Trend .....	34
Future Improvement Area Financing.....	5	County Government .....	34
DESCRIPTION OF THE BONDS .....	5	Major Employers .....	35
General Description.....	5	Historical Employment in the County .....	35
Redemption Provisions.....	6	THE DISTRICT .....	35
BOOK-ENTRY ONLY SYSTEM .....	8	General .....	35
SECURITY FOR THE BONDS.....	10	Powers and Authority of the County and TCDA.....	35
Special Obligations.....	10	Adjustment of Boundaries and Levy of Assessments .....	36
Pledge of Trust Estate.....	10	THE IMPROVEMENT AREA #1 IMPROVEMENTS.....	37
Definitions .....	11	General .....	37
Collection and Deposit of Assessments.....	12	Improvement Area #1 Improvements .....	37
Unconditional Levy of Assessments .....	13	Costs of the Improvement Area #1 Improvements.....	38
Perfected Security Interest.....	13	The Financing Agreement .....	38
Pledged Revenue Fund.....	14	The Reimbursement Agreement.....	38
Bond Fund .....	15	Ownership and Maintenance of Improvements.....	38
Project Fund .....	15	THE DEVELOPMENT .....	39
Redemption Fund .....	16	Overview .....	39
Reserve Fund.....	16	Development Plan .....	39
Rebate Fund.....	17	Anticipated Build-Out Schedule of the District.....	42
Administrative Fund.....	18	Allocation of Lots Among Homebuilders in Improvement Area #1.....	42
Records and Accounts .....	18	Status of Single-Family Lot and Home Construction in Improvement Area #1.....	42
Bonds Deemed Paid .....	18	Expected Sale of Single-Family Homes by Lot Type in Improvement Area #1.....	43
Events of Default.....	19	Actual Home Prices in Improvement Area #1 .....	43
Remedies in Event of Default.....	19	Photographs of the Development .....	44
Restriction on Owner's Actions .....	20	Amenities .....	48
Application of Revenues and Other Moneys After Event of Default .....	21	Education.....	48
Investment or Deposit of Funds.....	21	Environmental .....	48
Against Encumbrances .....	22	Flood Plain .....	48
Additional Obligations; or Other Liens .....	22	Utilities .....	48
SOURCES AND USES OF FUNDS.....	23	PID Community Benefit Fee .....	48
DEBT SERVICE REQUIREMENTS .....	24		
OVERLAPPING TAXES AND DEBT.....	25		
Overlapping Taxes and Debt .....	25		
Homeowner's Association.....	26		
ASSESSMENT PROCEDURES.....	26		
General .....	26		
Assessment Methodology.....	27		
Collection and Enforcement of Assessment Amounts .....	27		

THE DEVELOPERS .....	49	Legal Opinions .....	64
General .....	49	Litigation — TCDA .....	65
Description of the Managing Developer.....	49	Litigation — The Developers .....	65
Projects.....	50	SUITABILITY FOR INVESTMENT .....	65
Description of Non-Managing		ENFORCEABILITY OF REMEDIES .....	65
Developers.....	50	NO RATING .....	66
Executive Biographies of Local		CONTINUING DISCLOSURE.....	66
Management of Developers.....	51	TCDA .....	66
History and Financing of the District .....	51	TCDA's Compliance with Prior	
Managing Developer's Consultant .....	51	Undertakings .....	66
THE ADMINISTRATOR .....	52	The Developers.....	66
APPRAISAL OF PROPERTY WITHIN		Developers' Compliance with Prior	
IMPROVEMENT AREA #1 .....	53	Undertakings .....	67
The Appraisal .....	53	UNDERWRITING .....	68
BONDHOLDERS' RISKS .....	54	REGISTRATION AND QUALIFICATION OF	
Infectious Disease Outbreak – Covid-19.....	55	BONDS FOR SALE .....	68
Risk from Weather Events.....	55	LEGAL INVESTMENT AND ELIGIBILITY TO	
No Credit Rating .....	55	SECURE PUBLIC FUNDS IN TEXAS.....	68
Dependence on Contract Payments .....	56	INVESTMENTS .....	68
Assessment Limitations.....	56	INFORMATION RELATING TO THE	
Competition; Real Estate Market .....	57	TRUSTEE.....	71
Risks Related to Current Increase in		SOURCES OF INFORMATION .....	71
Costs of Building Materials.....	57	General .....	71
Bankruptcy .....	58	Source of Certain Information.....	71
Direct and Overlapping Indebtedness,		Experts.....	72
Assessments and Taxes .....	58	Updating of Limited Offering	
Depletion of Reserve Account of the		Memorandum .....	73
Reserve Fund and Funding of		FORWARD-LOOKING STATEMENTS .....	73
Additional Interest Reserve		AUTHORIZATION AND APPROVAL.....	73
Account .....	58		
Hazardous Substance.....	59	APPENDIX A Form of Indenture	
Regulation .....	59	APPENDIX B Form of Service and Assessment	
Bondholders' Remedies and Bankruptcy		Plan	
.....	59	APPENDIX C Form of Opinion of Bond Counsel	
Judicial Foreclosures .....	60	APPENDIX D-1 Form of TCDA Disclosure	
No Acceleration.....	60	Agreement	
Limited Secondary Market for the Bonds		APPENDIX D-2 Form of Managing Developer	
.....	60	Disclosure Agreement	
Management and Ownership .....	60	APPENDIX D-3 Form of Taylor Morrison	
General Risks of Real Estate Investment		Disclosure Agreement	
and Development.....	60	APPENDIX D-4 Form of Tri Pointe Disclosure	
Dependence Upon Developers .....	61	Agreement	
100-Year and 500-year Flood Plain.....	61	APPENDIX E Appraisal of Improvement Area #1	
Exercise of Mineral Rights .....	61	of the District	
Recent Changes in State Law Regarding		APPENDIX F Financing Agreement	
Public Improvement Districts.....	61	APPENDIX G Funding Agreement	
Potential Future Changes in State Law			
Regarding Public Improvement			
Districts .....	62		
Appraisal Risks.....	62		
TAX MATTERS .....	62		
LEGAL MATTERS .....	64		
Legal Proceedings .....	64		

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

## **PRELIMINARY LIMITED OFFERING MEMORANDUM**

**\$8,710,000\***

### **TRAVIS COUNTY DEVELOPMENT AUTHORITY**

*(a public nonprofit local government corporation acting on behalf of Travis County, Texas)*

### **CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022**

**(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)**

## **INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page, inside cover and appendices hereto, is to provide certain information in connection with the issuance and sale by the Travis County Development Authority ("TCDA"), of its \$8,710,000\* aggregate principal amount of Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project) (the "Bonds").

INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED AND SOLD ONLY TO "QUALIFIED INSTITUTIONAL BUYERS", AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED AND "ACCREDITED INVESTORS," AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. SEE "NOTICE TO INVESTORS - LIMITATIONS APPLICABLE TO INITIAL PURCHASERS", "BONDHOLDERS' RISKS", AND "SUITABILITY FOR INVESTMENT".

The Bonds are being issued by TCDA pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Chapter 431, as amended, Texas Transportation Code ("LGC Act"), Chapter 372, as amended, Texas Local Government Code (the "PID Act"), a bond resolution (the "Bond Resolution") expected to be adopted by the Board of Directors of TCDA (the "Board") on September 13, 2022, and an Indenture of Trust, dated as of September 1, 2022 (the "Indenture"), entered into by and between TCDA and the Trustee. The issuance of the Bonds will also be approved by the Commissioners Court (the "Commissioners Court") of Travis County, Texas (the "County"). The Bonds, when issued and delivered, will constitute valid and binding special, limited obligations of TCDA payable solely from and secured by the Trust Estate (as defined in the Indenture), consisting primarily of the Contract Assessment Revenues (defined herein). The County has levied the Initial Assessments (as defined herein) and expects to levy the Lot 95 Assessment (as defined herein) on September 13, 2022. The Initial Assessments, as amended by the Lot 95 Initial Assessment Release Order (as defined herein), and the Lot 95 Assessment are collectively referred to herein as the "Assessments" and are or, in the case of the Lot 95 Assessment, will be, levied against assessable properties (the "Assessed Property") in the first improvement area ("Improvement Area #1") of the Turner's Crossing Public Improvement District (the "District"). The Assessments have been or will be levied in accordance with a service and assessment plan approved by the Commissioners Court (the "Original Service and Assessment Plan"), as expected to be amended and restated on September 13, 2022 to reflect certain adjustments to the boundaries of the District and the final terms of the Bonds (as updated and amended, the "Service and Assessment Plan") pursuant to separate orders adopted by the Commissioners Court on October 5, 2021 (the "Initial Assessment Order") and expected to be adopted on September 13, 2022 (the "Lot 95 Assessment Order" and, collectively with the Initial Assessment Order, the "Assessment Orders"). See "THE DISTRICT - Adjustment of Boundaries and Levy of Assessments" for a discussion of Lot 95 (as defined herein). Pursuant to the Turner's Crossing Public Improvement District Improvement Area #1 Funding Agreement entered into on October 5, 2021, between TCDA and the County, as amended and restated on August 16, 2022 (as amended and restated, the "Funding Agreement"), the County shall transfer to TCDA the Assessment Revenues (as defined herein) less certain fees of the County Tax Assessor-Collector

---

\* Preliminary; subject to change.

for costs of collection (the “Contract Assessment Revenues”). Pursuant to the Indenture, TCDA has covenanted to transfer to the Trustee all of the Contract Assessment Revenues and has pledged the Pledged Contract Revenues (as defined herein) to the payment of the Bonds. See “SECURITY FOR THE BONDS.” **The Bonds are not obligations of the County. The Bonds are not payable from funds raised or to be raised from taxation, or any other revenue or funds of TCDA or the County.**

Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Bonds. All capitalized terms used in this Limited Offering Memorandum, except as otherwise noted in “ASSESSMENT PROCEDURES,” that are not otherwise defined herein shall have the meanings set forth in the Indenture. See “APPENDIX A — Form of Indenture.”

Set forth herein are brief descriptions of TCDA, the County, the District, the Assessment Orders, the Bond Resolution, the Service and Assessment Plan, the Authorization Resolution, the Funding Agreement, the Financing Agreement, the Joint Ownership and Development Agreement, the Reimbursement Agreement, the Management Contract, the Billing and Collections Services Agreement (each as defined herein), Meritage Homes of Texas, LLC (the “Managing Developer”), Taylor Morrison of Texas, Inc. (“Taylor Morrison”) and Tri Pointe Homes Texas, Inc. (“Tri Pointe” and, collectively with Taylor Morrison, the “Non-Managing Developers” and, collectively with Taylor Morrison and the Managing Developer, the “Developers”), Development Planning & Financing Group, Inc. (the “Managing Developer’s Consultant”), and P3Works, LLC (the “Administrator”), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents, the LGC Act, and the PID Act are qualified in their entirety by reference to such documents or such LGC Act or PID Act and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Copies of these documents may be obtained during the period of the offering of the Bonds from the Underwriter, FMSbonds, Inc., 5 Cowboy Way, Suite 300-25, Frisco, Texas 75034, Phone (214) 302-2246. The Form of Indenture appears in APPENDIX A and the Form of Service and Assessment Plan appears in APPENDIX B. The information provided under this caption “INTRODUCTION” is intended to provide a brief overview of the information provided in the other captions herein and is not intended, and should not be considered, fully representative or complete as to the subjects discussed hereunder.

## PLAN OF FINANCE

### Authority of the County

The District. The PID Act authorizes counties, such as the County, to create public improvement districts within their boundaries, and to impose assessments within the public improvement district to pay for certain improvements. The District was created by the Commissioners Court through a resolution adopted on November 13, 2018 (the “Authorization Resolution”) for the purpose of undertaking and financing the cost of certain public improvements within the District, including the Improvement Area #1 Improvements (as defined herein), authorized by the PID Act and approved by the Commissioners Court that confer a special benefit on property within the District.

TCDA. The LGC Act authorizes a county, including the County, to create a local government corporation to aid and act on behalf of the county. TCDA was created by the Commissioners Court on December 17, 1999 to aid, assist, and act on behalf of the County by entering into contracts that aid and promote the economic development of the County, including the management of public improvement districts created by the County under the PID Act and financing a portion of district costs through the issuance of bonds.

Authority to Contract with TCDA. Pursuant to the PID Act, the Commissioners Court may enter into an agreement with a corporation created by the County that provides for payment of amounts pledged under the PID Act to the corporation to secure indebtedness issued by the corporation to finance an improvement project, including indebtedness to pay capitalized interest and to fund a reserve fund, each as permitted by the PID Act for revenue or general obligation bonds issued under the LGC Act and indebtedness issued to pay the corporation’s costs of issuance. In addition, the agreement may provide that: (1) the corporation is responsible for managing the public improvement district; or (2) title to one or more improvements will be held by the corporation.

The County and TCDA have executed the Contract for Management and Administrative Services (the “Management Agreement”), pursuant to which TCDA has agreed to provide management and administrative services

for all public improvement districts created by the County, including the District. See “THE DISTRICT.” Additionally, the County and TCDA have executed the Funding Agreement, pursuant to which the County has agreed to take and pursue all actions directed by TCDA or the Trustee, as applicable, that are permissible under the PID Act to cause the Annual Installments to be collected and the liens securing the Annual Installments to be enforced, and to deposit the Contract Assessment Revenues or cause the Contract Assessment Revenues to be deposited into a segregated account and made available for payment on the Bonds. See “APPENDIX G – Funding Agreement.”

## **Introduction to Development Plan**

Overview. The District consists of approximately 446.732 acres located within the County and the extraterritorial jurisdiction of the City of Austin, Texas (the “City”). The District is being developed as a mixed-use development known as “Turner’s Crossing”, which is expected to be developed in multiple phases comprising four expected improvement areas (each, an “Improvement Area”) that will include single-family residential and commercial uses. The first phase of development, Improvement Area #1, consists of approximately 85.345 acres of developable property within the District and will include 120 40’ lots, 93 45’ lots and 101 50’ lots. Development of property in Improvement Area #1 commenced in August 2020 and the Improvement Area #1 Improvements were completed in December 2021. Construction of improvements in the second improvement area (“Improvement Area #2”) has commenced and is expected to be completed by January 2023. No single-family lot sales are anticipated to be sold to third-party homebuilders. Each of the Developers is a publicly traded homebuilder and will build and sell completed homes within the District, including within Improvement Area #1. See “THE DEVELOPMENT — Development Plan.” The boundaries of the District are shown in the “MAP SHOWING BOUNDARIES OF THE DISTRICT” on page vi.

Joint Ownership and Development Agreement. The Managing Developer originally contracted to purchase the property in the District from the Estate of Harriet Heep Shaffer on March 1, 2018 (the “Property”). While under contract for the Property in October of 2018, the Managing Developer entered into a Joint Ownership and Development Agreement with Taylor Morrison and Tri Pointe (the “Joint Ownership and Development Agreement”), pursuant to which the parties agreed: (1) to close the Property in undivided fee simple ownership, with each putting up funds proportional to their respective interests (initially 50.6% to the Managing Developer, and 24.7% to each of the Non-Managing Developers); (2) to jointly fund the development based on their respective interests; and (3) upon completion of the lots in each development phase, to execute swap deeds and perform true-ups such that each Developer will pay the same amount proportionally based on their actual share of the lots that they received. The Joint Ownership and Development Agreement contemplates that the Managing Developer will initially pay 50.6% of the costs and receive the same proportion of lots, based on nominal “front feet”, with each of the Non-Managing Developers responsible for 24.7% of costs and lots. The Developers closed on the purchase of the Property in July 2019. No financing was sought or obtained by the Developers in connection with the purchase of the Property. There are currently no liens on the portion of the Property within the District, including Improvement Area #1, that were incurred by the Developers.

The Joint Ownership and Development Agreement also provides, among other things: (1) for the appointment of Meritage Homes of Texas, LLC as the Managing Developer, empowered to act on behalf of the Non-Managing Developers (subject to certain major decisions) to cause the development to be constructed; (2) a build-out schedule, development plan, development schedule and development budget; (3) restrictions on the right of any Developer to dispose of their ownership interests in the property; (4) for the allocation of lots amongst the Developers in proportion to their ownership interests; and (5) events of default.

The Managing Developer, on behalf of the Developers, constructed improvements consisting of certain water, sanitary sewer, storm drainage, and roadway and sidewalk improvements that solely benefit Improvement Area #1 of the District (collectively, the “Improvement Area #1 Improvements”). See “THE IMPROVEMENT AREA #1 IMPROVEMENTS.”

## **Financing Plan**

The Managing Developer, on behalf of the Developers, will submit payment requests for costs actually incurred by the Developers in developing and constructing the Improvement Area #1 Improvements and will be paid in accordance with the Indenture, the Turner’s Crossing Public Improvement District Financing Agreement dated May

25, 2021 by and among the TCDA, the County, and the Managing Developer, as amended on August 16, 2022 (as amended, the “Financing Agreement”), and the Turner’s Crossing Public Improvement District Improvement Area #1 Acquisition and Reimbursement Agreement dated October 5, 2021 by and among the TCDA, the County and the Managing Developer, as amended on August 16, 2022 (as amended, the “Reimbursement Agreement”). The Financing Agreement governs the development of the entire District and the construction of the authorized improvements therein, including the Improvement Area #1 Improvements. The Reimbursement Agreement sets forth the specific terms of reimbursement with respect to Improvement Area #1 and evidences the Improvement Area #1 reimbursement obligation owed to the Managing Developer (the “Improvement Area #1 Reimbursement Obligation”). The Bonds are being issued in satisfaction of the Improvement Area #1 Reimbursement Obligation. Following the issuance of the Bonds, there will be no outstanding Improvement Area #1 Reimbursement Obligation. See “THE IMPROVEMENT AREA #1 IMPROVEMENTS – General,” “– The Financing Agreement”, and “– The Reimbursement Agreement”, “THE DEVELOPMENT – Development Plan”, “APPENDIX F – Financing Agreement”, and “APPENDIX G – Funding Agreement”.

The total cost of the Improvement Area #1 Improvements is expected to be approximately \$10,447,216. A portion of the costs of the Improvement Area #1 Improvements, in the approximate amount of \$7,225,739, is expected to be reimbursed to the Developers with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Improvements in the total approximate amount of \$3,221,477\* were paid by the Developers with corporate cash funding or cash on hand, and such costs will not be reimbursed. See “THE IMPROVEMENT AREA #1 IMPROVEMENTS” and “THE DEVELOPERS – History and Financing of the District.”

### **Reduction of Assessments**

The Initial Assessments were levied in an amount equal to \$10,190,000 (subsequently reduced to approximately \$10,153,698 after giving effect to the Lot 95 Initial Assessment Release Order) to pay the Improvement Area #1 Reimbursement Obligation owed to the Managing Developer pursuant to the Reimbursement Agreement. See “THE DISTRICT - Adjustment of Boundaries and Levy of Assessments.” The Bonds are being issued in satisfaction of the Improvement Area #1 Reimbursement Obligation and are expected to bear interest at a rate higher than the rate established in the Reimbursement Agreement (the “Reimbursement Agreement Interest Rate”). It is expected that the Initial Assessments will be reduced at the time of pricing by an amount that, after taking into account the levy of the Lot 95 Assessment, will result in the Annual Installment required to pay debt service on the Bonds to equal, as nearly as possible, the debt service that would have been payable on the Improvement Area #1 Reimbursement Obligation at the Reimbursement Agreement Interest Rate. At the time of pricing, the Assessments are expected to total approximately \$8,710,000\*. If any portion of the balance of the Improvement Area #1 Reimbursement Obligation remains unpaid after the TCDA issues the Bonds, such amount shall be discharged and shall no longer be due and owing.

### **Status of Lot Development in the District**

The Developers began construction of the Improvement Area #1 Improvements in August 2020. The Improvement Area #1 Improvements were completed as of December 2021. The Improvement Area #1 Improvements have been conveyed to the County or the City.

Construction of improvements in Improvement Area #2 has commenced and is expected to be completed by January 2023. Improvement Area #2 is anticipated to include a mix of 297 40’, 45’, and 50’ lots.

### **Status of Home Construction in Improvement Area #1**

The first home closing to a third-party homeowner in Improvement Area #1 occurred in March 2022. As of July 15, 2022, the Developers have closed on 74 of the 78 completed homes within Improvement Area #1 to third-party homeowners. An additional 179 homes are under construction in Improvement Area #1, and 135 of such homes

---

\* Preliminary; subject to change.

are under contract but not closed. There are an additional 57 completed vacant lots in Improvement Area #1. See “THE DEVELOPMENT —Status of Single-Family Lot and Home Construction in Improvement Area #1.”

## **The Bonds**

Proceeds of the Bonds will be used to provide funds for (i) paying or reimbursing a portion of the Actual Costs of the Improvement Area #1 Improvements, (ii) funding a reserve fund for the payment of principal of and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization and administration of the District, and (iv) paying the costs of issuance of the Bonds. The Bonds will be secured by the Trust Estate, consisting primarily of Contract Assessment Revenues paid by the County to TCDA from the collection of the Assessments levied on the Assessed Property within Improvement Area #1 pursuant to the Funding Agreement. **The Bonds shall never constitute an indebtedness or general obligation of the County, the City, the State of Texas (the “State”) or any other political subdivision of the State, within the meaning of any constitutional provision or statutory limitation whatsoever, but the Bonds are limited and special obligations of TCDA payable solely from the Trust Estate as provided in the Indenture. Neither the full faith and credit nor the taxing power of the County, the State or any other political subdivision of the State is pledged to the payment of the Bonds.**

## **Future Improvement Area Financing**

TCDA expects to issue one or more series of future bonds (each such series of bonds a “Future Improvement Area Bond”) to finance the cost of future improvement area improvements (“Future Improvement Area Improvements”) within one or more future improvement areas (each a “Future Improvement Area”) as the development proceeds. The estimated costs of the Future Improvement Area Improvements will be determined as each Future Improvement Area is developed, and the Service and Assessment Plan will be updated to identify the improvements authorized by the PID Act to be financed by each new series of Future Improvement Area Bonds. Such Future Improvement Area Bonds will be secured by separate assessments (the “Future Improvement Area Assessments”) levied pursuant to the PID Act on assessable property within the applicable Future Improvement Area of the District (the “Future Improvement Area Assessed Property”) that benefit from the Future Improvement Area Improvements being financed.

**The Bonds and any Future Improvement Area Bonds issued by the TCDA are separate and distinct issues of securities secured by separate assessments. Any Future Improvement Area Bonds or Refunding Bonds (as defined herein), if any, to be issued by the TCDA are not offered pursuant to this Limited Offering Memorandum. Investors interested in purchasing any of these other TCDA obligations should refer to the offering documents related thereto, when and if available.**

## **DESCRIPTION OF THE BONDS**

### **General Description**

The Bonds will mature on the dates and in the amounts set forth in the inside cover page of this Limited Offering Memorandum. Interest on the Bonds will accrue from their date of delivery (anticipated to be on or about October 13, 2022, the “Closing Date”) to the Underwriter and will be computed on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will be payable on each March 1 and September 1, commencing March 1, 2023\* (each an “Interest Payment Date”), until maturity or prior redemption. Wilmington Trust, National Association is the initial Trustee, Paying Agent, and Registrar for the Bonds.

The Bonds will be issued in fully registered form, without coupons, in Authorized Denominations. “Authorized Denominations” means \$100,000 and any integral multiple of \$1,000 in excess thereof; provided, however, that if the total principal amount of the Outstanding Bonds is less than \$100,000 then the Authorized Denomination shall be the amount of the Outstanding Bonds. Notwithstanding the foregoing, Authorized Denominations shall also include Bonds issued in \$1,000 in principal amount and integral multiples of \$1,000 in the

---

\* Preliminary; subject to change.

following instances: (A) any Bonds or any portion thereof that have been redeemed in part pursuant to an extraordinary optional redemption or (B) any Bonds or any portion thereof that have been defeased in part pursuant to an extraordinary optional redemption.

Upon initial issuance, the ownership of the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), and purchases of beneficial interests in the Bonds will be made in book-entry only form. See “BOOK-ENTRY ONLY SYSTEM” and “SUITABILITY FOR INVESTMENT.”

## Redemption Provisions

**Optional Redemption.** TCDA reserves the right and option to redeem the Bonds, with the prior written consent of the Commissioners Court, before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20\_\_, such redemption date or dates to be fixed by TCDA, at the redemption price of par plus accrued interest to the date of redemption.

**Extraordinary Optional Redemption.** Notwithstanding any provision in the Indenture to the contrary, TCDA reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on any date, at the redemption price of 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments or any other transfers to the Redemption Fund under the terms of the Indenture. See “ASSESSMENT PROCEDURES — Prepayment of Assessments” for the definition and description of “Prepayments” and “APPENDIX A — Form of Indenture.”

**Mandatory Sinking Fund Redemption.** The Bonds maturing on September 1 in the years \_\_\_\_\_ and \_\_\_\_\_ are subject to mandatory sinking fund redemption prior to their stated maturities and will be redeemed by TCDA in part at a price of par plus accrued and unpaid interest to the redemption date, from monies available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedules:

**\$\_\_\_\_\_ Bonds Maturing September 1, 20\_\_**

<b>Redemption Date</b>	<b>Sinking Fund Installment</b>
September 1, 20__	
September 1, 20__†	

\_\_\_\_\_

† Stated maturity.

**\$\_\_\_\_\_ Bonds Maturing September 1, 20\_\_**

<b>Redemption Date</b>	<b>Sinking Fund Installment</b>
September 1, 20__	
September 1, 20__†	

\_\_\_\_\_

† Stated maturity.

At least 45 days prior to each mandatory sinking fund redemption date and subject to any prior reduction authorized by the Indenture, the Trustee will select for redemption by lot, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of Bonds to be redeemed, will call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in the Indenture.

The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to the mandatory sinking fund redemption described above shall be reduced, at the option

of TCDA, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by TCDA at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions of the Indenture and not previously credited to a mandatory sinking fund redemption.

*Notice of Redemption.* Upon delivery of a TCDA Certificate directing redemption of the Bonds received at least 45 days prior to, the Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register. The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable. Any such notice shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. Notice of redemption having been given as provided in the Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the redemption price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state that TCDA may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied and sufficient funds are not received, the notice shall be of no force and effect, TCDA shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

TCDA has the right to rescind any optional redemption or extraordinary optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

*Partial Redemption.* If less than all of the Bonds are to be redeemed pursuant to a mandatory sinking fund redemption, an optional redemption, or an extraordinary optional redemption, Bonds shall be redeemed in minimum principal amounts of \$1,000 or any integral multiple thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by \$1,000. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination in effect at that time; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

If less than all of the Bonds are called for optional redemption pursuant to the Indenture, TCDA shall, pursuant to a TCDA Certificate, determine the Bond or Bonds or the amount thereof within a Stated Maturity to be redeemed and direct the Trustee to call by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

If less than all of the Bonds are called for extraordinary optional redemption pursuant to the Indenture, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds. If less than all Bonds within a Stated Maturity are called for extraordinary optional redemption

pursuant to the Indenture, the Trustee shall call by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

Upon surrender of any Bond for redemption in part, the Trustee, in accordance with the provisions of the Indenture, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

### **BOOK-ENTRY ONLY SYSTEM**

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company (“DTC”), New York, New York, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Limited Offering Memorandum. TCDA and the Underwriter believe the source of such information to be reliable, but neither TCDA nor the Underwriter takes responsibility for the accuracy or completeness thereof.

TCDA cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners (as defined below), or that they will do so on a timely basis or (3) DTC will serve and act in the manner described in this Limited Offering Memorandum. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered security certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Ratings rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect

Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all Bonds of the same maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant of such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to TCDA as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest, and all other payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from TCDA or paying agent/registrar, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, the paying agent/registrar, or TCDA, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest, and payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, the paying agent/registrar or TCDA, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to TCDA or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

TCDA may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered. Thereafter, Bond certificates may be transferred and exchanged as described in the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that TCDA believes to be reliable, but none of TCDA, TCDA's Financial Advisor or the Underwriter take any responsibility for the accuracy thereof.

NONE OF TCDA, THE TRUSTEE, THE PAYING AGENT, THE TCDA'S FINANCIAL ADVISOR OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS. TCDA CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM. THE CURRENT RULES APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

## **SECURITY FOR THE BONDS**

The following is a summary of certain provisions contained in the Indenture. Reference is made to the Indenture for a full statement of the terms and provisions of the Bonds. Investors must read the entire Indenture to obtain information essential to the making of an informed investment decision. See "APPENDIX A — Form of Indenture."

### **Special Obligations**

The Bonds are special, limited obligations of TCDA payable from the Trust Estate in accordance with the Indenture. See "SECURITY FOR THE BONDS - Pledge of Trust Estate" below.

NOTWITHSTANDING ANY PROVISION OR INFERENCE CONTAINED IN THE INDENTURE OR IN THE FUNDING AGREEMENT, NEITHER THE BONDS NOR ANY OTHER AMOUNTS SECURED BY THE TRUST ESTATE WILL EVER CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE STATE, THE COUNTY, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISIONS OR STATUTORY LIMITATION WHATSOEVER, BUT THE BONDS SECURED BY THE TRUST ESTATE WILL BE SPECIAL, LIMITED OBLIGATIONS OF TCDA PAYABLE SOLELY FROM THE FUNDS AVAILABLE THEREFOR AS PROVIDED IN THE INDENTURE. WITHOUT LIMITING AND IN ADDITION TO THE FOREGOING, THE TRUSTEE AND REGISTERED OWNERS UNDERSTAND THAT TCDA IS AN ENTITY ENTIRELY SEPARATE AND APART FROM THE COUNTY, AND THAT NO FUNDS OR OTHER ASSETS OR RESOURCES OF THE COUNTY (OTHER THAN CONTRACT ASSESSMENT REVENUES WHICH THE COUNTY IS OBLIGATED TO TRANSFER TO TCDA PURSUANT TO THE FUNDING AGREEMENT) ARE SUBJECT TO THE INDENTURE OR ANY OF ITS OBLIGATIONS OR PROVISIONS. THE COUNTY IS DISTINCT FROM TCDA AND SHALL HAVE ABSOLUTELY NO LIABILITY, OBLIGATION, OR RESPONSIBILITY UNDER THE INDENTURE (EXCEPT FOR THE PAYMENT OF CONTRACT ASSESSMENT REVENUES WHICH THE COUNTY IS OBLIGATED TO TRANSFER TO THE TRUSTEE PURSUANT TO THE FUNDING AGREEMENT). NONE OF THE COUNTY OR ANY OTHER POLITICAL SUBDIVISION SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS, OTHER THAN TCDA BUT SOLELY IN ACCORDANCE WITH THE INDENTURE AND ANY APPLICABLE SUPPLEMENTAL INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY OR ANY OTHER POLITICAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR THE INTEREST ON SUCH BONDS. THE OBLIGATIONS OF TCDA TO THE OWNERS ARE LIMITED SOLELY TO THE TRUST ESTATE AS DESCRIBED IN THE INDENTURE. TCDA HAS NO TAXING POWER.

### **Pledge of Trust Estate**

Pursuant to the Indenture, TCDA will pledge, transfer, and assign to the Trustee all of its right, title and interest in and to the Trust Estate. The collateral and the covenants and agreements contained in the Indenture to be performed by TCDA are for the benefit, protection, and security of the Trustee for the benefit of the Owners of the Bonds.

The Trust Estate, as described in the Indenture, consists primarily of the rights, title, and interest of TCDA (including, but not limited to, the right to enforce any of the terms thereof) in the following:

**First**, all of TCDA's right, title and interest under the Funding Agreement, including but not limited to the following:

- (1) the obligation of the County thereunder to transfer the Pledged Contract Revenues to TCDA; and
- (2) the first lien on and security interest granted in all funds on deposit in the "Improvement Area #1 Improvements Subaccount" (as defined and described in the Funding Agreement) maintained by TCDA, on behalf of the County, including investments and reinvestments and proceeds thereof, granted to TCDA by the County (See "PLAN OF FINANCE – Authority of the County" and "APPENDIX G — Funding Agreement");

**Second**, subject to the provisions set forth in the Indenture, the Pledged Contract Revenues and all of TCDA's right, title and interest in all moneys and investments held in the Pledged Funds, together with any investments and reinvestments made with such amounts and the proceeds thereof;

**Third**, subject to the provisions set forth in the Indenture, all of TCDA's right to bring actions and proceedings under the Funding Agreement for the enforcement thereof, and to do all things that TCDA is entitled to do under the Funding Agreement; and

**Fourth**, subject to the provisions set forth in the Indenture, any and all property (other than amounts in, or required to be deposited in, the Rebate Fund) of every kind or description now or hereafter owned by TCDA which may now or hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with the Trustee by or on behalf of TCDA as additional security under the Indenture, or which pursuant to any of the provisions of the Indenture or Funding Agreement may come into the possession or control of the Trustee, or of a receiver lawfully appointed pursuant to the Indenture, as such additional security; and the Trustee is authorized by the Indenture to receive any and all such property or money at any and all times as additional security for the payment of the Bonds, and to hold and apply all such property subject to the terms of the Indenture and the Funding Agreement.

## Definitions

Pursuant to the Indenture, the following terms are assigned the following meanings:

"Additional Interest" means the amount collected by the County by application of the 0.5% additional interest rate (the "Additional Interest Rate") permitted to be charged by the County on the Assessments pursuant to the PID Act.

"Annual Collection Costs" means the actual or budgeted costs and expenses related to collecting the Annual Installments, including, but not limited to, costs and expenses for: (i) the Administrator; (ii) County staff; (iii) TCDA staff; (iv) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the County or TCDA; (v) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (vi) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (vii) investing or depositing Assessments and Annual Installments; (viii) complying with the Service and Assessment Plan and the PID Act; (ix) the TCDA Depository Bank or the Trustee in connection with the reimbursement or payment of the Actual Costs, including their legal counsel; and (x) administering the construction of the Improvement Area #1 Improvements.

"Annual Installments" means, with respect to each Assessed Property, the annual payment of the Assessments as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update that includes: (i) principal; (ii) interest; (iii) Annual Collection Costs; and (iv) Additional Interest.

"Assessment Revenue" means monies received by or on behalf of the County from the collection of Assessments levied against an Assessed Property, including: (i) Annual Installments; (ii) Prepayments; (iii) Delinquent Collection Costs; and (iv) Foreclosure Proceeds.

“Pledged Contract Revenues” means the sum of (i) Contract Assessment Revenues less (a) the Annual Collection Costs and (b) Delinquent Collection Costs, (ii) the moneys held in any of the Pledged Funds, and (iii) and additional revenues that TCDA may pledge to the payment of the Bonds.

“Pledged Funds” means the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

### **Collection and Deposit of Assessments**

The County is authorized by the PID Act, the Assessment Orders, and other provisions of applicable law to finance the Improvement Area #1 Improvements by levying Assessments upon the Assessed Property in Improvement Area #1 of the District benefitted thereby. For a description of the assessment methodology and the amounts of Assessments levied in Improvement Area #1 of the District, see “ASSESSMENT PROCEDURES” and “APPENDIX B — Form of Service and Assessment Plan.”

In accordance with the PID Act, the County has adopted the Original Service and Assessment Plan and expects to adopt the Service and Assessment Plan in connection with the issuance of the Bonds, which describes the special benefit received by the property within the District, including within Improvement Area #1, provides the basis and justification for the determination of special benefit on such property, establishes the methodology for the levy of Improvement Area #1 Assessments and provides for the allocation of Pledged Contract Revenues for payment of principal of, premium, if any, and interest on the Bonds. See “ASSESSMENT PROCEDURES.” The Service and Assessment Plan will be reviewed and updated at least annually for the purpose of determining the annual budget for improvements and the Annual Installments (as defined below) of Improvement Area #1 Assessments due in a given year. The determination by the County of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the Commissioners Court of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District. See “APPENDIX B — Form of Service and Assessment Plan.”

The Assessments on each parcel, tract, or lot which are to be collected in each year during the term of the Bonds are shown on the Assessment Roll. The Assessments assessed to pay debt service on the Bonds together with interest thereon, are payable in Annual Installments established by the Assessment Orders and the Service and Assessment Plan to correspond, as nearly as practicable, to the debt service requirements for the Bonds. An Annual Installment of an Assessment has been made payable in the Assessment Orders in each County fiscal year preceding the date of final maturity of the Bonds which, if collected, will be sufficient to pay debt service requirements attributable to the Assessments in the Service and Assessment Plan. Each Annual Installment is payable as provided in the Service and Assessment Plan and the Assessment Orders.

Pursuant to a resolution adopted by the Commissioners Court on August 16, 2022, the County will authorize TCDA to issue the Bonds to be payable from the funds, including Contract Assessment Revenues, deposited into the Pledged Revenue Fund, as described herein and in the Indenture. Pursuant to the Funding Agreement, the County, having levied the Assessments, will take and pursue all actions directed by TCDA or the Trustee, as applicable, that are permissible under the PID Act to cause the Annual Installments to be collected and the liens securing the Annual Installments to be enforced in the manner and to the maximum extent permitted by the PID Act.

In accordance with the Funding Agreement, the County will deposit or cause to be deposited the Contract Assessment Revenues into the Improvement Area #1 Improvements Subaccount of the Turner’s Crossing PID Operating Account (the “Operating Account”) to be maintained with the TCDA Depository Bank, and TCDA shall keep such account and sub-accounts separate from all other funds of TCDA. The County has granted to TCDA a first priority lien on and security interest in all Contract Assessment Revenues on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account (together with any income, investments and proceeds thereof) to the full extent that the account and the Contract Assessment Revenues on deposit therein (together with any income, investments and proceeds thereof) may be subject to Chapter 9 of the Texas Business and Commerce Code.

Pursuant to the Funding Agreement and the Indenture, on or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Bonds are Outstanding, TCDA will transfer all Pledged Contract Revenues received from the County and on deposit in the Improvement Area #1 Improvements Subaccount of the

Operating Account to the Trustee for immediate deposit into the Pledged Revenue Fund to be transferred and applied in accordance with the Indenture. Under the Funding Agreement, the County has consented to the assignment and pledge by TCDA of the Pledged Contract Revenues.

The portions of the Contract Assessment Revenues on deposit in the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account collected to pay Annual Collection Costs and Delinquent Collection Costs will be transferred to the Trustee for deposit in the Administrative Fund and shall not constitute Pledged Contract Revenues.

### **Unconditional Levy of Assessments**

The County has imposed the Assessments on the Assessed Property within Improvement Area #1 of the District to pay the principal of and interest on the Bonds scheduled for payment from Pledged Contract Revenues as described in the Indenture and in the Service and Assessment Plan and coming due during each Fiscal Year. The Assessments became effective on the date of, and strictly in accordance with the terms of, the Assessment Orders. Each Assessment may be paid immediately in full or in periodic Annual Installments over a period of time equal to the term of the Bonds, which installments shall include interest on the Assessments. Pursuant to the Assessment Orders, interest on the Assessments will be calculated at the rate of interest on the Bonds plus the Additional Interest Rate, calculated on the basis of a 360-day year of twelve 30-day months. Such rate may be adjusted as described in the Service and Assessment Plan. Each Annual Installment, including the interest on the unpaid amount of an Assessment, will be calculated annually during the Annual Service Plan Update, will be due on or about October 1 of each year and will be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments will be due when billed on or about October 1, 2022 and will be delinquent if not paid prior to February 1, 2023.

As authorized by Section 372.018(b) of the PID Act, the County will calculate and collect each year while the Bonds are Outstanding and unpaid an assessment to pay the annual costs incurred by the County and TCDA in the administration and operation of the District, such assessment being the Annual Collection Costs. The portion of each Annual Installment used to pay the Annual Collection Costs shall remain in effect from year to year until all Bonds are finally paid or until the County adjusts the amount of the levy after an annual review in any year pursuant to Section 372.013 of the PID Act. The amount collected to pay Annual Collection Costs shall be billed in the manner set forth in the Assessment Orders on or about October 1 of each year and shall be delinquent if not paid by February 1 of the following year. **Amounts collected for Annual Collection Costs do not secure repayment of the Bonds.**

There will be no discount for the early payment of Improvement Area #1 Assessments.

The PID Act provides that the Assessments (including any reassessment, with interest, the expense of collection and reasonable attorney's fees, if incurred) are a first and prior lien (the "Assessment Lien") against the Assessed Property, superior to all other liens and claims, except liens and claims for the State, county, school district, or municipality for ad valorem taxes and are a personal liability of and charge against the owners of property, regardless of whether the owners are named. Pursuant to the PID Act, the Assessment Lien is effective from the date of the Assessment Orders until the Assessments are paid (or otherwise discharged) and is enforceable by the Commissioners Court in the same manner that an ad valorem property tax levied against real property may be enforced by the Commissioners Court. See "ASSESSMENT PROCEDURES" herein. The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the Assessment Orders. However, an Assessment Lien may not be foreclosed upon if any homestead rights of a property owner were properly claimed prior to the adoption of the Assessment Orders ("Pre-existing Homestead Rights") for as long as such rights are maintained on the property. See "BONDHOLDERS' RISKS — Assessment Limitations."

Failure to pay an Annual Installment when due will not accelerate the payment of the remaining Annual Installments of the Assessments and such remaining Annual Installments (including interest) shall continue to be due and payable at the same time and in the same amount and manner as if such default had not occurred.

### **Perfected Security Interest**

The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date of the Bonds, without physical delivery or transfer of control of the Trust Estate, the filing of the

Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by TCDA under the Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by TCDA under the Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, TCDA agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur. See “APPENDIX A — Form of Indenture.”

### **Pledged Revenue Fund**

Pursuant to the Indenture, TCDA shall establish a “Pledged Revenue Fund” to be held by the Trustee. As described above under “SECURITY FOR THE BONDS – Collection and Deposit of Assessments” and pursuant to the Indenture, the Trustee is expected to receive Pledged Contract Revenues from TCDA for deposit into the Pledged Revenue Fund. On or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Bonds are Outstanding, the Trustee shall deposit or cause to be deposited the Pledged Contract Revenues from amounts deposited to the Pledged Revenue Fund in the following order of priority:

- (i) first, to the Bond Pledged Contract Account of the Pledged Revenue Fund in an amount sufficient to pay Annual Debt Service on the Bonds,
- (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement,
- (iii) third, to the Additional Interest Reserve Account in an amount equal to the Additional Interest Reserve Requirement, and
- (iv) fourth, for any lawful purpose for which Assessments may be used under the PID Act.

Along with each deposit of Pledged Contract Revenues to the Pledged Revenue Fund, TCDA shall provide a TCDA Certificate to the Trustee as to (i) the Funds and Accounts into which the amounts are to be deposited and (ii) the amounts of any payments to be made from such Funds and Accounts.

From time to time as needed to pay the obligations relating to the Bonds, but no later than 5 Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account to the Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

If, after the foregoing transfers and any transfer from the Reserve Fund (as described under the subcaption “Reserve Fund” below), there are insufficient funds to make the payments to the Principal and Interest Account of the Bond Fund described above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

Notwithstanding the deposits described in (i) through (iv) above, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

Notwithstanding the deposits described in (i) through (iv) above, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds *first* to the Reserve Fund to restore any transfers from the Accounts of the Reserve Fund made with respect to the Assessed Property to which the Foreclosure Proceeds relate (first, to replenish the Reserve Account Requirement and second, to replenish the Additional Interest Reserve Requirement), and *second*, to the Redemption Fund.

After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the Accounts of the Reserve Fund, TCDA may direct the Trustee by TCDA Certificate to apply Contract Assessment Revenues for any lawful purposes permitted by the PID Act for which Assessments may be paid, including transfers to the Redemption Fund.

### **Bond Fund**

On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and/or interest then due and payable on the Bonds.

If amounts in the Principal and Interest Account are insufficient for the purposes set forth above, the Trustee shall withdraw *first*, from the Additional Interest Reserve Account and *second*, from the Reserve Account of the Reserve Fund amounts to cover the amount of such insufficiency. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

### **Project Fund**

Money on deposit in the Project Fund shall be used for the following purposes as specified in the Indenture: (i) paying a portion of the Actual Costs of the Improvement Area #1 Improvements and (ii) paying costs of issuance of the Bonds.

Except for the payment of costs of issuance of the Bonds to be paid on the Closing Date in accordance with instructions contained in a closing memorandum provided by TCDA, or TCDA's financial advisor on behalf of TCDA, to the Trustee, disbursements to pay or reimburse the payment of the costs of issuance of the Bonds shall be made by the Trustee from the Costs of Issuance Account of the Project Fund only upon receipt by the Trustee of a Closing Disbursement Request (as defined in the Indenture), pursuant to and in accordance with the disbursement procedures described in the Financing Agreement.

Money on deposit in the Improvement Account shall be used to pay Actual Costs of the Improvement Area #1 Improvements. Disbursements from the Improvement Account of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment (as defined in the Indenture). The disbursement of funds from the Improvement Account of the Project Fund pursuant to a Certification for Payment shall be pursuant to and in accordance with the disbursement procedures described in the Financing Agreement.

Upon receipt of a fully executed and approved Closing Disbursement Request or Certification for Payment and the required attachments, the Trustee may rely conclusively upon such Closing Disbursement Request or Certification for Payment. The Trustee shall have no liability on account of any disbursement from the Project Fund in accordance with such Closing Disbursement Request or Certification for Payment provided that it has complied with the procedures described above with respect to such Closing Disbursement Request or Certification for Payment.

If the TCDA Representative determines in his or her sole discretion that amounts then on deposit in the Improvement Account of the Project Fund are not expected to be expended for purposes of the Improvement Account of the Project Fund due to the abandonment or constructive abandonment of the Improvement Area #1 Improvements, as the case may be, such that, in the opinion of the TCDA Representative, it is unlikely that the amounts in the Improvement Account of the Project Fund will ever be expended for the purposes of the Improvement Account of the Project Fund, the TCDA Representative shall file a TCDA Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Account of the Project Fund that are not expected to be used for purposes of the Improvement Account of the Project Fund. If such TCDA Certificate is so filed, the amounts on deposit in the Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture and the Improvement Account shall be closed.

In making any determination pursuant to this subcaption, the TCDA representative may conclusively rely upon a certificate of an Independent Financial Consultant.

Upon the filing of a TCDA Certificate stating that all Improvement Area #1 Improvements have been completed and that all Actual Costs of the Improvement Area #1 Improvements have been paid, or that any such Actual Costs are not required to be paid from the Improvement Account of the Project Fund pursuant to a Certification of Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Account of the Project Fund to the Redemption Fund, and (ii) the Improvement Account of the Project Fund shall be closed.

Not later than six months following the Closing Date, upon a determination by the TCDA Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Improvement Account of the Project Fund and used to pay Actual Costs or, if the Improvement Account has been closed, to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by TCDA in a TCDA Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

### **Redemption Fund**

Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as a result of an optional or extraordinary optional redemption on the dates specified for such redemption as provided in the Indenture. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in the Indenture.

### **Reserve Fund**

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund for the benefit of the Bonds and held by the Trustee. TCDA agrees with the Owners of the Bonds to accumulate, and when accumulated maintain in the Reserve Account of the Reserve Fund, an amount equal to not less than the Reserve Account Requirement. The Reserve Account will be funded with proceeds of the Bonds in the amount of the Reserve Account Requirement. All amounts deposited in the Reserve Account of the Reserve Fund shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in the Indenture. Pursuant to the Indenture, the "Reserve Account Requirement" means the least of, as of the Closing Date: (i) Maximum Annual Debt Service on the Bonds, (ii) 125% of average Annual Debt Service on the Bonds, or (iii) 10% of the proceeds of the Bonds; provided, however, that the Reserve Account Requirement shall be reduced by the amount of any transfers made pursuant to the two immediately preceding paragraphs; and provided further that as a result of an optional redemption, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the Closing Date of the Bonds, the Reserve Account Requirement is \$\_\_\_\_\_ which is an amount equal to [Maximum Annual Debt Service on the Bonds] as of the Closing Date.

Whenever Bonds are to be redeemed with the proceeds of Prepayments, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds redeemed with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption; provided, however, no such transfer from the Reserve Account shall cause the amount on deposit therein to be less than the Reserve Account Requirement to be in effect after such redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall or any additional amounts to permit the redemption of Bonds to be redeemed in minimum principal amounts of \$[1,000] from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

Whenever, on any Interest Payment Date, or on any other date at the written request of a TCDA Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the TCDA Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment

Date in accordance with the Indenture, unless within 45 days of such notice to the TCDA Representative, the Trustee receives a TCDA Certificate instructing the Trustee to apply such excess: (i) to pay amounts due to the Rebate Fund under the Indenture, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the Improvement Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date of the Indenture.

Pursuant to the Indenture, an Additional Interest Reserve Account will be created within the Reserve Fund and held by the Trustee for the benefit of the Bonds. The Trustee will transfer from the Pledged Revenue Fund to the Additional Interest Reserve Account, to the extent that the Reserve Account contains the Reserve Account Requirement and funds are available after application of the deposit priority described in "SECURITY FOR THE BONDS - Pledged Revenue Fund", an amount equal to the Additional Interest until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that at any time the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has accumulated in the Additional Interest Reserve Account. Whenever, on any Interest Payment Date, or on any other date at the written request of the TCDA Representative, the amounts on deposit in the Additional Interest Reserve Account exceed the Additional Interest Reserve Requirement, the Trustee shall provide written notice to TCDA of the amount of the excess (the "Excess Additional Interest Reserve Amount"). The Excess Additional Interest Reserve Amount shall be transferred, at the direction of TCDA pursuant to a TCDA Certificate, to the Administrative Fund for the payment of Annual Collection Costs. In the event that the Trustee does not receive a TCDA Certificate directing the transfer of the Excess Additional Interest Reserve Amount to the Administrative Fund within 45 days of providing notice to TCDA of such Excess Additional Interest Reserve Amount, the Trustee shall transfer the Excess Additional Interest Reserve Amount to the Redemption Fund to redeem Bonds. The "Additional Interest Reserve Requirement" is an amount equal to 5.5% of the principal amount of the Outstanding Bonds.

Whenever a transfer is made from the Accounts of the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to TCDA, specifying the amount withdrawn and the source of said funds.

Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer *first* from the Additional Interest Reserve Account of the Reserve Fund to the Bond Fund and *second* from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account allocable to such Bonds shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency.

If the amount held in the Accounts of the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued on such Outstanding Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds as of such Interest Payment Date.

### **Rebate Fund**

TCDA has created under the Indenture a Rebate Fund held by the Trustee. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Internal Revenue Code of 1986, as amended (the "Code").

## **Administrative Fund**

TCDA has created under the Indenture an Administrative Fund held by the Trustee. On or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Bonds are Outstanding, TCDA shall deposit or cause to be deposited to the Administrative Fund the amounts collected each year to pay the Annual Collection Costs and Delinquent Collection Costs.

Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Accounts and Funds created and administered under the Indenture and used as directed by a TCDA Certificate solely for the purposes set forth in the Service and Assessment Plan. **The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds**

## **Records and Accounts**

Pursuant to the Indenture, TCDA is required to maintain books of records and accounts so long as any of the Bonds and any interest thereon remain Outstanding. TCDA shall provide the Trustee or duly authorized representative an opportunity to inspect such books and records relating to the Bonds during TCDA's regular business hours and on a mutually agreeable date not later than 30 days after TCDA receives such a request.

## **Bonds Deemed Paid**

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided in the Indenture, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by TCDA verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to the Indenture nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by TCDA maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

"Defeasance Securities" means Investment Securities then authorized by applicable law for the investment of funds to defease public securities. "Investment Securities" means those authorized investments described in the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended (the "PFIA"); and provided further such investments and are, at the time made, included in and authorized by TCDA's official investment policy as approved by its governing board from time to time. Under current State law, Investment Securities that are authorized for the investment of funds to defease public securities are (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, and that, on the date the governing body of TCDA adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing board of TCDA adopts or approves the proceedings authorizing the issuance of

refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Indenture does not contractually limit such investments, Owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used as Defeasance Securities or that for any other Defeasance Security will be maintained at any particular rating category.

### **Events of Default**

Each of the following occurrences or events constitutes an “Event of Default” under the Indenture:

1. The failure of TCDA to deposit the Pledged Contract Revenues in the Pledged Revenue Fund;
2. The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within 30 days (provided that the payments are to be made only from Pledged Contract Revenues and the Pledged Contract Revenues must be available to TCDA to make any such payments);
3. Default in the performance or observance of any covenant, agreement, or obligation of TCDA under the Indenture, any Supplemental Indenture, the Funding Agreement or the Bonds, and the continuation thereof for a period of 90 days after written notice to TCDA by the Trustee, or by the Owners of at least 51% of the aggregate Outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied; and
4. The occurrence of a payment default by the County under the Funding Agreement, as described in Section 14.0 of such Funding Agreement.

Notwithstanding the foregoing, nothing in the Indenture will be viewed to be an Event of Default if it is in violation of any applicable state or federal law or court order.

### **Remedies in Event of Default**

Upon the happening and continuance of any Event of Default, the Owners of at least 51% of the Bonds then Outstanding, may proceed against TCDA for the purpose of protecting and enforcing the rights of the Owners under the Indenture, by taking any of all of any combination of the following actions: (i) seek mandamus or other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained in the Indenture, or injunction; provided, however, that no action for money damages against TCDA may be sought or shall be permitted; (ii) request that a court of competent jurisdiction appoint, to the extent permitted by law, a receiver or receivers of the Trust Estate, and the income, revenues, profits and use thereof, it being the intent that to the extent permitted by law, the Trustee shall be entitled to appoint such a receiver as a matter of right; (iii) take such actions, including the filing and prosecution of lawsuits as may be required to enforce to the benefit of the Owners the terms of the Bond Documents which the Trustee may be entitled to enforce, including without limitation the Funding Agreement; (iv) exercise any right of TCDA to give any consent or notice, to take any act or refrain from taking any act, and otherwise act in the full place and stead of TCDA in Funding Agreement; and (v) take such other steps to protect and enforce its rights and the rights of the Owners, whether by action suit or proceeding in aid of the execution of any power granted in the Indenture or for the enforcement of any other appropriate legal or equitable remedy, including, but not limited to, proceedings by suit or suits, at or in equity or by any other appropriate legal or equitable remedy, to enforce payment of the interest on and the principal of the Bonds.

THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

If the assets of the Trust Estate are sufficient to pay all amounts due with respect to Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds, TCDA shall determine, in its absolute discretion, and shall instruct the Trustee by TCDA Certificate, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that TCDA shall fail to deliver to the Trustee such TCDA Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or TCDA by reason of such selection, liquidation, or sale.

Whenever moneys are to be applied pursuant to the Indenture, irrespective of and whether other remedies authorized under the Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of the Indenture. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against TCDA, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, TCDA shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

#### **Restriction on Owner's Actions**

No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture, for the appointment of a receiver or for the execution of any trust thereof or any other remedy under the Indenture, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of at least 51% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 of the Indenture, (iv) the Trustee has for 90 days after such notice failed or refused to exercise the powers granted in the Indenture, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding or request for the appointment of a receiver is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the Indenture by its, his or their action or to enforce any right under the Indenture except in the manner provided therein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided in the Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of the Indenture and to any action or cause of action for the enforcement of the Indenture or for any other remedy under the Indenture.

Pursuant to the Indenture, nothing in the Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of TCDA to pay each Bond issued under the Indenture to the respective Owners thereof at the time and place, from the source and in the manner expressed in the Indenture and in the Bonds.

In case the Trustee or any Owners shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case TCDA, the Trustee and the Owners shall be restored to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

## **Application of Revenues and Other Moneys After Event of Default**

All moneys, securities, funds and Pledged Contract Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out the Indenture, during the continuance of an Event of Default, the Trustee, on behalf of TCDA, be applied by the Trustee, to the payment of interest and principal or redemption price then due on Bonds, as follows:

**FIRST:** To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

**SECOND:** To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or redemption price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the Owners entitled thereto, without any discrimination or preference.

Within ten days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners.

In the event funds are not adequate to cure any of the Events of Default described in the Indenture, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of the Indenture.

The restoration of TCDA to its prior position after any and all defaults have been cured, as provided above, shall not extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

## **Investment or Deposit of Funds**

Money in any Fund established pursuant to the Indenture shall be invested by the Trustee as directed by TCDA pursuant to a TCDA Certificate filed with the Trustee at least two days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the PFIA, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investments which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

Obligations purchased as an investment of moneys in any Fund shall be deemed to be part of such Fund or Account, subject, however, to the requirements of the Indenture, except as otherwise provided by a Supplemental Indenture, for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in the Indenture any moneys are required to be transferred by TCDA to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall have no investment discretion and the Trustee's only responsibility for investments shall be to follow the written instructions of TCDA Certificate or to ensure the investment directed is a permitted investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to the Indenture. The Trustee shall not be required to determine the suitability or legality of any investments.

Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee under the Indenture, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in the Indenture.

The Trustee will furnish TCDA monthly cash transaction statements which include detail for all investment transactions made by the Trustee in the Indenture; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

### **Against Encumbrances**

Other than bonds issued to refund all or a portion of the Bonds ("Refunding Bonds"), TCDA shall not create and, to the extent Pledged Contract Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate, other than that specified in the Indenture, or upon any other property pledged under the Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

So long as Bonds are Outstanding, TCDA shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under the Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

### **Additional Obligations; or Other Liens**

TCDA reserves the right, subject to the provisions contained below, to issue Additional Obligations under other indentures, assessment orders, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from Pledged Contract Revenues.

Other than Refunding Bonds, TCDA will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of the Indenture or the priority thereof might or could be lost or impaired; and TCDA further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with the Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in the Indenture shall require TCDA to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

Additionally, TCDA has reserved the right to issue bonds or other obligations secured by and payable from Pledged Contract Revenues so long as such pledge is subordinate to the pledge of Pledged Contract Revenues securing payment of the Bonds.

Notwithstanding anything to the contrary herein no Refunding Bonds or subordinate obligations described above may be issued by TCDA unless: (1) the principal (including any principal amounts to be redeemed on a mandatory sinking fund redemption date) of such Refunding Bonds or subordinate obligations are scheduled to mature on September 1 of the years in which principal is scheduled to mature and (2) the interest on such Refunding Bonds or subordinate obligations must be scheduled to be paid on March 1 and/or September 1 of the years in which interest is scheduled to be paid.

## SOURCES AND USES OF FUNDS

The table that follows (preliminary; subject to change) summarizes the expected sources and uses of proceeds of the Bonds:

### Sources of Funds:

Principal Amount	\$
Original Issue Premium/Discount	
<b>Total Sources</b>	

### Uses of Funds:

Deposit to Improvement Account of Project Fund	
Deposit to Reserve Account of the Reserve Fund	
Deposit to Administrative Fund	
Deposit to Costs of Issuance Account of Project Fund	
Underwriter's Discount <sup>(1)</sup>	
<b>Total Uses</b>	

---

<sup>(1)</sup> Includes Underwriter's Counsel's fee of \$\_\_\_\_\_.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## DEBT SERVICE REQUIREMENTS

The following table sets forth the anticipated debt service requirements for the Bonds<sup>(1)</sup>

<b><u>Year Ending (September 30)</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Net Debt Service</u></b>
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
<b>Total</b>			

---

<sup>(1)</sup> To be updated and completed upon pricing.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## OVERLAPPING TAXES AND DEBT

### Overlapping Taxes and Debt

The land within the District has been, and is expected to continue to be, subject to taxes and assessments imposed by taxing entities other than County. Such taxes are payable in addition to the Assessments levied by the County.

In addition to the County, the entities below each levy ad valorem taxes upon land in the District for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. Neither the County nor TCDA has any control over the level of ad valorem taxes levied by such other taxing authorities. The following table reflects the overlapping ad valorem tax rates currently levied on property located in Improvement Area #1. The District is located within the boundaries of the entities set forth in the table below. The District is also located within the extraterritorial jurisdiction of the City.

<u>Taxing Entity</u>	<u>Tax Year 2021 Ad Valorem Tax Rate<sup>(1)</sup></u>
The County	\$0.3574
Travis County Healthcare District dba Central Health	\$0.1118
Austin Community College	\$0.1048
Travis County Emergency Services District #11	\$0.1000
Travis County Emergency Services District #15	\$0.1000
Hays Consolidated Independent School District	<u>\$1.3597</u>
Total Existing Tax Rate	<u>\$2.1337</u>
Estimated Average Annual Installment in the District as an Equivalent Tax Rate per Lot <sup>(2)</sup>	<u>\$0.5872</u>
Estimated Total Tax Rate and Average Annual Installment in the District as an Equivalent Tax Rate	<u>\$2.7208</u>

<sup>(1)</sup> As reported by the taxing entities. Per \$100 in taxable assessed value.

<sup>(2)</sup> Derived from information presented in the Service and Assessment Plan and based on the estimated Assessments at pricing. See "PLAN OF FINANCE - Reduction of Assessments." At the pricing of the Bonds, the outstanding Initial Assessments will be reduced to an amount that, when added to the Lot 95 Assessment, will be equal to the actual principal amount of the Bonds. Shown as an equivalent tax rate for illustration purposes only. See "ASSESSMENT PROCEDURES —Assessment Amounts." Preliminary; subject to change.

Sources: Travis Central Appraisal District and the County.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

As noted above, the District includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes or assessments. Set forth below is an overlapping debt table showing the outstanding indebtedness payable from ad valorem taxes with respect to property within Improvement Area #1, as of July 15, 2022, and TCDA debt secured by the Assessments:

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of July 15, 2022</u>	<u>Estimated Percentage Applicable<sup>(1)</sup></u>	<u>Direct and Estimated Overlapping Debt<sup>(1)</sup></u>
The County (Improvement Area #1 Assessments - The Bonds)	\$8,710,000 <sup>(2)</sup>	100.000%	\$8,710,000 <sup>(2)</sup>
The County (Ad Valorem Taxes)	978,465,000	0.0080%	78,277
Travis County Healthcare District dba Central Health	78,140,000		
		0.0078%	6,095
Austin Community College	436,260,000	0.0075%	32,720
Travis County Emergency Services District No. 11	-	5.0210%	-
Travis County Emergency Services District No. 15	-	0.7799%	-
Hays Consolidated Independent School District	<u>510,810,000</u>	0.4076%	<u>2,082,062</u>
	<u>\$2,012,385,000</u>		<u>\$10,909,153</u>

<sup>(1)</sup> Based on the Appraisal (as defined herein) for the District and on the Tax Year 2021 Net Taxable Assessed Valuations for the taxing entities.

<sup>(2)</sup> Preliminary; subject to change. The amount shown in the table represents the estimated Assessments at pricing. See "PLAN OF FINANCE - Reduction of Assessments." At the pricing of the Bonds, the outstanding Initial Assessments will be reduced to an amount that, when added to the Lot 95 Assessment, will be equal to the actual principal amount of the Bonds.

Sources: Travis Central Appraisal District and Municipal Advisory Council of Texas

## Homeowner's Association

In addition to the Assessments and the taxes described herein, each residential lot owner in the District will pay to the Turner's Crossing Residential Homeowners' Association, Inc. (the "HOA") an annual HOA fee of \$660 per lot, as well as a one-time fee of \$610 at lot closing. Such fees are subject to changes pursuant to any modification of the HOA's governing documents.

## ASSESSMENT PROCEDURES

### General

Capitalized terms used under this caption and not otherwise defined in this Limited Offering Memorandum shall have the meanings given to such terms in the Service and Assessment Plan. As required by the PID Act, when the County determines to defray a portion of the costs of the Improvement Area #1 Improvements through Assessments, it must adopt an order generally describing the Improvement Area #1 Improvements and the land within Improvement Area #1 to be subject to Assessments to pay the cost therefor. The County has caused an assessment roll to be prepared for Improvement Area #1 of the District (the "Assessment Roll"), which Assessment Roll shows the Assessed Property within Improvement Area #1, the amount of the benefit to and the Assessment against each Assessed Property and the number of Annual Installments in which the Assessment is divided. As discussed in "INTRODUCTION" and "THE DISTRICT - Adjustment of Boundaries and Levy of Assessments," the Initial Assessments were levied pursuant to the adoption of the Initial Assessment Order following a public hearing held on October 5, 2021, and the Lot 95 Assessment is expected to be levied pursuant to the adoption of the Lot 95 Assessment Order following a public hearing to be held on September 13, 2022. In each case, statutory notice was or, in the case of the Lot 95 Assessment, will be given to the owners of the property to be assessed. With the exception of the Initial Assessment levied on Lot 95, which was released pursuant to the Lot 95 Initial Assessment Release Order, following the adoption of the Initial Assessment Order, the Initial Assessments became the legal, valid, and binding liens upon the property against which such assessments were made. After the adoption of the Lot 95 Assessment Order, the Lot 95 Assessment will become the legal, valid and binding lien upon the property against which such assessment will be made. The Assessment Roll adopted pursuant to the Initial Assessment Order was filed with the County Tax Assessor Collector and made available for public inspection. The Assessment Roll, as amended following the adoption of the Lot 95 Assessment Order, will be filed in the same manner. See "THE DISTRICT - Adjustment of Boundaries and Levy of Assessments" for a discussion of Lot 95.

Under the PID Act, the Actual Costs of Improvement Area #1 Improvements may be assessed by the County against the Assessed Property in Improvement Area #1 so long as the special benefit conferred upon the Assessed Property by the Improvement Area #1 Improvements equals or exceeds the Assessments. The Actual Costs of the Improvement Area #1 Improvements may be assessed using any methodology that results in the imposition of equal shares of cost on Assessed Property similarly benefited. The allocation of benefits and Assessments to the benefitted land within Improvement Area #1 is set forth in the Service and Assessment Plan, which should be read in its entirety. See “APPENDIX B — Form of Service and Assessment Plan.”

### **Assessment Methodology**

The Service and Assessment Plan describes the special benefit to be received by each parcel of Assessed Property as a result of the Improvement Area #1 Improvements, provides the basis and justification for the determination that such special benefit exceeds the Assessments being levied, and establishes the methodology by which the County allocates the special benefit of the Improvement Area #1 Improvements to parcels in a manner that results in equal shares of costs being apportioned to parcels similarly benefited. As described in the Service and Assessment Plan, a portion of the costs of the Improvement Area #1 Improvements are being funded with proceeds of the Bonds, which are payable from and secured by Pledged Contract Revenues, which consist primarily of the Assessments.

The Service and Assessment Plan will be updated prior to the closing of the Bonds to reflect the final pricing thereof.

As set forth in the Service and Assessment Plan, the Commissioners Court has determined that the Actual Costs associated with the Improvement Area #1 Improvements shall be initially allocated entirely to the Assessed Property. As the Assessed Property has been subsequently divided, the benefits received by the Improvement Area #1 Improvements and the related Assessments have been apportioned pro rata according to the Estimated Buildout Value of the newly created parcels as set forth in the Service and Assessment Plan. See “— Assessment Amounts” below. The Improvement Area #1 Assessment for any resulting Lot may not exceed the Maximum Assessment (as defined herein) for such Lot Type, as reflected in the Service and Assessment Plan. See “APPENDIX B — Form of Service and Assessment Plan”

The County has determined that the foregoing method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefitted within Improvement Area #1. The Assessments and interest thereon are expected to be paid in Annual Installments as described above. The determination by the County of the assessment methodology set forth in the Service and Assessment Plan is a result of the discretionary exercise by the County of its legislative authority and governmental powers and is conclusive and binding on the Developers and all future owners and developers within the District. See “APPENDIX B — Form of Service and Assessment Plan”

For further explanation of the assessment methodology, see “APPENDIX B — Form of Service and Assessment Plan.”

### **Collection and Enforcement of Assessment Amounts**

Under the PID Act, the Annual Installments may be collected in the same manner and at the same time as ad valorem taxes of the County. The Assessments may be enforced by the County in the same manner that an ad valorem tax lien against real property is enforced. Delinquent installments of the Assessments incur interest, penalties, and attorney’s fees in the same manner as delinquent ad valorem taxes. Under the PID Act, the Assessment Lien is a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for State, county, school district or municipality ad valorem taxes. See “BONDHOLDERS’ RISKS — Assessment Limitations” herein.

Pursuant to a Contract for Management and Administrative Services entered into between TCDA and the County on April 24, 2018 (the “Management Contract”), TCDA, on behalf of the County, will provide management and administrative services for the District. Pursuant to a billing and collections service agreement (the “Billing and Collections Services Agreement”) between TCDA and the County, the Assessments levied by the County against the Assessed Property will be collected by the County, acting through the County Tax Assessor-Collector, on behalf of

TCDA. The County covenants to collect, or cause to be collected, the Assessments as provided in the Funding Agreement. No less frequently than annually, County staff or a designee of the County shall prepare, and the Commissioners Court shall approve, an Annual Service Plan Update to allow for the billing and collection of annual installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel or lot of Assessed Property. Annual Collection Costs shall be allocated among all Parcels in proportion to the amount of the Annual Installments for the Parcels.

Pursuant to the Management Contract, TCDA will also perform or assist the County in performing its obligations under the Service and Assessment Plan and under any other agreement to which the County is a party or by which it is bound, and which are related to the management and administration of the District. As requested by the County, TCDA will: (i) assist in the preparation of updates, amendments or supplements to the Service and Assessment Plan; (ii) enter into a reimbursement agreement, including the Reimbursement Agreement; and (iii) will issue bonds secured by special assessments levied in the District, including the Bonds.

In the Funding Agreement, the County covenants, agrees, and warrants that, for so long as any Bonds are Outstanding and amounts are due under the Reimbursement Agreement, that it will take and pursue all actions as directed by the TCDA or the Trustee, as applicable, that are permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

To the extent permitted by law, notice of the Annual Installments will be sent by, or on behalf of the County, to the affected property owners on the same statement or such other mechanism that is used by the County, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the County.

The County will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the County will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the County shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Property.

The County expects to implement the basic timeline and procedures for Assessment collections and pursuit of delinquencies set forth in Exhibit B of the Funding Agreement and will comply therewith to the extent that the County reasonably determines that such compliance is the most appropriate timeline and procedures for enforcing the payment of delinquent Assessments.

The County shall not be required under any circumstances to expend any funds for Delinquent Collection Costs in connection with its covenants and agreements under the Funding Agreement or otherwise other than funds on deposit with the Trustee in the Administrative Fund.

Annual Installments payable to the County will be paid by the County Tax Assessor-Collector to TCDA. Annual Installments are due upon receipt, on or about October 1 of each year, and become delinquent on February 1 of the following year. In the event Assessments are not timely paid, there are penalties and interest as set forth below:

<u>Date Payment</u> <u>Received</u>	<u>Cumulative</u> <u>Penalty</u>	<u>Cumulative</u> <u>Interest</u>	<u>Total</u>
February	6%	1%	7%
March	7%	2%	9%
April	8%	3%	11%
May	9%	4%	13%
June	10%	5%	15%
July	12%	6%	18%

After July, the penalty remains at 12%, and interest accrues at the rate of 1% each month. In addition, if an account is delinquent in July, a 20% attorney's collection fee may be added to the total penalty and interest charge. In general, property subject to lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. An automatic stay by creditors or other entities, including governmental units, could prevent governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In most cases, post-petition Assessments are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

### **Assessment Amounts**

Assessment Amounts. The maximum amounts of the Assessments have been established by the methodology described in the Service and Assessment Plan. The Assessment Roll sets forth for each year the Annual Installment for each Assessed Property consisting of (i) the annual principal and interest payments of the Assessments, (ii) Additional Interest, and (iii) Annual Collection Costs. The Annual Installments for the Assessments may not exceed the amounts shown on the Assessment Roll. The Assessments have been or will be levied against the parcels comprising the Assessed Property as indicated on the Assessment Roll. See "APPENDIX B — Form of Service and Assessment Plan."

The Annual Installments shown on the Assessment Roll will be reduced to equal the Actual Costs of repaying the Bonds, Additional Interest, and actual Annual Collection Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

Method of Apportionment of Assessments. For purposes of the Service and Assessment Plan, the Commissioners Court has determined that the costs of the Improvement Area #1 Improvements shall be initially allocated entirely to the Assessed Property.

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

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

Where the terms have the following meaning:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all the newly divided Assessed Properties

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

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Assessed Property prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all the newly subdivided Lots excluding Non-Benefitted Property

E = the number of newly subdivided Lots with the same Lot Type

The Assessment for any resulting Lot may not exceed the “Maximum Assessment” for such Lot Type, which means, for each Lot Type, an Assessment equal to the lesser of (i) the amount calculated pursuant to Section VI.A of the Service and Assessment Plan and (ii) the amount shown on Exhibit H to the Service and Assessment Plan. See “APPENDIX B — Service and Assessment Plan.”

The following table reflects the allocation of Assessments to be levied and collected per Lot Type.

Lot Type	Units	Buildout Value Per Lot <sup>(1)</sup>	Total Buildout Value <sup>(2)</sup>	% Allocation	Total Assessment <sup>(3)</sup>	Maximum Assessment Per Lot	Average Annual Installment Per Unit
1	120	\$340,000	\$ 40,800,000	34.20%	\$ 2,978,839	\$24,823.66	\$1,996.35
2	93	\$382,500	\$ 35,572,500	29.82%	\$ 2,597,175	\$27,926.61	\$2,245.89
3	101	\$425,000	\$ 42,925,000	35.98%	\$ 3,133,986	\$31,029.57	\$2,495.43
<b>Total</b>	<b>314</b>		<b>\$119,297,500</b>	<b>100.00%</b>	<b>\$8,710,000</b>		

<sup>(1)</sup> Source: Service and Assessment Plan..

<sup>(2)</sup> Total buildout value is based upon assumed buildout value of \$340,000 for Lot Type 1, \$382,000 for Lot Type 2, and \$425,000 for Lot Type 3 as provided in the Service and Assessment Plan. Estimated buildout values utilized in the SAP may differ from home sale prices in Improvement Area #1. See “THE DEVELOPMENT – Actual Home Prices in Improvement Area #1.”

<sup>(3)</sup> The amount shown in the table represents the estimated Assessments at pricing. Currently, there are approximately \$10,153,698 in outstanding Assessments. See “PLAN OF FINANCE - Reduction of Assessments” and “THE DISTRICT - Adjustment of Boundaries and Levy of Assessments.” At the pricing of the Bonds, the outstanding Initial Assessments will be reduced to an amount that, when added to the Lot 95 Assessment, will be equal to the actual principal amount of the Bonds. Following the issuance of the Bonds, any corresponding balance due to the Managing Developer under the Reimbursement Agreement will be discharged and shall no longer be due and owing. Preliminary; subject to change.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## Assessment Payer Concentration

The information appearing in the following table illustrates the largest Assessment payers in Improvement Area #1, based on home closings as of July 15, 2022, and the percentage of Assessments to be paid by such property owners.

Property Owner	Lot Type	Number of Lots	Outstanding Assessment per Lot Type	Outstanding Assessment	Percentage of Total Assessments
Meritage Homes of Texas, LLC	40'	6	\$24,823.66	\$148,942	1.7%
	45'	15	\$27,926.61	\$418,899	4.8%
	50'	5	\$31,029.57	\$155,148	1.8%
<b>Subtotal</b>		<b>26</b>		<b>\$722,989</b>	<b>8.3%</b>
Taylor Morrison of Texas, Inc.	40'	0	\$24,823.66	\$ -	0.0%
	45'	20	\$27,926.61	\$558,532	6.4%
	50'	29	\$31,029.57	\$899,858	10.3%
<b>Subtotal</b>		<b>49</b>		<b>\$1,458,390</b>	<b>16.7%</b>
Tri Point Homes Texas, Inc.	40'	7	\$24,823.66	\$173,766	2.0%
	45'	2	\$27,926.61	\$55,853	0.6%
	50'	21	\$31,029.57	\$651,621	7.5%
<b>Subtotal</b>		<b>30</b>		<b>\$881,240</b>	<b>10.1%</b>
Homes Under Contract with Homeowners	40'	67	\$24,823.66	\$1,663,185	19.1%
	45'	28	\$27,926.61	\$781,945	9.0%
	50'	40	\$31,029.57	\$1,241,183	14.3%
<b>Subtotal</b>		<b>135</b>		<b>\$3,686,313</b>	<b>42.3%</b>
Completed Homes Sold to Homeowners	40'	40	\$24,823.66	\$992,946	11.4%
	45'	28	\$27,926.61	\$781,945	9.0%
	50'	6	\$31,029.57	\$186,177	2.1%
<b>Subtotal</b>		<b>74</b>		<b>\$1,961,069</b>	<b>22.5%</b>
<b>Total</b>		<b>314</b>		<b>\$8,710,000</b>	<b>100.0%</b>

<sup>(1)</sup> "Homes Under Contract with Homeowners" are considered to be owned by the Developers.

<sup>(2)</sup> The amount shown in the table represents the estimated Assessments at pricing. Currently, there are approximately \$10,153,698 in outstanding Assessments. See "PLAN OF FINANCE - Reduction of Assessments" and "THE DISTRICT - Adjustment of Boundaries and Levy of Assessments." At the pricing of the Bonds, the outstanding Initial Assessments will be reduced to an amount that, when added to the Lot 95 Assessment, will be equal to the actual principal amount of the Bonds. Following the issuance of the Bonds, any corresponding balance due to the Managing Developer under the Reimbursement Agreement will be discharged and shall no longer be due and owing. Preliminary; subject to change.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## Prepayment of Assessments

*Voluntary Prepayments.* Pursuant to the PID Act and the Service and Assessment Plan, the owner of any Assessed Property may voluntarily prepay (a “Prepayment”) all or part of any Assessment levied against any Lot or Parcel, together with accrued interest to the date of payment, at any time. Upon receipt of such Prepayment, such amounts will be applied towards the redemption or payment of the Bonds. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as payment of regularly scheduled Assessments.

*Mandatory Prepayments.* If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the owner transferring the Assessed Property shall pay to the Administrator the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefitted Property, the owner causing the change in status shall pay the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status. “APPENDIX B — Form of Service and Assessment Plan.”

*True-Up of Assessment if Maximum Assessment Exceeded at Plat.* If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the Maximum Assessment, the owner of the Assessed Property requesting the subdivision must partially prepay the Assessment for each Assessed Property that exceeds the Maximum Assessment in an amount sufficient to reduce the Assessment to the Maximum Assessment. See “APPENDIX B — Form of Service and Assessment Plan.”

*Prepayment as a Result of an Eminent Domain Proceeding or Taking.* If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a “Taking”), the portion of the Assessed Property that was taken or transferred (the “Taken Property”) shall be reclassified as Non-Benefitted Property. See “APPENDIX B — Form of Service and Assessment Plan.”

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the “Remaining Property”) following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner will remain liable to pay in Annual Installments, or payable as otherwise provided by the Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment to the Assessment applicable to the Remaining Property after any required Prepayment as set forth below.

Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the Maximum Assessment, the owner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the Maximum Assessment, in which case the Improvement Area #1 Assessment and Annual Installments applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. In all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment. See “APPENDIX B — Form of Service and Assessment Plan.”

Notwithstanding the previous paragraphs in this subsection, if the owner notifies the County and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full. See “APPENDIX B — Form of Service and Assessment Plan.”

Notwithstanding the preceding paragraphs under this subcaption, the Assessment shall not, however, be reduced to an amount less than the Outstanding Bonds. See “APPENDIX B — Form of Service and Assessment Plan.”

*Reduction of Assessments.* If, as a result of cost savings or Improvement Area #1 Improvements not being constructed, the Actual Costs of completed Improvement Area #1 Improvements are less than the Assessments, upon receipt of a TCDA Certificate, the Trustee shall apply amounts on deposit in the Project Fund that are not expected to be used for purposes of the Project Fund to redeem Outstanding Bonds, in accordance with the Indenture. The Assessments shall not, however, be reduced to an amount less than the Outstanding Bonds. See “APPENDIX B — Form of Service and Assessment Plan.”

### **Priority of Lien**

The Assessments or any reassessment, the expense of collection, and reasonable attorney’s fees, if incurred, constitute a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for the State, county, school district, or municipality ad valorem taxes, and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the applicable Assessment Order until the Assessment is paid and may be enforced by the County in the same manner as an ad valorem tax levied against real property may be enforced by the County. The owner of any property assessed may pay the entire Assessment levied against any lot or parcel, together with accrued interest to the date of payment, at any time.

### **Foreclosure Proceedings**

In the event of delinquency in the payment of any Annual Installment, except for unpaid Assessments on homestead property (unless the lien associated with the assessment attached prior to the date the property became a homestead), the County is empowered to order institution of an action in state district court to foreclose the lien of such delinquent Annual Installment. In such action the real property subject to the delinquent Annual Installments may be sold at judicial foreclosure sale for the amount of such delinquent Annual Installments, plus penalties and interest.

Any sale of property for nonpayment of an installment or installments of an Assessment will be subject to the lien established for remaining unpaid installments of the Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent installments of the Assessments against such property as they become due and payable. Judicial foreclosure proceedings are not mandatory. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the County of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and in such event, there could be an additional delay in payment of the principal of and interest on Bonds or such payment may not be made in full. The County is not required under any circumstance to purchase the property or to pay the delinquent Assessment on the corresponding Assessed Property.

In the Funding Agreement, the County covenanted to take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement or exemption in the Assessments, provided that the County is not required to expend any funds for collection and enforcement of Assessments other than funds on deposit in the Administrative Fund. Pursuant to the Indenture, Foreclosure Proceeds (excluding Delinquent Collection Costs) constitute Pledged Contract Revenues to be deposited into the Pledged Revenue Fund upon receipt by TCDA and distributed in accordance with the Indenture. See “APPENDIX A – Form of Indenture.” See also “APPENDIX D-1 – Form of TCDA Disclosure Agreement” for a description of the expected timing of certain events with respect to collection of the delinquent Assessments.

The County will not be obligated to fund foreclosure proceedings out of any funds other than in the Administrative Fund. If Assessment Revenues collected for the payment of Annual Collection Costs are insufficient to pay foreclosure costs, the owners of the Bonds may be required to pay amounts necessary to continue foreclosure proceedings. See “APPENDIX A — Form of Indenture” and “APPENDIX B — Form of Service and Assessment Plan.”

## TCDA

TCDA was created by the County on December 17, 1999, as a local government corporation pursuant to the provisions of the LGC Act and Chapter 394, Texas Local Government Code (“Chapter 394”). According to its Articles of Incorporation, TCDA is organized as a public non-profit corporation for the purpose of aiding, assisting, and acting on behalf of the County in the performance of its governmental functions to promote the common good and general welfare of the County and to promote, develop, encourage, and maintain employment, commerce, and economic development in the County, including the management of public improvement districts. The Articles of Incorporation provide that TCDA will be managed by a Board of Directors consisting of the current members of the Commissioners Court. TCDA commenced operations in 1999. Its operations are currently funded by funds transferred from the County, including proceeds of the Contract Assessment Revenues paid to it by the County pursuant to the Funding Agreement. For more information regarding the TCDA Board, see page iv.

## THE COUNTY

### Background

The County is located in central Texas. The County is situated along Interstate Highway 35 and covers approximately 1,022.10 square miles. The County’s 2020 census population was 1,290,188 and the County’s population estimate as of April 1, 2022<sup>(1)</sup> is 1,402,935.

---

<sup>(1)</sup> Source: City of Austin Demographer forecast for April 1, 2022.

### Population Trend

<u>Year</u>	<u>Travis County Population</u>	<u>Annualized Growth Rate</u>
2016	1,209,415	3.10%
2017	1,242,674	2.75%
2018	1,273,741	2.50%
2019	1,304,311	2.40%
2020	1,339,103	2.67%
2021	1,372,063	2.46%
2022	1,402,935	2.25%

---

<sup>(1)</sup> Source: City of Austin, Department of Planning.

### County Government

The County is a political subdivision of the State of Texas and is governed by a Commissioners Court comprised of the County Judge and four County Commissioners. The County Judge is elected to a four-year term by the voters of the County. The County Commissioners are each elected to a four-year term by the voters within the Commissioners’ respective precinct. Along with the Commissioners Court, the County Tax Assessor-Collector, County Treasurer, and County Auditor share in the financial administration of the County. For more information regarding the current members of the Commissioners Court and principal County officials, see page iv.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## Major Employers

The major employers in the County are set forth in the table below<sup>(1)</sup>.

<b><u>Employer</u></b>	<b><u>Product or Service</u></b>	<b><u>Employees</u></b>
State of Texas	Government	59,035
University of Texas at Austin	Education and Research	27,067
HEB Grocery Co.	Grocery Stores	19,008
City of Austin	Government	16,427
Ascension Seton	Health Services	15,218
Wal-Mart Stores, Inc.	Retail	15,000
Dell Inc.	Electronics	13,000
Federal Government	Government	12,982
Amazon.com, LLC	Retail	11,000
Austin Independent School District	Education	10,858

<sup>(1)</sup> Source: The County's Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2021.

## Historical Employment in the County

	Snapshot, Month of May in Each Year				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020<sup>(5)</sup></u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Civilian Labor Force <sup>(1)</sup>	793,241	763,003	709,397	721,427	709,330
Total Employed <sup>(2)</sup>	772,377	732,058	632,339	704,793	690,637
Total Unemployed <sup>(3)</sup>	20,864	30,945	77,058	16,634	18,693
Unemployment Rate <sup>(4)</sup>	2.6%	4.1%	10.9%	2.3%	2.6%

<sup>(1)</sup> Source: U.S. Bureau of Labor Statistics, as of February of each year. <https://fred.stlouisfed.org/series/TXTRAV3LFN>, accessed on August 1, 2022.

<sup>(2)</sup> Source: U.S. Bureau of Labor Statistics, as of February of each year. <https://fred.stlouisfed.org/series/LAUCN484530000000005>, accessed on August 1, 2022.

<sup>(3)</sup> Source: U.S. Bureau of Labor Statistics, as of February of each year. <https://fred.stlouisfed.org/series/LAUCN484530000000004>, accessed on August 1, 2022.

<sup>(4)</sup> Source: U.S. Bureau of Labor Statistics, as of February of each year. <https://fred.stlouisfed.org/series/TXTRAV3URN>, accessed on August 1, 2022.

<sup>(5)</sup> See "BONDHOLDERS' RISK – Infectious Disease Outbreak – COVID-19."

## THE DISTRICT

### General

The PID Act authorizes counties, such as the County, to create public improvement districts within their boundaries, and to impose assessments within the public improvement district to pay for certain improvements. The District was created by the Authorization Resolution on November 13, 2018 for the purpose of undertaking and financing the cost of certain public improvements within the District, including the Improvement Area #1 Improvements, authorized by the PID Act and approved by the Commissioners Court that confer a special benefit on the District property being developed. The District is not a separate political subdivision of the State. A map of the property within the District is included on page vi hereof.

### Powers and Authority of the County and TCDA

Pursuant to the PID Act, the County may establish and create the District and undertake, or reimburse a developer for the costs of, improvement projects that confer a special benefit on property located within the District. The PID Act provides that the County may levy and collect assessments on property in the District, or portions thereof, payable in periodic installments based on the benefit conferred by an improvement project to pay all or part of its cost.

Pursuant to the PID Act, the Commissioners Court may enter into an agreement with a corporation created by the County that provides for payment of amounts pledged under the PID Act to the corporation to secure indebtedness issued by the corporation to finance an improvement project, including indebtedness to pay capitalized interest and to fund a reserve fund, each as permitted by the PID Act for revenue or general obligation bonds issued under the LGC Act and indebtedness issued to pay the corporation's costs of issuance. In addition, the agreement may provide that: (1) the corporation is responsible for managing the public improvement district; or (2) title to one or more improvements will be held by the corporation. Pursuant to Section 372.026(f) of the PID Act, the County and the TCDA have entered into the Management Contract pursuant to which the TCDA, on behalf of the County, will provide management and administrative services for the District. See "ASSESSMENT PROCEDURES - Collection and Enforcement of Assessment Amounts."

Pursuant to the PID Act and the Authorization Resolution, the County and TCDA have the power to reimburse a developer for the costs of the financing, acquisition, construction, or improvement of the Improvement Area #1 Improvements. See "THE IMPROVEMENT AREA #1 IMPROVEMENTS." Pursuant to such authority, the County and the TCDA have agreed to reimburse the Managing Developer for the construction, acquisition or purchase of certain water, sanitary sewer, storm drainage, and roadway and sidewalk improvements within the District comprising the Improvement Area #1 Improvements and to finance a portion of the costs thereof through the issuance of the Bonds. TCDA has further determined to provide for the payment of debt service on the Bonds through Pledged Contract Revenues. See "ASSESSMENT PROCEDURES" herein and "APPENDIX B — Form of Service and Assessment Plan."

#### **Adjustment of Boundaries and Levy of Assessments**

On October 5, 2021, the County adopted the Initial Assessment Order levying the Initial Assessments on the Assessed Property within Improvement Area #1 of the District.

In May 2022, it was discovered that, as a result of revisions during the preliminary planning process, adjustments were made to the size of two adjacent multifamily tracts that are not included within the boundaries of the District, which resulted in a net gain to the intended boundaries of the District, including the addition of one full lot ("Lot 95"). Because of an administrative oversight, these adjustments were not reflected in the original creation proceedings for the District, however, these adjustments were reflected in the initial levy of assessments on October 5, 2021 (the "Initial Assessments"). Notwithstanding the determination of the Commissioners Court that the assessment on Lot 95 was therefore invalid, it was determined that Lot 95 nonetheless received a benefit from the Improvement Area #1 Improvements. On July 12, 2022, the Commissioners Court, by order (the "Lot 95 Initial Assessment Release Order") released, repealed and rescinded the assessment levied on Lot 95 pursuant to the Initial Assessment Order. The Developers submitted a petition requesting the amendment of the District's boundaries to include the originally-intended adjustments resulting from the boundary adjustments to the multifamily tracts, including the inclusion of Lot 95 within the District. The County accepted the petition, and, on August 16, 2022, the Commissioners Court convened a public hearing regarding the same and adopted a resolution so amending the District's boundaries. Also on August 16, 2022, the Commissioners Court accepted a preliminary amended and restated service and assessment plan levying an assessment on Lot 95 (the "Lot 95 Assessment") and directing staff to take certain other actions in conformity with the PID Act. On September 13, 2022, the Commissioners Court expects to convene a public hearing regarding the levy of the Lot 95 Assessment and adopt the Lot 95 Assessment Order approving the Service and Assessment Plan, levying the Lot 95 Assessment.

No collection has yet occurred with respect to the Assessments. **The Service and Assessment Plan expected to be adopted on September 13, 2022 will reflect the final pricing of the Bonds.**

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## THE IMPROVEMENT AREA #1 IMPROVEMENTS

### General

The Improvement Area #1 Improvements consist of infrastructure benefitting the District and, specifically, Improvement Area #1, as described below. The District will be completed in multiple phases that will correspond to four separate improvement areas. Improvement Area #1 corresponds to the first phase of development. Proceeds of the Bonds will be used, in part, to finance a portion of the Improvement Area #1 Improvements, which will be secured by the Pledged Contract Revenues, consisting primarily of Contract Assessment Revenues paid by the County to TCDA from the collection of Assessments levied and collected on property within Improvement Area #1. The Improvement Area #1 Improvements were completed as of December 2021. The Improvement Area #1 Improvements have been conveyed to the County and City, as applicable. The Managing Developer was responsible for the completion of the construction, acquisition, or purchase of the Improvement Area #1 Improvements. The Managing Developer will submit payment requests prior to the closing of the Bonds for costs actually incurred in developing and constructing the Improvement Area #1 Improvements and be paid in accordance with the Indenture, the Reimbursement Agreement, and the Financing Agreement. See “THE DEVELOPMENT – Development Plan”.

### Improvement Area #1 Improvements

The Improvement Area #1 Improvements, a portion of which are being financed with proceeds of the Bonds, include the following:

***Water improvements.*** Improvements including trench excavation and embedment, trench safety, piping, valves, fire hydrant assemblies, service connections, testing, related earthwork, excavation, erosion control, and all other necessary appurtenances required to provide water service to each Lot within Improvement Area #1. The water improvements have been conveyed to and will be operated by the City. The cost of the water improvements was \$1,653,085.

***Wastewater improvements:*** Improvements including trench excavation and embedment, trench safety, piping, manholes, lift station improvements and modifications, force mains, service connections, testing, related earthwork, excavation, erosion control, and all other necessary appurtenances required to provide wastewater service to each Lot within Improvement Area #1. The wastewater improvements have been conveyed to and will be operated by the City. The cost of the wastewater improvements was \$1,341,575.

***Storm drainage improvements:*** Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for Improvement Area #1. The storm drainage facilities have been conveyed to and will be operated by the County. The cost of the storm drainage improvements was \$2,878,953.

***Roadway and sidewalk improvements:*** Improvements including subgrade stabilization (including soil treatment and compaction), testing, handicapped ramps, streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting, other materials, or work that would be necessary to complete a roadway project, and re-vegetation of all disturbed areas within the right-of-way are included. The roadway improvements will provide vehicular and pedestrian access to each Lot within Improvement Area #1. The roadway and sidewalk improvements will be owned and operated by the County. The cost of the roadway and sidewalk improvements was \$3,290,613.

***Soft costs and project management:*** All Improvement Area #1 Improvements include 10.00% soft costs for design, engineering, and other fees relating to constructing the Improvement Area #1 Improvements and a 4.00% Construction Management Fee. The soft costs and project management totaled \$1,282,991.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## Costs of the Improvement Area #1 Improvements

The following table reflects the expected total costs of the Improvement Area #1 Improvements.<sup>(1)</sup>

<i>Improvement Area #1 Improvements</i>	<i><u>Total Costs</u></i> <sup>(2)</sup>
Water	\$ 1,653,085
Onsite Sanitary Sewer	1,341,575
Storm Drainage	2,878,953
Roadway/Sidewalks	3,290,613
Soft Costs (10.00%)	916,422
Project Management (4%)	366,569
	<b>\$ 10,447,216</b>
 <i>First Year Annual Collection Costs</i>	 <b>\$ 75,000</b>
 <i>Bond Issuance Costs</i> <sup>(3)</sup>	
Debt Service Reserve Fund	\$ 581,811
Underwriter Discount	261,300
Cost of Issuance	566,150
	<b>\$ 1,409,261</b>
 <i>Total</i>	 <b>\$ 11,931,477</b>

<sup>(1)</sup> Derived from information in the Service and Assessment Plan. 100% of all costs are allocable to Improvement Area #1.

<sup>(2)</sup> Totals may not add due to rounding.

<sup>(3)</sup> Preliminary; subject to change.

## The Financing Agreement

The parties to the Financing Agreement are the County, TCDA, and the Managing Developer. Among other things, the Financing Agreement establishes provisions for: (1) the apportionment, levying, and collection of Assessments on the assessable properties in Improvement Area #1; (2) the construction of Improvement Area #1 Improvements to be acquired by the County or City; (3) payment for Improvement Area #1 Improvements within the District; (4) the issuance of the Bonds for the financing of the Improvement Area #1 Improvements; (5) payment of a PID Community Benefit Fee (as that term is defined in the Financing Agreement); and (6) disclosures to individual homebuyers.

## The Reimbursement Agreement

The parties to the Reimbursement Agreement are the TCDA, the County and the Managing Developer. Among other things, the Reimbursement Agreement provides for the terms of financing of the Improvement Area #1 Improvements, specifically.

## Ownership and Maintenance of Improvements

Because the District lies in the extraterritorial jurisdiction of the City, development in the District is governed by Title 30, Austin/Travis County Subdivision Regulations, as amended ("Title 30"), a single set of regulations established jointly by the City and the County pursuant to an interlocal agreement (as amended, the "Interlocal Agreement") that the City and the County entered into under Chapter 242 of the Local Government Code. In general, under Title 30, the County has discretionary authority over issues relating to transportation, floodplain management, and stormwater conveyance; and the City has discretionary authority over issues relating to: (a) water, wastewater, electric, and telecommunication utilities; (b) the environment, including stormwater quality controls; and (c) Austin - Bergstrom International Airport.

Each Improvement Area #1 Improvement has been constructed in accordance with Title 30 and accepted by the County or the City, as applicable and as described in "IMPROVEMENT AREA #1 IMPROVEMENTS – Improvement Area #1 Improvements", and the Improvement Area #1 Improvements will constitute a portion of the

applicable entity's infrastructure improvements. The City or County, as applicable, will provide for the ongoing operation, maintenance, and repair of Improvement Area #1 Improvements that each such entity has accepted.

## **THE DEVELOPMENT**

The following information has been provided by the Managing Developer. Certain of the following information is beyond the direct knowledge of TCDA, the County, the TCDA's Financial Advisor, and the Underwriter, and none of TCDA, the County, the TCDA's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developers have reviewed this Limited Offering Memorandum and warrants and represents that neither (i) the information under the caption "THE DEVELOPMENT" nor (ii) the information relating to the Developers' plan for developing the land within the District (the "Development") under the subcaption "BONDHOLDERS' RISKS" (as such information pertains to the applicable Developer, the Improvement Area #1 Improvements and the Development) contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading. At the time of delivery of the Bonds to the Underwriter, the [Managing Developer/Developers] will deliver a certificate to this effect to TCDA, the County, and the Underwriter.

### **Overview**

The Developers, their affiliates, or subsequent owners and developers are planning the Development as a master-planned mixed-use community with residential and commercial components as further described below. A boundary map of the Development is included on page v. The original purchase of the property in the District by the Developers is described under the caption "PLAN OF FINANCE – Introduction to Development Plan."

The Development is located approximately 1.5 miles east of the intersection of IH-35 and SH-45-SE, within the City of Austin's extraterritorial jurisdiction. The District is anticipated to include approximately 1,327 single-family homes and approximately 20.83 acres devoted to commercial retail. Included within the Development, but not included within the boundaries of the District, are approximately 21.814 acres anticipated to be developed as 249 multifamily units.

No single-family lot sales are anticipated to third-party homebuilders. Each of the Developers is a publicly traded homebuilder and will build and sell completed homes within the District, including within Improvement Area #1.

### **Development Plan**

The District consists of approximately 446.732 acres located within the County and the extraterritorial jurisdiction of the City. SH-45 bisects the District, with approximately 231.709 acres located north of SH-45 and 215.023 acres located south of SH-45. The Developers anticipate multiple phases of single-family and commercial development within the District comprising four Improvement Areas.

The first phase of development, Improvement Area #1, consists of approximately 85.345 acres of developable property within the District and will include 120 40' lots, 93 45' lots, and 101 50' lots. Development of property in Improvement Area #1 commenced in August 2020 and the Improvement Area #1 Improvements were completed in December 2021.

Construction of improvements in Improvement Area #2 has commenced and is expected to be completed by January 2023. Improvement Area #2 is anticipated to include a mix of 297 40', 45', and 50' lots.

Construction of improvements in the third improvement area ("Improvement Area #3") is expected to commence in January 2023 and be completed by December 2023. Improvement Area #3 is anticipated to include a mix of 251 40', 45', and 50' lots.

Construction of improvements in the fourth improvement area ("Improvement Area #4") is expected to commence in January 2024 and be completed by December 2024. Improvement Area #4 is anticipated to include a mix of 465 40', 45' and 50' lots and approximately 20.83 acres devoted to commercial retail. The Managing Developer

is the sole owner of the three commercial tracts in Improvement Area #4 that will be held for sale until after the completion of the Improvement Area #4.

*Overall Preliminary Plan:* The following page contains the current preliminary plan of the overall Development as approved by the County. The concept plan is conceptual and subject to change consistent with the County's and the City's zoning and subdivision regulations as applied to the Development pursuant to Title 30. The Developers obtained approval for the Preliminary Plan through the County which vests development over build-out for the entire Development.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]



## Anticipated Build-Out Schedule of the District

Improvement Area	Single-Family Lots	Commercial (Square Footage) <sup>(1)</sup>	Expected Lot Infrastructure Start Date	Expected Date of Infrastructure/Lot Completion
1	314	NA	August 2020	Completed <sup>(2)</sup>
2	297	NA	July 2022	February 2023
3	251	NA	June 2023	June 2024
4	465	90,300	June 2024	February 2025

<sup>(1)</sup> Commercial acreage to be sold as undeveloped land.

<sup>(2)</sup> As of December 2021.

## Allocation of Lots Among Homebuilders in Improvement Area #1

Single-family lots were allocated among the Developers as set forth in the following table:

Homebuilder	40' Lots	45' Lots	50' Lots	Total
Meritage Homes of Texas, LLC	83	55	5	143
Taylor Morrison of Texas, Inc.	0	36	46	82
Tri Pointe Homes Texas, Inc.	37	2	50	89

## Status of Single-Family Lot and Home Construction in Improvement Area #1

		Construction Status			Status of Home Sales			
Lot Size	Total No. of Lots	Vacant Developed Lots	Lots with Homes Under Construction	Lots with Completed Homes	Homes Under Construction Not Sold or Under Contract with Homeowners	Completed Homes Not Sold or Under Contract with Homeowners <sup>(1)</sup>	Homes Under Contract with Homeowners <sup>(2)</sup>	Completed Homes Sold to Homeowners
40'	120	1	79	40	12	0	67	40
45'	93	16	49	28	21	0	28	28
50'	101	40	52	10	11	4	40	6
<b>Total</b>	<b>314</b>	<b>57</b>	<b>179</b>	<b>78</b>	<b>44</b>	<b>4</b>	<b>135</b>	<b>74</b>

<sup>(1)</sup> Includes model homes.

<sup>(2)</sup> Homes under contract with homeowners include lots with homes that are still under construction.

As of April 2022, the development of all 314 lots within Improvement Area #1 to developed lot condition is complete. As of July 15, 2022, there are 57 vacant developed lots, 179 lots with homes under construction, and 78 completed homes.

The first closing of a home to a third-party homeowner occurred in March 2022. Of the 78 completed homes within Improvement Area #1, 74 have been sold and closed to individual homeowners. Of the 179 homes under construction, 135 are under contract but not closed. The remaining 57 vacant developed lots in Improvement Area #1 are owned by the Developers.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

### Expected Sale of Single-Family Homes by Lot Type in Improvement Area #1

Year End	40' Lots	45' Lots	50' Lots	Total
2021 <sup>(1)</sup>	16	0	13	29
2022	100	89	86	275
2023	4	4	2	10
Total	120	93	101	314

<sup>(1)</sup> 0 homes closed with homeowners in 2021.

The table above reflects the Developers' expectations for the sale of single-family homes within Improvement Area #1 to homeowners. SUCH PROJECTIONS ARE BASED ON THE SOLELY ON THE DEVELOPERS' ESTIMATES AND THERE CAN BE NO GUARANTEE THAT SUCH PROJECTIONS WILL BE ACHIEVED.

### Actual Home Prices in Improvement Area #1

Lot sizes in Improvement Area #1 range from 40 to 50 feet (measured by front-footage), and available floor plan sizes for homes within Improvement Area #1 are estimated to range from 1,240 to 2,969 square feet. As of July 15, 2022 the average sales price of homes in Improvement Area #1 was \$478,504. This figure includes homes that have closed and homes under contract which are in various phases of construction.

Lot Size	Number of Homes Sold/Under Contract <sup>(1)</sup>	Average Sale Price to Date
40'	107	\$429,084
45'	56	\$499,203
50'	46	\$568,260

<sup>(1)</sup> Includes completed homes sold to homeowners and homes under contract with homeowners that are still under construction.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

## Photographs of the Development

The following photographs show the current development within the District and Improvement Area #1.

Aerial Photo of Improvement Area #1



Entry Monument



Model Homes within Improvement Area #1



Photographs of Completed Homes within Improvement Area #1



Photographs of Completed Homes within Improvement Area #1



Photographs of Home Construction within Improvement Area #1



Photographs of Home Construction within Improvement Area #1



## **Amenities**

The Developers will privately fund two amenity centers in the District at a total estimated cost of \$4,000,000. The amenity centers are expected to be financed with cash available to the Developers.

The amenity centers will include resort swimming pools, covered seating areas, restroom facilities, playgrounds, and open space areas. In addition, trails will be constructed throughout the District. Construction of the amenity center serving Improvement Area #1 began in April 2022 is anticipated to be completed in the second quarter of 2023. Construction of the second amenity center is expected to begin in 1Q 2024 and be completed by 3Q 2024.

## **Education**

The Hays Consolidated Independent School District (“HCISD”) serves the District, and encompasses approximately 221 square miles. HCISD enrolls over 20,000 students and operates 25 schools. In 2022, HCISD received a “District Accountability Rating” of “B” from the Texas Education Agency.

The Developers donated a 21.458 acre site within the District to HCISD for a future elementary school. The donation stipulated that HCISD would begin construction of a school or a school related facility within 15 years of December 13, 2021 and complete construction within 18 years of December 13, 2021.

## **Environmental**

A Phase One Environmental Site Assessment (a “Phase One ESA”) of an assemblage, which includes the land within the District, was completed in April 2018. Based on the information presented in the Phase One ESA, there was no evidence that the Development was under environmental regulatory review or enforcement action. The site reconnaissance, regulatory database review and historical source review revealed no evidence of recognized environmental conditions involving the site.

The Managing Developer is not aware of any endangered species located on District property.

## **Flood Plain**

A portion of the District is within the 500-year flood plain as determined by the Federal Emergency Management Agency (“FEMA”). All land within the District which is located within the 500-year flood plain will remain as undeveloped open space and/or will be developed as open space parks for recreational purposes such as hike and bike trails. See “BONDHOLDERS’ RISKS — 100-Year and 500-year Flood Plain” herein.

## **Utilities**

The City will provide both water and wastewater service to the District. In addition to having its own water rights granted by the Texas Commission on Environmental Quality, the City also purchases its water wholesale from the Lower Colorado River Authority, and the City maintains its own water distribution system and wastewater collection and treatment system. Both the City’s water distribution system and wastewater collection and treatment system currently have sufficient capacity to provide water and wastewater service to the District.

The Managing Developer expects additional utilities to be provided by: (1) Telephone – AT&T; (2) Cable/Data - Spectrum; (3) Gas - Texas Gas; and (4) Electricity - Pedernales Electric Cooperative.

## **PID Community Benefit Fee**

In the Financing Agreement, the Managing Developer has undertaken to pay a “PID Community Benefit Fee.” The PID Community Benefit Fee is paid to the Capital Economic Progress Corporation, a 501(c)(3) non-profit corporation formed in 2017 by the County to, among other things, promote certain economic development initiatives for the citizens of the County. The amount of the PID Community Benefit Fee can be reduced or waived in future improvement areas of the District to the extent that the Developers provide a certain level of affordable housing, all as described in the Financing Agreement. For Improvement Area #1, \$611,400 of the PID Community Benefit Fee

has already been paid out of a total PID Community Benefit Fee of \$1,019,000. The remaining portions of the PID Community Benefit Fee are expected to be paid at the time of issuance of Future Improvement Area Bonds.

## **THE DEVELOPERS**

The following information has been provided by the Developers. Certain of the following information is beyond the direct knowledge of TCDA, the County, the TCDA's Financial Advisor, and the Underwriter, and none of TCDA, the County, the TCDA's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developers have reviewed this Limited Offering Memorandum and warrants and represents that neither (i) the information herein under the caption "THE DEVELOPERS" nor (ii) the information relating to the Developers under the subcaption "BONDHOLDERS' RISKS" contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading.

### **General**

In general, the activities of a developer in a development such as the District include purchasing the land, designing the subdivision, including the utilities and streets to be installed and any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities, as well as telephone and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. The relative success or failure of a developer to perform such activities within a development may have a material effect on the security of revenue bonds, such as the Bonds, issued by a municipality for a public improvement district. A developer is generally under no obligation to a public improvement district, such as the District, to develop the property which it owns in a development. Furthermore, there is no restriction on the developer's right to sell any or all of the land which the developer owns within a development. In addition, a developer is ordinarily the major tax and assessment payer within a district during its development.

### **Description of the Managing Developer**

The Managing Developer, Meritage Homes of Texas, LLC, is a wholly owned subsidiary of Meritage Homes Corporation ("Meritage Homes"). Meritage Homes stock trades on the NYSE under the symbol MTH. Meritage Homes is subject to the informational requirements of the Securities and Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the SEC. Such reports, proxy statements, and other information filed by Meritage Homes can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by Meritage Homes pursuant to the requirements of the Securities and Exchange Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

In addition, Meritage Homes makes available on its web site <https://www.meritagehomes.com> its annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports from Form 8-K (and any amendments to those reports) filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as practicable after they have electronically filed with the SEC as well as other financial institutions. Unless otherwise specified, information contained on Meritage Homes' website, available by hyperlink from Meritage Homes' website or on the SEC's website, is not incorporated into this Limited Offering Memorandum.

Meritage Homes is a leading designer and builder of single-family homes. Meritage Homes primarily build in historically high-growth regions of the United States and offer a variety of entry-level and first move-up homes. Meritage Homes has homebuilding operations in three regions: West, Central and East, which are comprised of nine states: Arizona, California, Colorado, Texas, Florida, Georgia, North Carolina, South Carolina, and Tennessee. Meritage Homes also operates a financial service reporting segment, offering title and escrow, mortgage, and insurance services.

Meritage Homes homebuilding activities are conducted under the name of Meritage Homes in each of its homebuilding markets. As of December 31, 2021, Meritage Homes affiliates were actively selling homes in 259 communities, with base prices ranging from approximately \$214,000 to \$962,000. Average sales price on both home closings and orders was approximately \$398,000 and \$420,000, respectively, for the year ended December 31, 2021.

A snapshot of some of the communities that the principals of Meritage Homes have developed in Texas is presented below.

### **Projects.**

<u>Name of Community</u>	<u>City</u>	<u>Number of Lots</u>	<u>Status of Development</u>
Shadow Glen <sup>(1)</sup>	Manor, TX	1200+	Ongoing
Butler Farms <sup>(2)</sup>	Liberty Hill	493	Ongoing
Cross Creek <sup>(2)</sup>	Hutto, TX	496	Ongoing

<sup>(1)</sup> Development is funded partly through a Municipal Utility District.

<sup>(2)</sup> Development is funded partly through a public improvement district.

### **Description of Non-Managing Developers**

Taylor Morrison of Texas, Inc. Taylor Morrison of Texas, Inc. is a wholly owned subsidiary of Taylor Morrison. Taylor Morrison stock trades on the NASDAQ under the symbol TMHC. Taylor Morrison is subject to the informational requirements of the Securities and Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the SEC. Such reports, proxy statements, and other information filed by Taylor Morrison can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. Copies of the above reports, proxy statements and other information may also be inspected at the offices of the NASDAQ, 1 Liberty Street, New York, New York 10006. All documents subsequently filed by Taylor Morrison pursuant to the requirements of the Securities and Exchange Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

In addition, Taylor Morrison makes available on its web site <http://taylormorrison.com> its annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports from Form 8-K (and any amendments to those reports) filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as practicable after they have electronically filed with the SEC as well as other financial institutions. Unless otherwise specified, information contained on Taylor Morrison's website, available by hyperlink from Taylor Morrison's website or on the SEC's website, is not incorporated into this Limited Offering Memorandum.

Tri Pointe Homes Texas, Inc. Tri Pointe Homes Texas, Inc. is a wholly owned subsidiary of Tri Pointe Homes, Inc. ("Tri Pointe"). Tri Pointe stock trades on the NYSE under the symbol TPH. Tri Pointe is subject to the informational requirements of the Securities and Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the SEC. Such reports, proxy statements, and other information filed by Tri Pointe can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by Tri Pointe pursuant to the requirements of the Securities and Exchange Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

In addition, Tri Pointe makes available on its web site <https://www.tripointegroup.com> its annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports from Form 8-K (and any amendments to those reports) filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as practicable after they have electronically filed with the SEC as well as other financial institutions. Unless otherwise specified, information

contained on Tri Pointe's website, available by hyperlink from Tri Pointe's website or on the SEC's website, is not incorporated into this Limited Offering Memorandum.

### **Executive Biographies of Local Management of Developers**

Elliot Jones is the Division Vice President for Meritage Homes of Texas, LLC and has been with the company since 2017. He's worked in the homebuilding industry since 2005, primarily in land, finance, construction and management roles. He received a Bachelor of Science in Environmental Engineering from the United States Military Academy at West Point in 1996 and holds a Master of Business Administration from the University of Texas in 2003.

Rob Archer, P.E. is the Director of Land Development for Meritage Homes of Texas, LLC and has been with the company since 2015. He previously worked as a Branch Manager and Senior Project Manager for ECS Limited, Terracon, and NOVA Engineering and Environmental. Rob received a BS in Engineering from Virginia Tech University in 1997 and a Master of Business Administration from Georgia State University in 2006.

Michael Slack, P.E. is the Vice President, Land Resources at Taylor Morrison Homes. He has been in the homebuilding business since 2000 and previously worked as a Project Engineer from 1995-2000 for PBS&J and K.C. Engineering. Michael has a BS in Civil Engineering from Texas A&M University.

Nancy Stroder is the Vice President Land Acquisition at Taylor Morrison. Nancy has been in the homebuilding industry since 2012 and worked as a Commercial Real Estate Agent from 2006-2012. Nancy received a BS in Sociology for the University of California, Los Angeles in 2006.

John Stanley is the Vice President of Land Acquisition for Tri Pointe Homes and has been with the company since 2018. He's worked in the homebuilding industry since 2012. John received a Master of Science in Community and Regional Planning from the University of Texas at Austin in 2011 and earned a Bachelor of Arts degree from Austin College in 2009.

### **History and Financing of the District**

Pursuant to the Joint Ownership and Development Agreement, the Developers purchased 468.55 acres of property, of which 446.732 acres comprise the District, on July 2, 2019 from the Estate of Harriet Heep Shaffer for a total purchase price of \$12,375,000. The purchase was closed in undivided fee simple ownership, with each developer putting up funds proportional to their respective interests (initially 50.6% to the Managing Developer, and 24.7% to each of the Non-Managing Developers; see "PLAN OF FINANCE - Introduction to Development Plan."). The property acquisition was made on a cash basis through corporate funding and no third-party financing was used to acquire or has been used to subsequently develop property within the District.

The cost to develop Improvement Area #1 to vacant developed lot condition, including the costs of the Improvement Area #1 Improvements, totals approximately \$19,428,899. Development costs, including the Improvement Area #1 Improvements not paid from Bond proceeds, and the amenities have been or will be financed through corporate cash funding. Thus, there are currently no liens on the property within Improvement Area #1 which were incurred by the Developers, and the Developers do not currently anticipate incurring any liens on the property within Improvement Area #1 for as long as the Developers own such property (with the exception of the Assessment Lien). The PID Act provides that the Assessment Lien is a first and prior lien against the Assessed Property in Improvement Area #1 and is superior to all other liens and claims except liens or claims for State, county, school district, or municipality ad valorem taxes.

### **Managing Developer's Consultant**

In its role as Managing Developer's Consultant, Development Planning & Financing Group, Inc. ("DPFG") ([www.dpfg.com](http://www.dpfg.com)) is primarily responsible for the preparation of financial and informational data which is used in the Service and Assessment Plan. DPFG is a national real estate consulting firm with 7 offices in five states (California, Nevada, Texas, Florida, and North Carolina). Since its inception in 1991, it has focused on providing real estate and financial consulting services principally to residential and commercial real estate developers as well as lenders, and other institutional investors. A key emphasis is identifying the lowest cost and the lowest risk manner of financing

and funding public improvements and infrastructure such as roadways, utilities, etc., as well as the vertical improvements of a project.

To accomplish this, DPFPG typically provides, among others, the following services:

- Preparation of financial analyses and projections;
- Preparation of financial feasibility studies, including compliance analyses with debt covenants;
- Identification of available and applicable public/private financing alternatives;
- Preparation of fiscal and economic impact studies;
- Negotiation of development agreements;
- Evaluation of development impact fee arrangements;
- Tracking of reimbursable development costs; and
- Structuring of reimbursement agreements.

The financing programs that are involved usually include some type of public financing and/or public/private partnerships. These have included land secured financings such as public improvement districts (PIDs), municipal utility districts (MUDs), tax increment reinvestment zones (TIRZs), community facility districts (CFDs), as well as general obligation, revenue, and assessment bonds. The firm has been involved in the formation, structuring, feasibility analysis and issuance of more than \$16.0 billion of bonds for more than 2,500 special taxing districts (or their equivalents) since 1991.

### **THE ADMINISTRATOR**

The following information has been provided by the Administrator. Certain of the following information is beyond the direct knowledge of TCDA, the County, the TCDA's Financial Advisor, and the Underwriter, and none of TCDA, the County, the TCDA's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Administrator has reviewed this Limited Offering Memorandum and warrant and represent that the information herein under the caption "THE ADMINISTRATOR" does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading.

The TCDA has selected P3Works, LLC as the initial administrator for the District (the "Administrator"). The Administrator will provide specialized services related to the administration of the District needed to support the issuance of the Bonds. The Administrator will primarily be responsible for preparing the annual update to the Service and Assessment Plan. The Administrator is a consulting firm focused on providing services relating to the formation and administration of public improvement districts, and has offices in Austin, Texas and North Richland Hills, Texas.

The Administrator's duties will include:

- Preparation of the annual update to the Service and Assessment Plan;
- Preparation of assessment rolls for county billing and collection;
- Establishing and maintaining a database of all County Parcel IDs within the District;
- Trust account analysis and reconciliation;

- Responding to property owner inquiries;
- Determination of prepayment amounts;
- Preparation and review of disclosure notices with Dissemination Agent; and
- Review of developer draw requests for reimbursement of authorized improvement costs.

## **APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1**

### **The Appraisal**

*General.* Integra Realty Resources, Inc., Dallas, Texas (the “Appraiser”) prepared an appraisal report (the “Appraisal”) for TCDA and the Underwriter dated as of August 4, 2022 based upon a physical inspection of the District conducted on April 2, 2022. The Appraisal was prepared at the request of TCDA and the Underwriter. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to the District. The Appraisal is attached hereto as APPENDIX E and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions and qualifications, which are set forth therein. See “APPENDIX E — Appraisal of Improvement Area #1 of the District.”

*Value Estimates.* The Appraiser provided an opinion as to the retail market value “as-is” of the fee simple interest in 241 developed single family lots within Improvement Area #1 as of April 1, 2022, and the prospective market value of 73 single family homes within Improvement Area #1 estimated to be completed as of May 31, 2022, under certain extraordinary assumptions and hypothetical conditions including (i) that the 73 single family homes under construction were completed in accordance with the plans and specifications specified in the Appraisal as of May 31, 2022, and (ii) that, while home construction had started on a portion of the 241 single family lots, such lots were valued as if vacant. The Appraisal does not reflect the value of the Assessed Property as if sold to a single purchaser in a single transaction. See “THE IMPROVEMENT AREA #1 IMPROVEMENTS,” “THE DEVELOPMENT — Development Plan,” “THE DEVELOPMENT - Status of Single-Family Lot and Home Construction in Improvement Area #1” and “APPENDIX E — Appraisal of Improvement Area #1 of the District.”

The cumulative value opinion for the Assessed Property if sold using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal, as of April 1, 2022 with respect to the 241 developed single family lots, and as of May 31, 2022, with respect to the 73 single family homes, is \$52,178,375.

**None of the TCDA, the County, the Developers or the Underwriter make any representation as to the accuracy, completeness, assumptions or information contained in the Appraisal. The assumptions or qualifications with respect to the Appraisal are contained therein. There can be no assurance that any such assumptions will be realized, and TCDA, the County, the Developers and the Underwriter make no representation as to the reasonableness of such assumptions.**

The Appraiser confirms that the valuations included in the Appraisal were prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Caution should be exercised in the evaluation and use of appraisal results. An appraisal is an opinion of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation. It is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in the Appraisal is based on various assumptions of future expectations and while the Appraiser’s internal forecasts of net operating income for the properties in the District is considered by the Appraiser to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.

The intended use and user of the Appraisal are specifically identified in the Appraisal as agreed upon in the contract for services and/or reliance language found in the Appraisal. The Appraiser has consented to the use of the Appraisal in this Limited Offering Memorandum in connection with the issuance of the Bonds. No other use or user of the Appraisal is permitted by any other party for any other purpose.

### **BONDHOLDERS' RISKS**

Before purchasing any of the Bonds, prospective investors and their professional advisors should carefully consider all of the risk factors described below which may create possibilities wherein interest may not be paid when due or that the Bonds may not be paid at maturity or otherwise as scheduled, or, if paid, without premium, if applicable. The following risk factors (which are not intended to be an exhaustive listing of all possible risks associated with an investment in the Bonds) should be carefully considered prior to purchasing any of the Bonds. Moreover, the order of presentation of the risks summarized below does not necessarily reflect the significance of such investment risks.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF TCDA PAYABLE SOLELY FROM THE PLEDGED CONTRACT REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. TCDA HAS NO TAXING AUTHORITY. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE COUNTY OTHER THAN THE PLEDGED CONTRACT REVENUES, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE COUNTY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE COUNTY AND TCDA SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE COUNTY OR TCDA OTHER THAN THE PLEDGED CONTRACT REVENUES, AND OTHER FUNDS COMPRISING THE TRUST ESTATE.

The ability of TCDA to pay debt service on the Bonds as due is subject to various factors that are beyond TCDA's control. These factors include, among others, (a) the ability or willingness of property owners within Improvement Area #1 to pay Assessments levied by the County, (b) cash flow delays associated with the institution of foreclosure and enforcement proceedings against property within Improvement Area #1, (c) general and local economic conditions which may impact real property values, the ability to liquidate real property holdings and the overall value of real property development projects, and (d) general economic conditions which may impact the general ability to market and sell the lots within the District, it being understood that poor economic conditions within the County, State and region may slow the assumed pace of sales of such lots.

The rate of development of the property in the District is directly related to the vitality of the residential housing industry. In the event that the sale of the lands within the District should proceed more slowly than expected and the Developers are unable to pay the Assessments, only the value of the lands, with improvements, will be available for payment of the debt service on the Bonds, and such value can only be realized through the foreclosure or liquidation of the lands within the District. There is no assurance that the value of such lands will be sufficient for that purpose and the liquidation of real property through foreclosure or similar means is generally considered to yield sales proceeds in a lesser sum than might otherwise be received through the orderly marketing of such real property.

The Underwriter is not obligated to make a market in or repurchase any of the Bonds, and no representation is made by the Underwriter, TCDA, the County or the TCDA's Financial Advisor that a market for the Bonds will develop and be maintained in the future. If a market does develop, no assurance can be given regarding future price maintenance of the Bonds.

TCDA has not applied for or received a rating on the Bonds. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that Owners who desire to sell their Bonds prior to the stated maturity will be able to do so.

## **Infectious Disease Outbreak – Covid-19**

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the “Pandemic”), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States in connection with COVID-19. On March 13, 2020, the President of the United States (the “President”) declared the Pandemic a national emergency and the Texas Governor (the “Governor”) declared COVID-19 an imminent threat of disaster for all counties in Texas in response to the Pandemic. Under State law, the proclamation of a state of disaster by the Governor may not continue for more than 30 days unless renewed. The Governor has renewed his declaration monthly, most recently on August 20, 2022. On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has since issued a number of executive orders relating to COVID-19 preparedness, mitigation, and phased reopening of the State. On March 2, 2021, the Governor issued Executive Order GA-34, which, among other things, removed any COVID-19-related operating limits for any business or other establishment and ended the State-wide mask mandate. Most recently, on July 29, 2021, the Governor issued Executive Order GA-38, which, among other things, maintains that there are no COVID-19 related operating limits for any business or establishment and that no person may be required by any jurisdiction to wear or mandate the wearing of a face covering. The Governor’s order also maintains, in providing or obtaining services, every person (including individuals, businesses, and other legal entities) should use good-faith efforts and available resources to follow the minimum standard health protocols. Executive Order GA-38 remains in place until amended, rescinded, or superseded by the Governor. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at <https://gov.texas.gov/>. The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. Such adverse economic conditions, if they continue, may reduce, or negatively affect economic conditions in the District and lead to unemployment for property owners within the District or may otherwise have a negative impact on the sale of parcels, lots or homes within the District. If lot sales are negatively impacted by the Pandemic, the Developers will continue to be responsible for the payment of the Assessments.

While the potential impact of COVID-19 on the Development cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the success of the Development. None of the TCDA, the County, the TCDA’s Financial Advisor, the Underwriter, or the Developers can predict the impact the Pandemic may have on the Development.

## **Risk from Weather Events**

All of the State, including the area in which the Development is located, is subject to extreme weather events that can cause loss of life and damage to property through strong winds, flooding, heavy rains, and freezes, including events similar to the severe winter storm that the continental United States experienced in February 2021, which resulted in the disruptions in the Electric Reliability Council of Texas power grid and prolonged blackouts throughout the State. It is impossible to predict whether similar events will occur in the future and the impact they may have on the Development.

## **No Credit Rating**

The TCDA has not applied for or received a rating on the Bonds. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue,

secondary market trading in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then generally prevailing circumstances. Such prices could be substantially different from the original purchase price.

### **Dependence on Contract Payments**

In order for Owners of the Bonds to receive payments of principal and interest when due, TCDA and the County must perform their obligations under the Funding Agreement. A party to the Funding Agreement could default in its obligations. In the case of a default, enforcement of the defaulting party's contractual obligations would be dependent upon judicial redress, which is subject to discretion and delay. Moreover, since TCDA's Board is the same as the Commissioners Court, TCDA may be reluctant or unable to pursue judicial redress against the County. Finally, enforcement of the Funding Agreement would be limited or prohibited if the defaulting party filed for bankruptcy under the United States Bankruptcy Code or similar state laws.

### **Assessment Limitations**

Annual Installments of Assessments are billed to property owners within Improvement Area #1 of the District. Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as for ad valorem taxes as set forth under "ASSESSMENT PROCEDURES" herein. Additionally, Annual Installments established by the Service and Assessment Plan correspond in number and proportionate amount to the number of installments and principal amounts of Bonds maturing in each year and the Annual Collection Costs for such year. See "ASSESSMENT PROCEDURES" herein. The unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Annual Installments of Assessment payments in the future.

In order to pay debt service on the Bonds, it is necessary that Annual Installments are paid in a timely manner. Due to the lack of predictability in the collection of Annual Installments in Improvement Area #1, TCDA has established a Reserve Account in the Reserve Fund, to be funded from the proceeds of the Bonds, to cover delinquencies. The Annual Installments are secured by the Assessment Lien. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid depletion of the Reserve Account and delay in payments of debt service on the Bonds. See "BONDHOLDERS' RISKS — Bondholders' Remedies and Bankruptcy" herein.

Upon an ad valorem tax lien foreclosure event of a property within Improvement Area #1, any Assessment that is also delinquent will be foreclosed upon in the same manner as the ad valorem tax lien (assuming all necessary conditions and procedures for foreclosure are duly satisfied). To the extent that a foreclosure sale results in insufficient funds to pay in full both the delinquent ad valorem taxes and the delinquent Assessments, the liens securing such delinquent ad valorem taxes and delinquent Assessments would likely be extinguished. Any remaining unpaid balance of the delinquent Assessments would then be an unsecured personal liability of the property owner.

Based upon the language of Texas Local Government Code, §372.017(b), case law relating to other types of assessment liens and opinions of the Texas Attorney General, the Assessment Lien as it relates to installment payments that are not yet due should remain in effect following an ad valorem tax lien foreclosure, with future installment payments not being accelerated. Texas Local Government Code § 372.018(d) supports this position, stating that an Assessment Lien runs with the land and the portion of an assessment payment that has not yet come due is not eliminated by foreclosure of an ad valorem tax lien.

The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the Assessment Orders. However, an Assessment Lien may not be foreclosed upon if any Pre-existing Homestead Rights were properly claimed prior to the adoption of the Assessment Orders for as long as such Pre-existing Homestead Rights are maintained on the property. It is unclear under Texas law whether or not Pre-existing Homestead Rights would prevent the Assessment Lien from attaching to such homestead property or instead cause the Assessment Lien to attach, but remain subject to, the Pre-existing Homestead Rights.

Under Texas law, in order to establish homestead rights, the claimant must show a combination of both overt acts of homestead usage and intention on the part of the owner to claim the land as a homestead. Mere ownership of

the property alone is insufficient and the intent to use the property as a homestead must be a present one, not an intention to make the property a homestead at some indefinite time in the future. As of the date of adoption of the Initial Assessment Order, no such homestead rights had been claimed. No homestead rights have been claimed with respect to Lot 95, nor are any homestead rights expected to be claimed before the date the Lot 95 Assessment Order is adopted. Furthermore, the Developers are not eligible to claim homestead rights and the Developers have represented that they owned all property within the District as of the date of the Initial Assessment Order, and Tri Pointe currently owns Lot 95. Consequently, there are and can be no homestead rights on the Assessed Property superior to the Assessment Lien and, therefore, the Assessment Liens may be foreclosed upon by the County.

Failure by owners of the parcels to pay Annual Installments when due, depletion of the accounts within the Reserve Fund, delay in foreclosure proceedings, or the inability of the County to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Assessments levied against such parcels may result in the inability of TCDA to make full or punctual payments of debt service on the Bonds.

THE ASSESSMENTS CONSTITUTE A FIRST AND PRIOR LIEN AGAINST THE ASSESSED PROPERTY, SUPERIOR TO ALL OTHER LIENS AND CLAIMS EXCEPT LIENS AND CLAIMS FOR STATE, COUNTY, SCHOOL DISTRICT OR MUNICIPALITY AD VALOREM TAXES AND WILL BE A PERSONAL OBLIGATION OF AND CHARGE AGAINST THE OWNERS OF PROPERTY LOCATED WITHIN THE IMPROVEMENT AREA #1.

### **Competition; Real Estate Market**

The housing industry in the Austin–Round Rock-Georgetown Metropolitan Statistical Area is very competitive, and none of the Developers, the TCDA, the County, the TCDA’s Financial Advisor, or the Underwriter can give any assurance that the building programs which are planned throughout the District will ever commence, or be completed in accordance with the Developer’s expectations. The competitive position of the Developers in the sale of developed lots or of any other homebuilder in the construction and sale of single-family residential units is affected by most of the factors discussed in this section, and such competitive position is directly related to maintenance of market values in the District.

The successful sale of residential units once homes are built within the District may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developers. Neither the Developers nor any other subsequent landowner is a guarantor of the Assessments and the recourse for the failure of the Developers or any other landowner to pay the Assessments is limited to the collection proceedings against the land as described herein.

### **Risks Related to Current Increase in Costs of Building Materials**

As a result of the Pandemic, low supply and high demand, there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. If the costs of material continue to increase, it may affect the ability of the Developers to construct homes within the District. There is no way to predict whether such cost increases or low supply of building materials will continue or if such continuance will affect the development of the District.

### **Tax-Exempt Status of the Bonds**

The Indenture contains covenants by the TCDA intended to preserve the exclusion from gross income of interest on the Bonds for federal income tax purposes. As discussed under the caption “TAX MATTERS,” interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date Bonds were issued as a result of future acts or omissions of the TCDA in violation of its covenants in the Indenture.

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or State level, may adversely affect the tax-exempt status of interest on the Bonds under federal or State law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted

cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

As further described in “TAX MATTERS” below, failure of TCDA to comply with the requirements of the Internal Revenue Code of 1986 (the “Code”) and the related legal authorities, or changes in the federal tax law or its application, could cause interest on the Bonds to be included in the gross income of owners of the Bonds for federal income tax purposes, possibly from the date of original issuance of the Bonds. Further, the opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel’s judgment as to the proper treatment of interest on the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. The IRS has an ongoing program of auditing obligations that are issued and sold as bearing tax-exempt interest to determine whether, in the view of the IRS, interest on such obligations is included in the gross income of the owners thereof for federal income tax purposes. In the past, the IRS has announced audit efforts focused in part on “developer-driven bond transactions,” including certain tax increment financings and certain assessment bond transactions. It cannot be predicted if this IRS focus could lead to an audit of the Bonds or what the result would be of any such audit. If an audit of the Bonds is commenced, under current procedures parties other than TCDA would have little, if any, right to participate in the audit process. Moreover, because achieving judicial review in connection with an audit of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which TCDA legitimately disagrees may not be practicable. Any action of the IRS, regardless of the outcome, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues, may affect the market price for, or the marketability of, the Bonds. Finally, if the IRS ultimately determines that the interest on the Bonds is not excluded from the gross income of Owners for federal income tax purposes, TCDA may not have the resources to settle with the IRS, the Bonds are not required to be redeemed, and the interest rate on the Bonds will not increase.

### **Bankruptcy**

The payment of Assessments and the ability of the County to foreclose on the lien of a delinquent unpaid Assessment may be limited by bankruptcy, insolvency or other laws generally affecting creditors’ rights or by the laws of the State relating to judicial foreclosure. Although bankruptcy proceedings would not cause the Assessments to become extinguished, bankruptcy of a property owner in all likelihood would result in a delay in prosecuting foreclosure proceedings. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds, and the possibility that delinquent Assessments might not be paid in full.

### **Direct and Overlapping Indebtedness, Assessments and Taxes**

The ability of an owner of property within Improvement Area #1 of the District to pay the Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of Improvement Area #1 currently impose ad valorem taxes on the property within Improvement Area #1 and will likely do so in the future. Such entities could also impose assessment liens on the property within Improvement Area #1. The imposition of additional liens, or for private financing, may reduce the ability or willingness of the landowners to pay the Assessments.

### **Depletion of Reserve Account of the Reserve Fund and Funding of Additional Interest Reserve Account**

Failure of the owners of property within Improvement Area #1 to pay the Assessments when due could result in the rapid, total depletion of the Reserve Account of the Reserve Fund prior to replenishment from the resale of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of and interest on the Bonds if sufficient amounts are not available in the Reserve Account of the Reserve Fund. Additionally, the Additional Interest Reserve Account of the Reserve Fund is not funded from the proceeds of the Bonds. Instead, the Additional Interest Reserve Requirement of the Additional Interest Reserve Account is accumulated by the mechanism described in “SECURITY FOR THE BONDS – Reserve Fund.” The Indenture provides that if, after a withdrawal from the Reserve Account of the Reserve Fund or from the Additional Interest Reserve Account of the Reserve Fund, the amounts within such accounts are less than the Reserve Account Requirement, the Trustee shall transfer an amount from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund sufficient to cure such deficiency, as described under “SECURITY FOR THE BONDS — Reserve Fund” herein.

## **Hazardous Substance**

While governmental taxes, assessments and charges are a common claim against the value of a parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value that may be realized to the assessment is a claim with regard to a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or “Superfund Act,” is the most well-known and widely applicable of these laws. It is likely that, should any of the parcels of land located in the District be affected by a hazardous substance, the marketability and value of such parcels would be reduced by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the land within the District does not take into account the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the parcel. TCDA has not independently verified, and is not aware, that the owner (or operator) of any of the parcels within the District has such a current liability with respect to such parcel; however, it is possible that such liabilities do currently exist and that TCDA is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the land within the District resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. The actual occurrence of any of these possibilities could significantly negatively affect the value of a parcel that is realizable upon a foreclosure.

See “THE DEVELOPMENT – Environmental” for discussion of the previous Phase One ESA performed on property within the District.

## **Regulation**

Development within the District may be subject to future federal, state, and local regulations. Approval may be required from various agencies from time to time in connection with the layout and design of development in the District, the nature and extent of public improvements, land use, zoning and other matters. Failure to meet any such regulations or obtain any such approvals in a timely manner could delay or adversely affect development in the District and property values.

## **Bondholders’ Remedies and Bankruptcy**

Bondholders’ remedies in the event of default by TCDA in one or more of its obligations under the Bonds, the Bond Resolution or the Indenture are limited. Although the Indenture provides that the Trustee may obtain a writ of mandamus requiring performance of such obligations, such remedy may prove time-consuming, costly, and difficult to enforce. Neither the Bond Resolution nor the Indenture provides for acceleration of maturity of the Bonds or provides for the foreclosure of any property or assets other than applying the Pledged Contract Revenues to payment of the Bonds in the manner provided in the Indenture.

As is true with many entities which issue debt, there is a risk that TCDA may file for bankruptcy and afford itself the protection of the federal Bankruptcy Code. In that case, TCDA receives the benefit of the automatic stay and creditors, such as the Trustee on behalf of the owners of the Bonds, cannot pursue remedies against it without the permission of the Bankruptcy Court. TCDA has a right to reorganize and adjust its debts with the approval of the Bankruptcy Court. While the relevant law on this point is not clear, it may be possible for one or more creditors to force TCDA into bankruptcy involuntarily. A bankruptcy filing by or against TCDA could adversely affect the receipt of principal and interest on the Bonds.

## **Judicial Foreclosures**

Judicial foreclosure proceedings are not mandatory; however, the County has covenanted in the Funding Agreement to order and cause such actions to be commenced. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the County of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and, in such event, there could be an additional delay in payment of the principal of and interest on the Bonds or such payment may not be made in full. Moreover, in filing a suit to foreclose, the County must join other taxing units that have claims for delinquent taxes against all or part of the same property; the proceeds of any sale of property within Improvement Area #1 available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property. See “OVERLAPPING TAXES AND DEBT.” Collection of delinquent taxes, assessments and Assessments may be adversely affected by the effects of market conditions on the foreclose sale price, and by other factors, including taxpayers’ right to redeem property within two years of foreclosure for residential and agricultural use property and six months for other property, and by a time-consuming and expensive collection procedure.

## **No Acceleration**

The Indenture does not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture.

## **Limited Secondary Market for the Bonds**

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event an Owner thereof determines to solicit purchasers for the Bonds. Even if a liquid secondary market exists, there can be no assurances as to the price for which the Bonds may be sold. Such price may be lower than that paid by the current Owners of the Bonds, depending on the progress of development in Improvement Area #1 subject to the Assessments, existing real estate and financial market conditions and other factors.

## **Management and Ownership**

The management and ownership of the Developers and related property owners could change in the future. Purchasers of the Bonds should not rely on the management experience of such entities. There are no assurances that such entities will not sell the subject property or that officers will not resign or be replaced. In such circumstances, a new developer or new officers in management positions may not have comparable experience in development projects comparable to that of the Development.

## **General Risks of Real Estate Investment and Development**

Investments in undeveloped or developing real estate are generally considered to be speculative in nature and to involve a high degree of risk. The Development will be subject to the risks generally incident to real estate investments and development. Many factors that may affect the Development, as well as the operating revenues of the Developers, including those derived from the Development, are not within the control of the Developers. Such factors include changes in national, regional and local economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market and economic conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; acts of God (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; contractor or subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developers.

The Development cannot be initiated or completed without the Developers obtaining a variety of governmental approvals and permits, some of which have already been obtained. Certain permits are necessary to initiate construction of the Development and to allow the occupancy of residences and to satisfy conditions included in the approvals and permits. There can be no assurance that all of these permits and approvals can be obtained or that the conditions to the approvals and permits can be fulfilled. The failure to obtain any of the required approvals or fulfill any one of the conditions could cause materially adverse financial results for the Developers.

### **Dependence Upon Developers**

The Developers currently have the obligation for payment of approximately 77.4% of the Assessments. The ability of the Developers to make full and timely payment of the Assessments will directly affect the ability of TCDA to meet its debt service obligations with respect to the Bonds. There can be no assurances given as to the financial ability of the Developers to advance any funds to TCDA to supplement revenues from the Assessments if necessary, or as to whether the Developers will advance such funds. See “ASSESSMENT PROCEDURES - Assessment Payer Concentration” and “THE DEVELOPMENT - Development Plan” and “DEVELOPMENT PLAN - Status of Single-Family Lot and Home Construction in Improvement Area #1.”

### **100-Year and 500-year Flood Plain**

A portion of the District is within a 100-year flood plain and a 500-year flood plain as determined by FEMA. All land within the District which is located within a 100-year flood plain or a 500-year flood plain will remain as undeveloped open space and/or will be developed as open space parks for recreational purposes such as hike and bike trails.

FEMA will from time to time revise its Flood Insurance Rate Maps. None of the County, the TCDA, the Underwriter or the Developers make any representation as to whether FEMA may revise its Flood Insurance Rate Maps, whether such revisions may result in homes that are currently outside of the 100-year flood plain from being included in the 100-year flood plain in the future, or whether extreme flooding events may occur more often than assumed in creating the 100-year flood plain.

### **Exercise of Mineral Rights**

There may be mineral rights and related real property rights not owned by the Developers reflected in the chain of title for the real property within the District recorded in the real property records of Travis County.

The Managing Developer does not expect the existence or exercise of any mineral rights or related real property rights in or around the District to have a material adverse effect on the Development, the property within the District, or the ability of landowners within the District to pay Assessments. However, none of the TCDA, the TCDA's Financial Advisor, or the Underwriter provide any assurances as to such expectations.

### **Recent Changes in State Law Regarding Public Improvement Districts**

The 87th Legislature passed HB 1543, which became effective September 1, 2021, and requires a person who proposes to sell or otherwise convey real property within a public improvement district to provide to the purchaser of the property, before the execution of a binding contract of purchase and sale, written notice of the obligation to pay public improvement district assessments, in accordance with Section 5.014, Texas Property Code, as amended. In the event a contract of purchase and sale is entered into without the seller providing the notice, the intended purchaser is entitled to terminate the contract of purchase and sale. If the Developers or homebuilders within the District do not provide the required notice and prospective purchasers of property within the District terminate a purchase and sale contract, the anticipated absorption schedule may be affected. In addition to the right to terminate the purchase contract, a property owner who did not receive the required notice is entitled, after sale, to sue for damages for (i) all costs relative to the purchase, plus interest and reasonable attorney's fees, or (ii) an amount not to exceed \$5,000, plus reasonable attorney's fees. In a suit filed pursuant to clause (i), any damages awarded must go first to pay any outstanding liens on the property. In such an event, the outstanding Assessments on such property should be paid. On payment of all damages respectively to the lienholders and purchaser pursuant to clause (i), the purchaser is required to reconvey the property to the seller. Further, if the Developers or other homebuilders within the District, if

any, do not provide the required notice and become liable for monetary damages, the anticipated buildout and absorption schedule may be affected. No assurances can be given that the projected buildout and absorption schedules presented in this Limited Offering Memorandum will be realized. The forms of notice to be provided to homebuyers are attached as Exhibits M, N and O to the Service and Assessment Plan. See “APPENDIX B — Form of Service and Assessment Plan.”

### **Potential Future Changes in State Law Regarding Public Improvement Districts**

During Texas legislative sessions and interim business of the Texas legislature, various proposals and reports have been presented by committees of Texas Senate and Texas House of Representative which suggest or recommend changes to the PID Act relating to oversight of bonds secured by special assessments, including adopting requirements relating to levels of build out or adding State level oversight in connection with the issuance of bonds secured by special assessments under the PID Act. The 87th Legislative Session of the State ended on May 31, 2021, without any legislation being passed by either chamber of the Texas legislature recommending oversight of bonds secured by assessments. The Governor called three special legislative sessions, which all concluded without any legislation being introduced or passed related to the oversight of bonds secured by assessments. It is impossible to predict what bills may be introduced during upcoming legislative sessions and, if passed, the impact that any future legislation will or may have on the security for the Bonds.

### **Appraisal Risks**

Caution should be exercised in the evaluation and use of valuations included in the Appraisal. The Appraisal is an estimate of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation and specified therein. The estimated market value specified in the Appraisal is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in the Appraisal is based on various assumptions of future expectations and while the appraiser’s forecasts for properties in Improvement Area #1 is considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future. The Bonds will not necessarily trade at values determined solely by reference to the underlying value of the properties in Improvement Area #1.

In performing its analysis, the Appraiser makes numerous assumptions with respect to general business, economic and regulatory conditions, and other matters, many of which are beyond the Appraiser’s, Underwriter’s and TCDA’s control, as well as certain factual matters. Furthermore, the Appraiser’s analysis, opinions and conclusions are necessarily based upon market, economic, financial, and other circumstances and conditions existing prior to the valuation and date of the Appraisal.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or

organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. TCDA and the County have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislature proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of TCDA or the County or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. TCDA and the County have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend TCDA, the County or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an

independent review of IRS positions with which TCDA or County legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause TCDA, County or the Beneficial Owners to incur significant expense.

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Bonds may be subject to backup withholding with respect to “reportable payments,” which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TIN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## **LEGAL MATTERS**

### **Legal Proceedings**

Delivery of the Bonds will be accompanied by the unqualified approving legal opinion of the Attorney General to the effect that the Bonds are valid and legally binding obligations of TCDA under the Constitution and laws of the State, payable from the Trust Estate and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the legal opinion of Bond Counsel, to a like effect.

Orrick, Herrington & Sutcliffe LLP serves as Bond Counsel to TCDA. Kelly Hart & Hallman LLP serves as Underwriter’s Counsel. The legal fees paid to Bond Counsel and Underwriter’s Counsel are contingent upon the sale and delivery of the Bonds.

### **Legal Opinions**

TCDA will furnish the Underwriter a transcript of certain certified proceedings incident to the authorization and issuance of the Bonds. Such transcript will include a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State, to the effect that the Bonds are valid and binding special, limited obligations of TCDA. TCDA will also furnish the legal opinion of Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special obligations of TCDA under the Constitution and laws of the State. The legal opinion of Bond Counsel will further state that the Bonds, including principal thereof and interest thereon, are payable from and secured by a pledge of and lien on the Trust Estate. Bond Counsel will also provide a legal opinion to the effect that interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described above under the caption “TAX MATTERS”. A copy of the opinion of Bond Counsel is attached hereto as “APPENDIX C —Form of Opinion of Bond Counsel.”

Except as noted below, Bond Counsel did not take part in the preparation of the Limited Offering Memorandum, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Limited Offering Memorandum under the captions or subcaptions “PLAN OF FINANCE — The Bonds,” “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology,” “Assessment Amounts,” and “Assessment Payer Concentration”), “THE DISTRICT,” “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings” (first paragraph only), “LEGAL MATTERS — Legal Opinions” (except for the final paragraph thereof), “CONTINUING DISCLOSURE - TCDA”, “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS” and “APPENDIX A,”

excluding any material that may be treated as included under such captions or subcaptions by cross references or reference to other documents or sources, and such firm is of the opinion and conclusion that the information relating to the Bonds and legal matters contained under such captions and subcaptions accurately describes the laws and legal issues addressed therein and, with respect to the Bonds, insofar as such statements expressly summarize certain provisions of or refer to the Bonds, the Bond Resolution, the Indenture and the form and content of our Bond Opinion, are accurate in all material respects.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

### **Litigation — TCDA**

At the time of delivery and payment for the Bonds, TCDA will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to its knowledge, overtly threatened against the County affecting the existence of the District, or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof, in accordance with the Indenture, or the collection or application of Assessments securing the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Assessment Orders, the Indenture, any action of TCDA contemplated by any of the said documents, or the collection or application of the Pledged Contract Revenues, or in any way contesting the completeness or accuracy of this Limited Offering Memorandum or any amendment or supplement thereto, or contesting the powers of TCDA or its authority with respect to the Bonds or any action of TCDA contemplated by any documents relating to the Bonds.

### **Litigation — The Developers**

At the time of delivery and payment for the Bonds, the Managing Developer and Developers will each certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory body, public board or body pending, or, to the best knowledge of each of the Developers, threatened against or affecting the Developers wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developers, respectively, or any of its general partners or affiliates or would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the Bond Resolution, the Service and Assessment Plan, the Financing Agreement, the Joint Ownership and Development Agreement, the Reimbursement Agreement, or the Bond Purchase Agreement, or otherwise described in this Limited Offering Memorandum, or (ii) the tax-exempt status of interest on the Bonds (individually or in the aggregate, a “Material Adverse Effect”).

## **SUITABILITY FOR INVESTMENT**

Investment in the Bonds poses certain economic risks. See “BONDHOLDERS’ RISKS”. The Bonds are not rated by any nationally recognized municipal securities rating service. No dealer, broker, salesman or other person has been authorized by TCDA or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District and the opportunity to ask questions of the Managing Developer, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Bonds.

## **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. See “BONDHOLDERS’ RISKS — Bondholders’ Remedies and Bankruptcy.” Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Bonds may not be

readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

## **NO RATING**

No application for a rating on the Bonds has been made to any rating agency, nor is there any reason to believe that TCDA would have been successful in obtaining an investment grade rating for the Bonds had application been made.

## **CONTINUING DISCLOSURE**

### **TCDA**

Pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (the “Rule”), TCDA, Wilmington Trust, National Association (in such capacity, the “Dissemination Agent”), and the Administrator will enter into a Continuing Disclosure Agreement (the “TCDA Disclosure Agreement”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the TCDA Disclosure Agreement, certain financial information and operating data relating to TCDA’s management of the District (collectively, the “TCDA Reports”). The specific nature of the information to be contained in the TCDA Reports is set forth in “APPENDIX D-1 — Form of TCDA Disclosure Agreement.” Under certain circumstances, the failure of TCDA to comply with its obligations under the TCDA Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the TCDA Disclosure Agreement would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

TCDA has agreed to update information and to provide notices of certain specified events only as provided in the TCDA Disclosure Agreement. TCDA has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the TCDA Disclosure Agreement. TCDA makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. TCDA disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the TCDA Disclosure Agreement or from any statement made pursuant to the TCDA Disclosure Agreement.

### **TCDA’s Compliance with Prior Undertakings**

The issuance of the Bonds is TCDA’s first public issuance of obligations and therefore TCDA has not previously committed itself to a continuing disclosure obligation pursuant to the Rule.

### **The Developers**

*The Managing Developer.* The Managing Developer, the Dissemination Agent, and the Administrator will enter into a Continuing Disclosure Agreement (the “Managing Developer Disclosure Agreement”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Managing Developer Disclosure Agreement, certain information regarding the Development and the Improvement Area #1 Improvements (collectively, the “Managing Developer Reports”). The specific nature of the information to be contained in the Managing Developer Reports is set forth in “APPENDIX D-2 — Form of Managing Developer Disclosure Agreement.” Under certain circumstances, the failure of the Managing Developer or the Administrator to comply with its obligations under the Managing Developer Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Managing Developer Disclosure Agreement would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance. The Managing Developer Disclosure Agreement is a voluntary agreement made for the benefit of the Owners of the Bonds and is not entered into pursuant to the Rule.

*Taylor Morrison.* Taylor Morrison, the Dissemination Agent, and the Administrator will enter into a Continuing Disclosure Agreement (the “Taylor Morrison Disclosure Agreement”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Taylor Morrison Disclosure Agreement, certain information regarding the Development and the Improvement Area #1 Improvements (collectively, the “Taylor Morrison Developer Reports”). The specific nature of the information to be contained in the Taylor Morrison Developer Reports is set forth in “APPENDIX D-3 — Form Taylor Morrison Disclosure Agreement.” Under certain circumstances, the failure of the Taylor Morrison or the Administrator to comply with its obligations under the Taylor Morrison Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Taylor Morrison Disclosure Agreement would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance. The Taylor Morrison Disclosure Agreement is a voluntary agreement made for the benefit of the Owners of the Bonds and is not entered into pursuant to the Rule.

*Tri Pointe.* Tri Pointe, the Dissemination Agent, and the Administrator will enter into a Continuing Disclosure Agreement (the “Tri Pointe Disclosure Agreement”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Tri Pointe Disclosure Agreement, certain information regarding the Development and the Improvement Area #1 Improvements (collectively, the “Tri Pointe Developer Reports”). The specific nature of the information to be contained in the Tri Pointe Developer Reports is set forth in “APPENDIX D-4 — Form of Tri Pointe Disclosure Agreement.” Under certain circumstances, the failure of Tri Pointe or the Administrator to comply with its obligations under the Tri Pointe Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Tri Pointe Disclosure Agreement would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance. The Tri Pointe Disclosure Agreement is a voluntary agreement made for the benefit of the Owners of the Bonds and is not entered into pursuant to the Rule.

Pursuant to the Managing Developer Disclosure Agreement, the Taylor Morrison Disclosure Agreement and the Tri Pointe Disclosure Agreement (each, a “Developer Disclosure Agreement”), each Developer has separately agreed to provide (i) certain updated information to the Administrator, which consultant will prepare and provide such updated information in report form to the Dissemination Agent and (ii) notices of certain specified events, only as provided in the applicable Developer Disclosure Agreement. The Developers have not agreed to provide other information that may be relevant or material to a complete presentation of any Developers’ financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the applicable Developer Disclosure Agreement. The Developers make no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. Each Developers disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the applicable Developer Disclosure Agreement or from any statement made pursuant to such Developer Disclosure Agreement.

### **Developers’ Compliance with Prior Undertakings**

*Managing Developer.* Meritage has previously entered into certain continuing disclosure undertakings with respect to public improvement district bonds issued to fund improvements in developments unrelated to the Development or the District. With respect to one such undertaking, due to an administrative oversight, the Managing Developer’s quarterly filing report due December 31, 2019 was not timely filed. The Managing Developer filed the required quarterly report and an event notice on May 5, 2021. With respect to another undertaking, quarterly filing reports due on February 15, 2022 and May 15, 2022 were not filed. A notice of failure to file the quarterly report due on February 15, 2022 was filed on May 12, 2022, and a notice of failure to file the quarterly report due on May 15, 2022 was filed on May 25, 2022. The information pertaining to the missed quarters was filed on May 23, 2022.

*Taylor Morrison.* During the last five years, Taylor Morrison has complied in all material respects with its continuing disclosure agreements.

*Tri Pointe.* Tri Pointe has not previously entered into any continuing disclosure undertakings.

## **UNDERWRITING**

FMSbonds, Inc. (the “Underwriter”) has agreed to purchase the Bonds from TCDA at a purchase price of \$\_\_\_\_\_ (the par amount of the Bonds, less [a net / an original issue] reoffering [premium / discount] of \$\_\_\_\_\_ less an underwriting discount of \$\_\_\_\_\_, which includes Underwriter’s Counsel’s fee of \$\_\_\_\_\_) and no accrued interest. The Underwriter’s obligations are subject to certain conditions precedent and if obligated to purchase any of the Bonds the Underwriter will be obligated to purchase all of the Bonds. The Bonds may be offered and sold by the Underwriter at prices lower than the initial offering prices stated on the inside cover page hereof, and such initial offering prices may be changed from time to time by the Underwriter.

Additionally, there are no assurances that if a secondary market for the Bonds were to develop, that it will not be disrupted by events including, but not limited to, the current pandemic associated with the COVID-19 virus. Consequently, investors may not be able to resell the Bonds purchased should they need or wish to do so for emergency or other purposes. See “BONDHOLDERS’ RISKS — Infectious Disease Outbreak- COVID-19” herein.

## **REGISTRATION AND QUALIFICATION OF BONDS FOR SALE**

The sale of the Bonds has not been registered under the federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. TCDA assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

## **LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS**

The PID Act and Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code, as amended) provide that the Bonds are negotiable instruments and investment securities governed by Chapter 8, Texas Business and Commerce Code, as amended, and are legal and authorized investments for insurance companies, fiduciaries, trustees, or for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State, the PFIA requires that the Bonds be assigned a rating of at least “A” or its equivalent as to investment quality by a national rating agency. See “NO RATING” above. In addition, the PID Act and various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits to the extent of their market value. No review by TCDA has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states. No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes.

TCDA made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes.

## **INVESTMENTS**

TCDA invests its funds in investments authorized by Texas law in accordance with investment policies approved by TCDA’s Board. Both Texas law and TCDA’s investment policies are subject to change.

Under State law, TCDA is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality

of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this state that TCDA selects from a list the governing body or designated investment committee of TCDA adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in this state that TCDA selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for TCDA’s account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) TCDA appoints as TCDA’s custodian of the banking deposits issued for TCDA’s account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of the PFIA that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, or are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for County deposits, or (ii) certificates of deposits where (a) the funds are invested by TCDA through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by TCDA as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by TCDA, (b) the broker or the depository institution selected by TCDA arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of TCDA, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) TCDA appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for TCDA with respect to the certificates of deposit; (10) fully collateralized repurchase agreements that have a defined termination date, are secured by a combination of cash and obligations described in clause (1) above or clause (12) below, require the securities being purchased by TCDA or cash held by TCDA to be pledged to TCDA, held in TCDA’s name, and deposited at the time the investment is made with TCDA or with a third party selected and approved by TCDA, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) certain bankers’ acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least “A-1” or “P-1” or the equivalent by at least one nationally recognized credit rating agency; (12) commercial paper with a stated maturity of 365 days or less that is rated at least “A-1” or “P-1” or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank; (13) no-load money market mutual funds registered with and regulated by the United States SEC that provide TCDA with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); (14) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities; and (15) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than “A” or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (12) through (14) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to TCDA, held in TCDA’s name and deposited at the time the investment is made with TCDA or a third party designated by TCDA; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv)

the agreement to lend securities has a term of one year or less. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract and are pledged to TCDA and deposited with TCDA or a third party selected and approved by TCDA.

TCDA may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than “AAA” or “AAAm” or an equivalent by at least one nationally recognized rating service. TCDA may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but TCDA retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, TCDA must do so by order, ordinance, or resolution. TCDA is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than ten (10) years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Under Texas law, TCDA is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for TCDA funds, the maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All TCDA funds must be invested consistent with a formally adopted “Investment Strategy Statement” that specifically addresses each fund’s investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, TCDA investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” At least quarterly the investment officers of TCDA shall submit an investment report detailing: (1) the investment position of TCDA, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value and the fully accrued interest for the reporting period of each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period by the type of asset and fund type invested, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest TCDA funds without express written authority from the Board.

Under Texas law TCDA is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt by written instrument a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers’ with personal business relationships or relatives with firms seeking to sell securities to TCDA to disclose the relationship and file a statement with the Texas Ethics Commission and the Board; (4) require the qualified representative of firms offering to engage in an investment transaction with TCDA to: (a) receive and review TCDA’s investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between TCDA and the business organization that are not authorized by TCDA’s investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of TCDA’s entire portfolio, requires an interpretation of subjective investment standards or relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority), and (c) deliver a written statement attesting to these requirements; (5) perform an annual audit of the

management controls on investments and adherence to TCDA's investment policy; (6) provide specific investment training for the officers of TCDA; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the entity's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with TCDA.

## **INFORMATION RELATING TO THE TRUSTEE**

TCDA has appointed Wilmington Trust, National Association, a national banking association organized under the laws of the United States, to serve as Trustee. The Trustee is to carry out those duties assignable to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Limited Offering Memorandum and assumes no responsibility for the contents, accuracy, fairness or completeness of the information set forth in this Limited Offering Memorandum or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application by TCDA of any of the Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such Bonds by TCDA. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the project, or the investment quality of the Bonds, about all of which the Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

Additional information about the Trustee may be found at its website at [www.wilmingtontrust.com](http://www.wilmingtontrust.com). Neither the information on the Trustee's website, nor any links from that website, is a part of this Limited Offering Memorandum, nor should any such information be relied upon to make investment decisions regarding the Bonds.

## **SOURCES OF INFORMATION**

### **General**

The information contained in this Limited Offering Memorandum has been obtained primarily from TCDA's records, the County, the Developers and their representatives, and other sources believed to be reliable. In accordance with its responsibilities under the federal securities law, the Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum or any sale hereunder will create any implication that there has been no change in the financial condition or operations of TCDA, the County, or the Developers described herein since the date hereof. This Limited Offering Memorandum contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized. The summaries of the statutes, resolutions, ordinances, indentures and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

### **Source of Certain Information**

The information contained in this Limited Offering Memorandum relating to the description of the Improvement Area #1 Improvements, the Development and the Developers generally and, in particular, the information included in the maps in this Limited Offering Memorandum and in the sections captioned "PLAN OF FINANCE — Introduction to Development Plan," "— Financing Plan," "OVERLAPPING TAXES AND DEBT — Agricultural Valuation" and "— Homeowners' Association," "THE IMPROVEMENT AREA #1

IMPROVEMENTS,” “THE DEVELOPMENT,” and “THE DEVELOPERS” (only as it pertains to the Managing Developer) and, to the best of the Managing Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Managing Developer, the Improvement Area #1 Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation — The Developers” (only as it pertains to the Managing Developer”) and “CONTINUING DISCLOSURE — The Developers - The Managing Developer” and “ — Developers’ Compliance with Prior Undertakings - The Managing Developer,” “APPENDIX D-2,” and “APPENDIX F” has been provided by the Managing Developer and the Managing Developer warrants and represents that the information contained herein is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Managing Developer will deliver a certificate to this effect to TCDA and the Underwriter.

The information contained in this Limited Offering Memorandum relating to the description of Taylor Morrison generally and, in particular, the information included in the sections captioned “PLAN OF FINANCE — Introduction to Development Plan,” “THE DEVELOPERS — Description of Non-Managing Developers – Taylor Morrison,,” “BONDHOLDERS’ RISKS — Dependence Upon Developers,” (as such information pertains to Taylor Morrison and the Development), “LEGAL MATTERS — Litigation — The Developers” (only as it pertains to Taylor Morrison), “CONTINUING DISCLOSURE – The Developers – Taylor Morrison,” “–Developers’ Compliance with Prior Undertakings – Taylor Morrison,” and “APPENDIX D-3” has been provided by Taylor Morrison and Taylor Morrison warrants and represents that the information contained herein is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. At the time of delivery of Bonds to the Underwriter, Taylor Morrison will deliver a certificate to this effect to TCDA and the Underwriter.

The information contained in this Limited Offering Memorandum relating to the description of Tri Pointe generally and, in particular, the information included in the sections captioned “PLAN OF FINANCE — Introduction to Development Plan,” “THE DEVELOPERS — Description of Non-Managing Developers – Tri Pointe,,” “BONDHOLDERS’ RISKS — Dependence Upon Developers ,” (as such information pertains to Tri Pointe and the Development), “LEGAL MATTERS — Litigation — The Developers” (only as it pertains to Tri Pointe), “CONTINUING DISCLOSURE – The Developers - Tri Pointe,” “–Developers’ Compliance with Prior Undertakings - Tri Pointe,” and “APPENDIX D-4” has been provided by Tri Pointe and Tri Pointe warrants and represents that the information contained herein is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. At the time of delivery of Bonds to the Underwriter, Tri Pointe will deliver a certificate to this effect to TCDA and the Underwriter.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum for purposes of, and as that term is defined, in SEC Rule 15c2-12.

## **Experts**

The information regarding the Service and Assessment Plan in this Limited Offering Memorandum has been provided by P3Works, LLC and has been included in reliance upon the authority of such firm as experts in the field of development planning and finance.

Development Planning and Financial Group, Inc. assisted the Managing Developer in providing information regarding development of the District and the Improvement Area #1 Improvements.

The information regarding the Appraisal in this Limited Offering Memorandum has been provided by Integra Realty Resources, and has been included in reliance upon the authority of such firm as experts in the field of the appraisal of real property. Integra Realty Resources has consented to the inclusion of the Appraisal herein.

### **Updating of Limited Offering Memorandum**

If, subsequent to the date of the Limited Offering Memorandum, TCDA learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriter, of any adverse event which causes the Limited Offering Memorandum to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, TCDA will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Limited Offering Memorandum satisfactory to the Underwriter; provided, however, that the obligation of TCDA to so amend or supplement the Limited Offering Memorandum will terminate when TCDA delivers the Bonds to the Underwriter, unless the Underwriter notifies TCDA on or before such date that less than all of the Bonds have been sold to ultimate customers; in which case TCDA's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date TCDA delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

### **FORWARD-LOOKING STATEMENTS**

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21e of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED HEREIN TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. TCDA DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

### **AUTHORIZATION AND APPROVAL**

The Board of Directors of TCDA has approved by resolution the form and content of this Limited Offering Memorandum and the Board has authorized this Limited Offering Memorandum to be used by the Underwriter in connection with the marketing and sale of the Bonds.

TRAVIS COUNTY DEVELOPMENT AUTHORITY

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**APPENDIX A**  
**FORM OF INDENTURE**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

---

INDENTURE OF TRUST

By and Between

TRAVIS COUNTY DEVELOPMENT AUTHORITY

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Trustee

DATED AS OF SEPTEMBER 1, 2022

SECURING

\$(PRINCIPAL)

TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #1 PROJECT)

## TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS, FINDINGS, AND INTERPRETATION.....	11
Section 1.1.    Definitions.....	11
Section 1.2.    Findings.....	23
Section 1.3.    Table of Contents, Titles, and Headings.....	23
Section 1.4.    Interpretation.....	23
ARTICLE II THE BONDS .....	24
Section 2.1.    Security for the Bonds. ....	24
Section 2.2.    Limited Obligations. ....	24
Section 2.3.    Authorization for Indenture. ....	24
Section 2.4.    Contract with Owners and Trustee. ....	25
ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS.....	25
Section 3.1.    Authorization. ....	25
Section 3.2.    Date, Denomination, Maturities, Numbers, and Interest. ....	25
Section 3.3.    Conditions Precedent to Delivery of Bonds.....	26
Section 3.4.    Medium, Method, and Place of Payment.....	27
Section 3.5.    Execution and Registration of Bonds. ....	28
Section 3.6.    Refunding Bonds. ....	29
Section 3.7.    Ownership. ....	29
Section 3.8.    Registration, Transfer, and Exchange.....	29
Section 3.9.    Cancellation. ....	31
Section 3.10.   Temporary Bonds.....	31
Section 3.11.   Replacement Bonds. ....	31
Section 3.12.   Book-Entry Only System.....	33
Section 3.13.   Successor Securities Depository: Transfer Outside Book-Entry- Only System.....	34
Section 3.14.   Payments to Cede & Co.....	34
ARTICLE IV REDEMPTION OF BONDS BEFORE MATURITY.....	34
Section 4.1.    Limitation on Redemption. ....	34
Section 4.2.    Mandatory Sinking Fund Redemption.....	34

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
Section 4.3. Optional Redemption.....	36
Section 4.4. Extraordinary Optional Redemption.....	36
Section 4.5. Partial Redemption.....	36
Section 4.6. Notice of Redemption to Owners. ....	37
Section 4.7. Payment Upon Redemption. ....	38
Section 4.8. Effect of Redemption.....	38
ARTICLE V FORM OF THE BONDS .....	38
Section 5.1. Form Generally.....	38
Section 5.2. CUSIP Registration.....	39
Section 5.3. Legal Opinion. ....	39
ARTICLE VI FUNDS AND ACCOUNTS .....	39
Section 6.1. Establishment of Funds and Accounts.....	39
Section 6.2. Initial Deposits to Funds and Accounts. ....	41
Section 6.3. Pledged Revenue Fund. ....	41
Section 6.4. Bond Fund.....	43
Section 6.5. Project Fund.....	43
Section 6.6. Redemption Fund.....	44
Section 6.7. Reserve Fund. ....	45
Section 6.8. Rebate Fund: Rebate Amount.....	47
Section 6.9. Administrative Fund. ....	47
Section 6.10. Investment of Funds.....	48
Section 6.11. Security of Funds. ....	49
ARTICLE VII GENERAL COVENANTS AND REPRESENTATIONS OF TCDA .....	49
Section 7.1. Payment of Bonds; Limited Obligations.....	49
Section 7.2. Further Covenants and Representations of TCDA. ....	50
Section 7.3. Power to Enter Into Indenture, Issue Bonds, and Pledge Trust Estate.....	50
Section 7.4. Amend Articles and Bylaws. ....	51
Section 7.5. Maintenance of Corporate Existence of TCDA; Consolidation, Merger, Sale or Transfer of Assets Under Certain Conditions. ....	51

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
Section 7.6. Against Encumbrances.....	51
Section 7.7. Records, Accounts, Accounting Reports. ....	52
Section 7.8. Covenants to Maintain Tax-Exempt Status. ....	52
ARTICLE VIII LIABILITY OF TCDA .....	55
ARTICLE IX THE TRUSTEE .....	57
Section 9.1. Trustee as Registrar and Paying Agent.....	57
Section 9.2. Trustee Entitled to Indemnity. ....	57
Section 9.3. Responsibilities of the Trustee.....	57
Section 9.4. Property Held in Trust. ....	58
Section 9.5. Trustee Protected in Relying on Certain Documents.....	58
Section 9.6. Compensation. ....	59
Section 9.7. Permitted Acts.....	60
Section 9.8. Resignation of Trustee. ....	60
Section 9.9. Removal of Trustee.....	60
Section 9.10. Successor Trustee.....	60
Section 9.11. Transfer of Rights and Property to Successor Trustee.....	61
Section 9.12. Merger, Conversion, or Consolidation of Trustee. ....	62
Section 9.13. Trustee to File Continuation Statements.....	62
Section 9.14. Construction of Indenture. ....	62
ARTICLE X MODIFICATION OR AMENDMENT OF THIS INDENTURE AND THE FUNDING AGREEMENT .....	63
Section 10.1. Amendments Permitted.....	63
Section 10.2. Owners' Meetings.....	64
Section 10.3. Procedure for Amendment with Written Consent of Owners.....	64
Section 10.4. Execution of Supplemental Indenture.....	65
Section 10.5. Effect of Supplemental Indenture and Amendment.....	66
Section 10.6. Endorsement or Replacement of Bonds Issued After Amendments.....	66
Section 10.7. Amendatory Endorsement of Bonds.....	66
Section 10.8. Waiver of Default. ....	66
ARTICLE XI DEFAULT AND REMEDIES .....	67

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
Section 11.1. Events of Default. ....	67
Section 11.2. Immediate Remedies for Default. ....	68
Section 11.3. Restriction on Owner’s Action. ....	69
Section 11.4. Application of Revenues and Other Moneys After Default.....	70
Section 11.5. Effect of Waiver.....	71
Section 11.6. Evidence of Ownership of Bonds. ....	71
Section 11.7. No Acceleration. ....	72
Section 11.8. Mailing of Notice.....	72
Section 11.9. Exclusion of Bonds.....	72
ARTICLE XII SPECIAL COVENANTS .....	72
Section 12.1. Further Assurances; Due Performance. ....	72
Section 12.2. Additional Obligations; or Other Liens. ....	73
Section 12.3. Books of Record. ....	74
ARTICLE XIII PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE.....	74
Section 13.1. Trust Irrevocable.....	74
Section 13.2. Satisfaction of Indenture.....	74
Section 13.3. Bonds Deemed Paid.....	74
ARTICLE XIV MISCELLANEOUS .....	75
Section 14.1. Benefits of Indenture Limited to Parties.....	75
Section 14.2. Successor is Deemed Included in All References to Predecessor. ....	75
Section 14.3. Execution of Documents and Proof of Ownership by Owners.....	76
Section 14.4. No Individual Liability. ....	76
Section 14.5. Notices to and Demands on TCDA and Trustee.....	77
Section 14.6. Partial Invalidity.....	78
Section 14.7. Applicable Laws. ....	78
Section 14.8. Payment on Business Day.....	78
Section 14.9. Counterparts.....	78

Exhibit A – Form of Bond

## INDENTURE OF TRUST

THIS INDENTURE, dated as of September 1, 2022 is by and between the TRAVIS COUNTY DEVELOPMENT AUTHORITY (the “TCDA”) a public nonprofit local government corporation incorporated under Subchapter D of Chapter 431, Texas Transportation Code, as amended (“Chapter 431”), and Chapter 394, Texas Local Government Code, as amended (“Chapter 394” and together with Chapter 431, the “LGC Act”), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as trustee (together with its successors, the “Trustee”). Capitalized terms used in the preamble, recitals, and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

### RECITALS

- A. A petition (the “August 2018 Petition”) was submitted by the Original Petitioner (defined herein) and filed with the County Clerk (the “County Clerk”) of Travis County, Texas (the “County”) pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “PID Act”), requesting the creation of a public improvement district located in the County and in the extraterritorial jurisdiction of the City of Austin, Texas (the “City”) to be known as Turner’s Crossing Public Improvement District (the “District”) over approximately 469 acres of land.
- B. On October 16, 2018, the Commissioners Court of the County (the “Commissioners Court”) approved: (1) setting a public hearing on November 6, 2018 to receive comments on the August 2018 Petition, (2) publishing notice of the public hearing, and (3) mailing notice of the hearing to affected parties.
- C. On October 19, 2018, the Original Petitioner submitted correspondence (the “October 2018 Correspondence,” the October 2018 Correspondence and the August 2018 Petition, together, the “2018 Petition”) to revise the boundaries of the proposed public improvement district so that the district would comprise approximately 445 acres rather than approximately 469 acres.
- D. The 2018 Petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then-current ad valorem tax rolls of the Travis Central Appraisal District, and the signature of the property owner who owns taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the District.

- E. On November 6, 2018, after due notice, the Commissioners Court opened the public hearing in the manner required by law on the advisability of the improvement projects and services described in the 2018 Petition as required by Section 372.009 of the PID Act.
- F. On November 13, 2018, the Commissioners Court closed the public hearing and made the findings required by Section 372.009(b) of the PID Act and, by a resolution adopted by a majority of the members of the Commissioners Court (the “Authorization Resolution”), authorized the District in accordance with its finding as to the advisability of the improvement projects and services.
- G. On December 7, 2018, the County published notice of the Authorization Resolution in *The Austin Chronicle*, a newspaper of general circulation in the County and in the extraterritorial jurisdiction of the City.
- H. No written protests of the District from any owners of record of property within the District were filed with the County Clerk within 20 days after December 7, 2018.
- I. No objection was made by the City to the establishment of the District within 30 days of the County’s action approving the Authorization Resolution.
- J. Pursuant to Section 431.101 of the LGC Act, a local government corporation may be created to aid and act on behalf of one or more local governments to accomplish any governmental purpose of those local governments.
- K. On December 17, 1999, and pursuant to the LGC Act, the County created TCDA to aid, assist and act on behalf of the County in the performance of the County’s governmental functions, including but not limited to promote the common good and general welfare of the County; and to promote, develop, encourage, and maintain education facilities, employment, commerce, and economic development in the County. TCDA has all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in the State of Texas (the “State”) and that are necessary or useful to enable TCDA to perform the purposes for which it was created, including the power to issue bonds, notes, or other obligations and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that TCDA may not issue bonds without the consent of the Commissioners Court.
- L. On September 25, 2018, the Commissioners Court and the Board of Directors of the TCDA (the “Board”) approved amended articles of incorporation and bylaws for TCDA, authorizing TCDA to act pursuant to and to aid, assist, and act on behalf of the County in accordance with all applicable laws and amendments thereto, including the authority to

manage defined areas such as public improvement districts created under the PID Act, including the District.

- M. Pursuant to Section 372.026(f) of the PID Act, the Commissioners Court may enter into an agreement with a corporation created by the County under the Texas Constitution or other law that provides for payment of amounts pledged under the PID Act to the corporation to secure indebtedness issued by the corporation to finance an improvement project, including indebtedness to pay capitalized interest and to fund a reserve fund, each as permitted by the PID Act for revenue or general obligation bonds issued under the LGC Act and indebtedness issued to pay the corporation's costs of issuance. In addition, the agreement may provide that: (1) the corporation is responsible for managing the public improvement district; or (2) title to one or more improvements will be held by the corporation.
- N. The County and TCDA have entered into a Contract for Management and Administrative Services dated April 24, 2018 (the "Management Contract") pursuant to which TCDA agreed to provide management and administrative services for the public improvement districts created by the Commissioners Court as requested by the County, including billing and collecting of assessments and, when requested by the Commissioners Court, the issuance of bonds.
- O. On September 14, 2021, the Commissioners Court by a resolution made findings and determinations relating to the costs of certain Authorized Improvements (as defined herein), received and accepted a preliminary service and assessment plan and proposed assessment roll, called a public hearing for October 5, 2021, and directed County staff to (1) file said proposed assessment roll with the Tax Assessor-Collector of the County (the "County Tax Assessor-Collector") and to make it available for public inspection as required by Section 372.016(b) of the PID Act and (2) provide such notice as required by Section 372.016(b) and 372.016(c) of the PID Act relating to the October 5, 2021 hearing.
- P. On September 17, 2021, the County Tax Assessor-Collector, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in the *Austin American-Statesman*, a newspaper of general circulation in the County and in the extraterritorial jurisdiction of the City, to consider the proposed assessment rolls, including the Assessment Roll (as defined herein), and the service and assessment plan (the "Original Service and Assessment Plan"), and the levy of the Initial Assessments on property in Improvement Area #1 (each as defined herein) of the District.
- Q. The Commissioners Court, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Assessment Roll and the Original Service

and Assessment Plan and the levy of Initial Assessments on property in the District to the last known address of the owners of the property liable for the Initial Assessments.

- R. The Commissioners Court convened the hearing on October 5, 2021, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Assessment Roll and the Initial Assessments, and to offer testimony pertinent to any issue presented on the amount of the Initial Assessment, the allocation of Actual Costs, the purposes of the Initial Assessment, the special benefits of the Initial Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Initial Assessment, and there were no written objections or evidence submitted to the County Clerk or the County Tax Assessor-Collector in opposition to the Original Service and Assessment Plan, the allocation of Actual Costs, the Assessment Roll, and the levy of the Initial Assessments.
- S. On October 5, 2021, the Commissioners Court closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the County, approved, and accepted the Original Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Initial Assessment Order (as defined herein) and therein levied the Initial Assessments, the first Annual Installment thereof to be billed on or about October 1, 2022.
- T. On October 5, 2021, the County and TCDA entered into the “Turner’s Crossing Public Improvement District Improvement Area #1 Funding Agreement” (the “Original Funding Agreement”), pursuant to which Contract Assessment Revenues (each as defined herein) will be paid to TCDA, which will deposit such revenues in a segregated fund held by the Trustee under this Indenture.
- U. The boundaries of the District, as provided to the County by the Original Petitioner and as depicted in the Authorization Resolution, contained a total of approximately 445.39 acres, and excluded an approximately 13.863 acre multifamily tract located adjacent to the District and north of S.H. 45 (the “North Multifamily Tract”), and an approximately 9.293 acre multifamily tract located adjacent to the District and south of S.H. 45 (the “South Multifamily Tract,” and together with the North Multifamily Tract, the “Multifamily Tracts”).
- V. During the preliminary planning process for the Turner’s Crossing development (the “Development”) the boundaries of the Multifamily Tracts were redrawn.

- W. The redrawing of the boundaries of the North Multifamily Tract included (i) the removal of approximately 0.144 gross acres from the boundaries of the North Multifamily Tract, which land consists of Lot 95, Block H ("Lot 95"), as depicted in the final plat for the first phase of the Development, recorded as Document No. 202100102 in the Official Public Records of Travis County, Texas, and which the Petitioners (as defined herein) intended to be included within the boundaries of Improvement Area #1 of the District and (ii) the addition of approximately 0.405 gross acres of land located within the boundaries of the District (as set forth in the Authorization Resolution) to the boundaries of the North Multifamily Tract, resulting in a net increase in the size of the North Multifamily Tract by approximately 0.26 acres.
- X. The redrawing of the North Multifamily Tract resulted in the same total number of lots planned within Improvement Area #1, as well as the same projected assessment to be levied within Improvement Area #1, and, due to an administrative oversight, the Petitioners did not become aware of the resulting boundary discrepancy.
- Y. The redrawing of the boundaries of the South Multifamily Tract included (i) the removal of approximately 1.693 gross acres from the boundaries of the South Multifamily Tract and (ii) the addition of approximately 0.090 gross acres of land located within the boundaries of the District (as set forth in the Authorization Resolution) to the boundaries of the South Multifamily Tract, resulting in a net decrease in the size of the South Multifamily Tract by approximately 1.603 acres.
- Z. In May of 2022, the Petitioners discovered that the redrawn boundaries of the North Multifamily Tract and South Multifamily Tract resulting from the above-described preliminary planning process, and the intended adjustment to the proposed boundary of the District, were inadvertently omitted from the legal description submitted in conjunction with the 2018 Petition, and therefore, were not described in the Authorization Resolution.
- AA. Lot 95 receives a benefit from the Improvement Area #1 Improvements and was inadvertently included within the Improvement Area #1 Initial Parcel (as defined in the Original Service and Assessment Plan (as defined herein)) upon which the Initial Assessments were levied.
- BB. Pursuant to Section 372.012 of the PID Act, the area within the District to be assessed may not include property not described by the notice as being within the proposed boundaries of the District unless a hearing is held to include the property and notice for the hearing is given in the same manner as notice under Section 372.009 of the PID Act.

- CC. It is not clear whether Lot 95 was or was not described in the notice of public hearing relating to the creation of the District due to conflicting descriptions of the boundaries of the District set forth therein; however, the Original Petitioner in its October 2018 Correspondence to the County amended the August 2018 Petition by revising the boundaries of the District to exclude the Multifamily Tracts (Lot 95 being in the North Multifamily Tract prior to it being redrawn), and therefore, Lot 95 was not included within the boundaries of the District as described in the Authorization Resolution.
- DD. On July 12, 2022, pursuant to Section 372.012 of the PID Act and upon the written advice of Bond Counsel to the TCDA, the Commissioners Court, by order (the “Lot 95 Initial Assessment Release Order”), determined that the Initial Assessment levied on Lot 95 was invalid, as such land was not included within the boundaries of the District, as set forth in the Authorization Resolution, and released, repealed, and rescinded the Initial Assessment on Lot 95.
- EE. A petition (the “2022 Petition”) was submitted by the Petitioners and filed with the County Clerk pursuant to the PID Act, requesting the boundaries of the District be amended to add and remove the portions of the Multifamily Tracts described above.
- FF. The 2022 Petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the land proposed to be removed and the land proposed to be added to the District, as determined by the then-current ad valorem tax rolls of the Travis Central Appraisal District, and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the land proposed to be removed and the land proposed to be added to the District.
- GG. On August 16, 2022, after due notice, the Commissioners Court opened the public hearing in the manner required by law on the advisability of amending the boundaries of the District and the improvement projects and services related thereto described in the 2022 Petition as required by Section 372.009 of the PID Act.
- HH. On August 16, 2022, the Commissioners Court closed the public hearing and made the findings required by Section 372.009(b) of the PID Act and, by a resolution adopted by a majority of the members of the Commissioners Court (the “Boundary Amendment Resolution”), authorized the amendment to the boundaries of the District in accordance with its finding as to the advisability of the improvement projects and services.

- II. On [\_\_\_\_\_], 2022, the County filed the Boundary Amendment Resolution in the real property records of the County.
- JJ. In accordance with Section 481.008(d) of the Travis County Public Improvement District Policy and Procedures, on [\_\_\_\_\_], 2022, the County published notice of the Boundary Amendment Resolution in *The Austin Chronicle*, a newspaper of general circulation in the County and in the extraterritorial jurisdiction of the City .
- KK. No written protests of amending the boundaries of the District from any owners of record of property within the land proposed to be removed and the land proposed to be added to the District were filed with the County Clerk within 20 days after August 16, 2022.
- LL. No objection was made by the City to the amendment of the boundaries of the District within 30 days of the County's action approving the Boundary Amendment Resolution.
- MM. On August 16, 2022, the Commissioners Court by a resolution made findings and determinations relating to the costs of the Improvement Area #1 Improvements allocable to Lot 95, received and accepted a preliminary 2022 amended and restated service and assessment plan and proposed assessment roll, called a public hearing for September 13, 2022, and directed County staff to (1) file said proposed assessment roll with the County Tax Assessor-Collector and to make it available for public inspection as required by Section 372.016(b) of the PID Act and (2) provide such notice as required by Section 372.016(b) and 372.016(c) of the PID Act relating to the September 13, 2022 hearing.
- NN. On August 26, 2022, the County Tax Assessor-Collector, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in the *Austin Chronicle*, a newspaper of general circulation in the County and in the extraterritorial jurisdiction of the City, to consider the proposed assessment rolls, including the Assessment Roll, as updated to include Lot 95, and the 2022 Amended and Restated Service and Assessment Plan (the "Service and Assessment Plan"), and the levy of an assessment on Lot 95 (the "Lot 95 Assessment") in Improvement Area #1 of the District.
- OO. The Commissioners Court, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Assessment Roll, as updated to include Lot 95, and the Service and Assessment Plan and the levy of the Lot 95 Assessment on property in Lot 95 to the last known address of the owners of the property liable for the Lot 95 Assessment.
- PP. On August 16, 2022, the County and TCDA entered into the Funding Agreement (as defined herein), which amends and restates the Original Funding Agreement in its entirety.

- QQ. The Commissioners Court convened the hearing on September 13, 2022, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Assessment Roll, as updated to include Lot 95, and the Lot 95 Assessment, and to offer testimony pertinent to any issue presented on the amount of the Lot 95 Assessment, the allocation of Actual Costs, the purposes of the Lot 95 Assessment, the special benefits of the Lot 95 Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Lot 95 Assessment, and there were no written objections or evidence submitted to the County Clerk or the County Tax Assessor-Collector in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Assessment Roll, as updated to include Lot 95, and the levy of the Lot 95 Assessment.
- RR. On September 13, 2022, the Commissioners Court closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the County, approved and accepted the Service and Assessment Plan, which amends and restates the Original Service and Assessment Plan in its entirety, in conformity with the requirements of the PID Act, and adopted the Lot 95 Assessment Order (as defined herein) and therein levied the Lot 95 Assessment.
- SS. On August 16, 2022, the Commissioners Court, in accordance with the articles of incorporation and the bylaws of TCDA and as authorized by the LGC Act and the PID Act, approved a resolution (1) finding that the financing of public improvement projects through public improvement districts promotes the common good and general welfare of the County by promoting, developing, encouraging, and maintaining employment, commerce, and economic development in the County, (2) finding that TCDA is authorized to aid, assist and act on behalf of the County in managing the District and to issue bonds to accomplish such purpose, and (3) consenting to TCDA's issuance of the Bonds (as defined herein).
- TT. TCDA now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled "Travis County Development Authority Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)" (the "Bonds"), such Bonds being payable solely from the Pledged Contract Revenues (as defined herein) to be received by TCDA pursuant to the Amended and Restated Funding Agreement and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in this preamble.
- UU. The Trustee has agreed to accept the trusts herein and to serve as Trustee created upon the terms set forth in this Indenture.

NOW, THEREFORE, TCDA, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the “Trust Estate”):

#### FIRST GRANTING CLAUSE

Subject to the provisions set forth below, all of TCDA’s right, title and interest under the Funding Agreement, including but not limited to the following:

(1) the obligation of the County thereunder to transfer the Pledged Contract Revenues to TCDA; and

(2) the first lien on and security interest granted in funds on deposit in the “Improvement Area #1 Improvements Subaccount” (as defined and described in the Funding Agreement) maintained by TCDA on behalf of the County, including investments and reinvestments and proceeds thereof, granted to TCDA by the County;

#### SECOND GRANTING CLAUSE

Subject to the provisions set forth below, the Pledged Contract Revenues and all of TCDA’s right, title and interest in all moneys and investments held in the Pledged Funds, together with any investments and reinvestments made with such amounts and the proceeds thereof;

#### THIRD GRANTING CLAUSE

Subject to the provisions set forth below, all of TCDA’s right to bring actions and proceedings under the Funding Agreement for the enforcement thereof, and to do all things that TCDA is entitled to do under the Funding Agreement; and

#### FOURTH GRANTING CLAUSE

Subject to the provisions set forth below, any and all property (other than amounts in, or required to be deposited in, the Rebate Fund) of every kind or description now or hereafter owned by TCDA which may now or hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with the Trustee by or on behalf of TCDA as additional security hereunder, or which pursuant to any of the provisions of the Indenture or Funding Agreement may come into the possession or control of the Trustee, or

of a receiver lawfully appointed pursuant to this Indenture, as such additional security; and the Trustee is hereby authorized to receive any and all such property or money at any and all times as additional security for the payment of the Bonds, and to hold and apply all such property subject to the terms of this Indenture and the Funding Agreement.

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the benefit of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, if TCDA or its assigns shall well and truly pay, or cause to be paid, the principal or redemption price of and the interest on all the Bonds at the times and in the manner stated in the Bonds, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect;

PROVIDED, FURTHER, HOWEVER, that the grant, conveyance, pledge and assignment made in the Granting Clauses of this Indenture are intended for the aforesaid security proposes only, and, except as otherwise provided in the remaining provisions of this Indenture, nothing in the Granting Clauses of this Indenture shall prohibit the Trustee from bringing any actions or proceedings for the enforcement of the obligation of TCDA hereunder except that nothing in this provision shall prejudice the rights of the Trustee under Articles IX and XI hereof; provided further that the priority of payment and the source for the repayment of the debt service on the Bonds shall be subject to the terms and set forth herein, including without limitation Article VI herein; provided further that the right to direct remedies following an Event of Default shall be limited to the Owners of the Bonds to the extent provided and set forth in Articles XI and XIV herein.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and TCDA has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds as follows:

## ARTICLE I

### DEFINITIONS, FINDINGS, AND INTERPRETATION

#### Section 1.1. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Indenture, the following terms shall have the meanings specified below:

“Account” means any of the accounts established pursuant to Section 6.1 of this Indenture.

“Actual Costs” means with respect to each Improvement Area #1 Improvement, the Managing Developer’s demonstrated, reasonable, allocable, and allowable costs of constructing the Improvement Area #1 Improvement, as specified in a payment request in a form that has been reviewed and approved by the County or the TCDA and:

(a) in an amount not to exceed the amount for the Improvement Area #1 Improvement as set forth in the Service and Assessment Plan;

(b) do not include the costs for any change orders that affect a Community Benefit (as defined in the Financing Agreement) listed in Exhibit I to the Financing Agreement that have not been approved by either the County and the TCDA or by an Applicable Entity (as defined in the Financing Agreement), but may include the following costs incurred by or on behalf of the Managing Developer (either directly or through affiliates):

(1) the cost to plan, design, acquire, construct, install, and dedicate such improvements to the Applicable Entity;

(2) the cost to prepare plans, specifications (including bid packages), contracts, and as-built drawings;

(3) the cost to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals;

(4) the cost to acquire easements and other right-of-way;

(5) the cost to relocate a utility when the relocation costs are not the responsibility of the utility owner;

(6) the costs for third-party professional consulting services including, but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisal services;

(7) the costs of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums;

(8) fees charged by an Applicable Entity or any other political subdivision or governmental authority; and

(9) a Construction Management Fee to implement, administer, and manage the activities described in Paragraphs (1) through (8) above and equal to 4% of the costs incurred by or on behalf of the Managing Developer for the construction of such Authorized Improvement, but excluding:

(A) the costs described in Paragraphs (3), (6), and (8), and

(B) taxes, insurance premiums, and financing costs.

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

“Additional Interest Rate” means the 0.5% additional interest permitted to be charged by the County on the Assessments pursuant to Section 372.018 of the PID Act.

“Additional Interest Reserve Account” means the Account of such name established pursuant to Section 6.1(b) and administered in accordance with the provision of Section 6.7 of this Indenture.

“Additional Interest Reserve Requirement” means an amount equal to 5.5% of the principal amount of the Outstanding Bonds which will be funded from Contract Assessment Revenues deposited to the Pledged Revenue Fund.

“Additional Obligations” means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary note, or time warrant secured in whole or in part by an assessment, other than the Assessments, levied against property within Improvement Area #1 of the District in accordance with the PID Act.

“Administrative Fund” means that Fund established by Section 6.1(a) and administered pursuant to Section 6.9 hereof.

“Administrator” means the County or TCDA or the person or independent firm designated by the County or TCDA who shall have the responsibilities provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the County or TCDA related to the duties and responsibilities of the administration of the District.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to collecting the Annual Installments, including, but not limited to, costs and expenses for: (1) the Administrator; (2) County staff; (3) TCDA staff; (4) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the County or TCDA; (5) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (6) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (7) investing or depositing Assessments and Annual Installments; (8) complying with the Service and Assessment Plan and the PID Act; (9) the TCDA Depository Bank or the Trustee in connection with reimbursement or payment of the Actual Costs, including their legal counsel; and (10) administering the construction of the Improvement Area #1 Improvements.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

“Annual Installment” means, with respect to each Assessed Property, the annual payment on the Assessment, as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

“Annual Service Plan Update” means an update of the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the Commissioners Court.

“Applicable Laws” means the PID Act, the LGC Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State or of the United States, by which TCDA and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

“Assessed Property” means each respective parcel of land located within Improvement Area #1 of the District against which an Assessment is levied by the Initial Assessment Order or Lot 95 Assessment Order, as applicable, in accordance with the Service and Assessment Plan.

“Assessment Revenue” means monies received by or on behalf of the County from the collection of Assessments levied against an Assessed Property, including: (1) Annual Installments; (2) Prepayments; (3) Delinquent Collection Costs; and (4) Foreclosure Proceeds.

“Assessment Roll” means the Improvement Area #1 Assessment Roll attached as Exhibit F to the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessment against each Assessed Property related to the Bonds and the Improvement Area #1 Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Assessments” means the aggregate Initial Assessments, as the levy of such assessments were amended by the Lot 95 Initial Assessment Release Order, and Lot 95 Assessment shown on the Assessment Roll. The singular of such term means the assessment levied against an Assessed Property, as shown on the Assessment Roll, subject to reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

“Authorized Denomination” means \$100,000 and any integral multiple of \$1,000 in excess thereof; provided, however, that if the total principal amount of the Outstanding Bonds is less than \$100,000 then the Authorized Denomination shall be the amount of the Outstanding Bonds. Notwithstanding the foregoing, Authorized Denominations shall also include Bonds issued in \$1,000 in principal amount and integral multiples of \$1,000 in the following instances: (A) any Bonds or any portion thereof that have been redeemed in part pursuant to an extraordinary optional redemption or (B) any Bonds or any portion thereof that have been defeased in part pursuant to an extraordinary optional redemption.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, whose estimated costs are shown in Exhibit C and described in Section III of the Service and Assessment Plan.

“Beneficial Owner” means any person for which a DTC Participant acquires an interest in the Bonds.

“Board” means the governing body of TCDA.

“Bond” means any of the Bonds.

“Bond Counsel” means Orrick, Herrington & Sutcliffe LLP or any other attorney or firm of attorneys designated by TCDA that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Date” means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

“Bond Fund” means the Fund established pursuant to Section 6.1 and administered as provided in Section 6.4.

“Bond Pledged Revenue Account” means the Account established pursuant to Section 6.1(b).

“Bond Resolution” means a Resolution adopted by the Board on September 13, 2022, authorizing the issuance of the Bonds pursuant to this Indenture.

“Bond Year” means the one-year period beginning on October 1 in each year and ending on September 30 in the following year.

“Bonds” means TCDA’s bonds authorized to be issued by Section 3.1 of this Indenture entitled “Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner’s Crossing Public Improvement District Improvement Area #1 Project)”.

“Business Day” means any day other than a Saturday, Sunday or legal holiday in the State observed as such by TCDA or the Trustee.

“Certification for Payment” means a certificate substantially in the form of Exhibit C attached to the Financing Agreement or otherwise approved by the Managing Developer and a TCDA Representative executed by an engineer, construction manager, or other person or entity acceptable to TCDA, as evidenced by the signature of a TCDA Representative, delivered to a TCDA Representative and the Trustee specifying the amount of work performed and the Actual Costs thereof (other than bond issuance costs), and requesting payment for such Actual Costs from money on deposit in the Improvement Account of the Project Fund as further described in the Financing Agreement and Section 6.5 herein.

“City” means the City of Austin, Texas.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Closing Disbursement Request” means a certificate substantially in the form of Exhibit D attached to the Financing Agreement or otherwise approved by the Managing Developer and the TCDA Representative executed by the Managing Developer or other person or entity acceptable to TCDA, as evidenced by the signature of a TCDA Representative, delivered to the Trustee specifying the costs incurred by the Managing Developer as bond issuance costs, and requesting

payment for such costs from money on deposit in the Costs of Issuance Account of the Project Fund as further described in the Financing Agreement and Section 6.5 herein.

“Code” has the meaning assigned to it in Section 7.8 hereof.

“Commissioners Court” means the governing body of the County.

“Contract Assessment Revenue” means the Assessment Revenues required to be paid by the County to TCDA pursuant to the provisions of the Funding Agreement for deposit into a segregated account held by the Trustee under the Indenture for the payment of the Bonds.

“Construction Costs” means the actual cost for a selected construction contractor to construct an Authorized Improvement, excluding Preconstruction Costs, Construction Management Fees, and Non-Eligible Costs.

“Construction Management Fee” means the costs, incurred by or on behalf of Managing Developer or a third party construction manager, for general oversight of preconstruction and construction of an Improvement Area #1 Improvements, including testing and materials, inspection, quality assurance/quality control, permitting, change order and claim investigations and resolutions, warranty period monitoring and reporting of deficiencies, and other construction management services and is equal to no more than four percent of Construction Costs.

“Costs of Issuance Account” means the Account established pursuant to Section 6.1.

“County” means Travis County, Texas, a political subdivision of the State of Texas.

“County Clerk” means the County Clerk of the County.

“County Consent Resolution” means the resolution of the Commissioners Court (1) finding that the financing of public improvement projects through public improvement districts promotes the common good and general welfare of the County by promoting, developing, encouraging, and maintaining employment, commerce, and economic development in the County, (2) finding that TCDA is authorized to aid, assist, and act on behalf of the County in managing the District and to issue bonds to accomplish such purpose, and (3) consenting to TCDA’s issuance of the Bonds.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

“Delinquent Collection Costs” means the costs related to the foreclosure on an Assessed Property and the costs of collection of a delinquent Assessment, delinquent Annual Installment, or any other delinquent amounts due under the Service and Assessment Plan, including penalties and

reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in Wilmington, Delaware, or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by TCDA and such successor.

"District" means the Turner's Crossing Public Improvement District.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

"Event of Default" means any event of default described in Section 11.1 of this Indenture.

"Financing Agreement" means the "Turner's Crossing Public Improvement District Financing Agreement" dated as of May 25, 2021, between TCDA, the County, and the Managing Developer associated with the Bonds, as amended on August 16, 2022, which relates to the construction of the Improvement Area #1 Improvements, the maintenance of the Improvement Area #1 Improvements, the payment of the Actual Costs of the Improvement Area #1 Improvements, issuance of bonds, and other matters related thereto.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the County from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Fund" means any of the funds established pursuant to Section 6.1(a) of this Indenture.

"Funding Agreement" means the "Amended and Restated Turner's Crossing Public Improvement District Improvement Area #1 Funding Agreement" dated as of August 16, 2022, which amends and restates the Original Funding Agreement in its entirety, under which the County will make or cause to be made payments of Contract Assessment Revenues to TCDA for deposit in the Pledged Revenue Fund held by the Trustee under this Indenture for the payment of the Bonds.

“Improvement Account” means that Account established by Section 6.1(b) and administered pursuant to Section 6.5 hereof.

“Improvement Area #1” means the first improvement area to be developed in the District as further identified and described in the Service and Assessment Plan as “Improvement Area #1.”

“Improvement Area #1 Improvements” means the Authorized Improvements that solely benefit the Assessed Property, as more specifically described in Section III.A and shown on Exhibit C and depicted on Exhibit I to the Service and Assessment Plan.

“Indenture” means this Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

“Independent Financial Consultant” means any consultant or firm of such consultants appointed by TCDA who, or each of whom: (i) is judged by TCDA, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of TCDA; (iii) does not have any substantial interest, direct or indirect, with or in TCDA, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with TCDA as an officer or employee of TCDA, but who may be regularly retained to make reports to TCDA.

“Initial Assessment Order” means an Order adopted by the Commissioners Court on October 5, 2021, that levied the Initial Assessments on the Assessed Property.

“Initial Assessments” means the assessments levied on Assessed Property within Improvement Area #1 pursuant to the Initial Assessment Order.

“Initial Bond” means the Initial Bond as set forth in Exhibit A to this Indenture.

“Initial Purchaser” means the initial purchaser of the Bonds.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing March 1, 2023.

“Investment Securities” means those authorized investments which TCDA is permitted to make under the laws of the State, including the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and provided further investments are, at the time made, included in and authorized by TCDA’s official investment policy as approved by the Board from time to time.

“LGC Act” means, collectively, Texas Transportation Code, Subchapter D of Chapter 431, as amended, and Texas Local Government Code, Chapter 394, as amended.

“Lot 95 Assessment” means the assessments levied on Lot 95 within Improvement Area #1 pursuant to the Lot 95 Assessment Order.

“Lot 95 Assessment Order” means the order adopted by the Commissioners Court on September 13, 2022, that levied the Lot 95 Assessment on Lot 95.

“Lot 95 Initial Assessment Release Order” means the order adopted by the Commissioners Court on July 12, 2022, that determined that the levy of the Initial Assessment on Lot 95 was invalid and released, repealed, and rescinded such assessment on Lot 95.

“Managing Developer” means Meritage Homes of Texas, LLC, an Arizona limited liability company (including its successors and assigns).

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Non-Eligible Costs” means the cost of improvements that are not Improvement Area #1 Improvements.

“Original Petitioner” means Charles O. Grigson, Independent Executor of the Estate of Harriet Heep Shaffer.

“Original Service and Assessment Plan” means the service and assessment plan, including the Assessment Roll, as amended, including any updates thereto, which is attached to the Initial Assessment Order.

“Outstanding” means, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or redemption price of and interest on such Bond shall have been made as provided in Article IV, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.11 herein.

“Owner” means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.12 herein.

“Participating Underwriter” has the meaning set forth in Rule 15c2-12 adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time and includes the Initial Purchaser of the Bonds.

“Paying Agent/Registrar” means initially the Trustee, or any successor thereto as provided in this Indenture.

“Person” or “Persons” means 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.

“Petitioner” means, collectively, the Managing Developer, Tri Pointe Homes Texas Inc., a Texas corporation, f/k/a Trendmaker Homes, Inc. and Taylor Morrison of Texas Inc, a Texas corporation.

“PID Act” means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

“Pledged Contract Revenues” means the sum of (i) Contract Assessment Revenue less (a) the Annual Collection Costs and (b) Delinquent Collection Costs, (ii) the moneys held in any of the Pledged Funds, and (iii) any additional revenues that TCDA may pledge to the payment of the Bonds.

“Pledged Funds” means the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

“Pledged Revenue Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

“Preconstruction Costs” means those costs determined by the County to be reasonably necessary to complete the engineering, geotechnical, environmental, survey, utility adjustment, right-of-way-acquisition, submittal fees, recording fees, inspection fees, stormwater pollution prevention plan costs, and similar costs and services that are required before construction of an Improvement Area #1 Improvement can begin.

“Prepayment” means the payment of all or a portion of an Assessment before the due date thereof.

“Principal and Interest Account” means the Account of such name established pursuant to Section 6.1(b).

“Project Fund” means that fund established pursuant to Section 6.1(a) and administered pursuant to Section 6.5 herein.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Rebate Fund” means that fund established pursuant to Section 6.1(a) and administered pursuant to Section 6.8 herein.

“Record Date” means the close of business on the fifteenth calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

“Redemption Fund” means that fund established pursuant to Section 6.1(a) and administered pursuant to Section 6.6 herein.

“Refunding Bonds” means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code, or any other applicable laws of the State (each as heretofore and hereinafter amended) to refund all or any portion of the then-Outstanding Bonds.

“Register” means the register specified in Article III of this Indenture.

“Regulations” has the meaning assigned to it in Section 7.8 hereof.

“Reserve Account” means that Account established pursuant to Section 6.1(b) and administered in Section 6.7 herein.

“Reserve Fund” means that fund established pursuant to Section 6.1(a) and administered in Section 6.7 herein.

“Reserve Fund Obligations” means cash or Investment Securities.

“Reserve Account Requirement” means the least of, as of the Closing Date: (i) Maximum Annual Debt Service on the Bonds, (ii) 125% of average Annual Debt Service on the Bonds, or (iii) 10% of the proceeds of the Bonds; provided, however, that the Reserve Account Requirement shall be reduced by the amount of any transfers made pursuant to subsections (d) and (e) of Section 6.7; and provided further that as a result of an optional redemption pursuant to Section 4.3, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the Closing Date, the Reserve Account Requirement is \$[\_\_\_\_\_] which is an amount equal to [Maximum Annual Debt Service on the Bonds] as of the Closing Date.

“Service and Assessment Plan” means the “Turner’s Crossing Public Improvement District 2022 Amended and Restated Service and Assessment Plan”, including the Assessment Roll, as amended, including any updates thereto, which is attached to the Lot 95 Assessment Order and which amends and restates the Original Service and Assessment Plan in its entirety.

“Sinking Fund Installment” means the amount of money to redeem or pay at maturity the portion of the principal of Bonds payable from such installments at the times and in the amounts provided in Section 4.2 herein.

“State” means the State of Texas.

“Stated Maturity” means the date the Bonds, or any portion of the Bonds, as applicable, are scheduled to mature without regard to any redemption or prepayment.

“Supplemental Indenture” means an indenture which has been duly executed by the Trustee and the TCDA Representative pursuant to a resolution adopted by the Board and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

“Tax Certificate” means the Certificate as to Tax Exemption delivered by TCDA on the Closing Date for the Bonds setting forth the facts, estimates, and circumstances in existence on the Closing Date which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

“TCDA” means the Travis County Development Authority, a Texas public nonprofit local government corporation.

“TCDA Certificate” means written instructions by TCDA, signed by a TCDA Representative and delivered to the Trustee.

“TCDA Depository Bank” means the depository bank selected by TCDA, initially Wilmington Trust, National Association, a national banking association.

“TCDA Representative” means the President, Vice President, or Treasurer of TCDA and any other officers, employees, or agents of TCDA authorized by resolution of the Board of TCDA to act as a TCDA Representative under the Indenture or any Supplemental Indenture or otherwise with respect to the Bonds, all of which Persons shall be acting solely in their representative capacity on behalf of TCDA and not individually.

“Trust Estate” means the Trust Estate described in the granting clauses of this Indenture.

“Trustee” or “Bond Trustee” means Wilmington Trust, National Association, a national banking association, in its capacity as trustee hereunder, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds.

Section 1.2. Findings.

The declarations, determinations and findings declared, made, and found in the preamble to this Indenture are hereby adopted, restated, and made a part of the operative provisions hereof.

Section 1.3. Table of Contents, Titles, and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

(d) This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

## ARTICLE II

### THE BONDS

#### Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by TCDA under this Indenture, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by TCDA under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, TCDA agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

#### Section 2.2. Limited Obligations.

The Bonds are special and limited obligations of TCDA, payable solely from and secured solely by the Trust Estate, including the Pledged Contract Revenues and the Pledged Funds; and the Bonds shall never be payable out of funds raised or to be raised by taxation of the County or the City, or from any other revenues, properties, or income of TCDA. TCDA HAS NO TAXING AUTHORITY.

#### Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by TCDA to the Trustee have been duly authorized by official action of the Board of TCDA. TCDA has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the recitals of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and is a contract or agreement necessary, useful and convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution, and delivery of, the Bonds and to prescribe the rights of the Owners, and the rights and duties of TCDA and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of TCDA with the Owners and shall be deemed to be and shall constitute a contract among TCDA, the Owners, and the Trustee.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the PID Act and the LGC Act. The Bonds shall be issued in the aggregate principal amount of \$[PRINCIPAL] for the purpose of (i) paying a portion of the Actual Costs of the Improvement Area #1 Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization and administration of the District, and (iv) paying the costs of issuance of the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers, and Interest.

(a) The Bonds shall be dated September 1, 2022 (the “Bond Date”) and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2023 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in Exhibit A to this Indenture.

Section 3.3. Conditions Precedent to Delivery of Bonds.

The Bonds shall be executed by TCDA and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of TCDA, but only upon delivery (which delivery may be via electronic mail in portable document (PDF) or similar format) to the Trustee of:

- (a) a certified copy of the Initial Assessment Order;
- (b) a certified copy of the Lot 95 Initial Assessment Release Order;
- (c) a certified copy of the Lot 95 Assessment Order;
- (d) a certified copy of the County Consent Resolution;
- (e) a certified copy of the Bond Resolution;
- (f) a copy of the executed Financing Agreement;
- (g) a copy of the executed Funding Agreement;
- (h) a copy of this Indenture executed by the Trustee and TCDA;
- (i) copies of any executed continuing disclosure agreements related to the issuance of the Bonds, if any; and
- (j) a TCDA Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds, and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to TCDA.

Section 3.4. Medium, Method, and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Trustee, if and when funds for the payment of such interest have been received from TCDA. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “Special Payment Date,” which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, United States mail, first-class, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such

money remains after the retirement of all Outstanding Bonds, shall be paid to TCDA to be used for any lawful purpose. Thereafter, none of TCDA, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be signed in the name of TCDA by the President or Vice President or by such other officer of TCDA authorized to do so by resolution of the Board by his or her manual or facsimile signature and attested by the Secretary or Assistant Secretary of TCDA. In case any such officer of TCDA shall have signed any of the Bonds shall cease to hold such office before the Bonds so signed shall have been authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices.

(b) In the event that any officer of TCDA whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State, or by his or her duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State, is a valid and binding obligation of TCDA, and has been registered by the Comptroller of Public Accounts of the State, including the provisions of Title 6 of the Texas Property Code, as amended.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Initial Purchaser, or its designee, executed with the manual or facsimile signatures of the President or Vice President and the Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Bond, the Trustee shall cancel the Initial Bond and deliver to DTC on behalf of the Initial Purchaser one

registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Refunding Bonds.

(a) Except in accordance with the provisions of this Indenture, including Section 12.2, TCDA shall not issue additional bonds, notes, or other obligations payable from any portion of the Trust Estate, other than Refunding Bonds. TCDA reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State.

(b) Upon their authorization by TCDA, the Refunding Bonds of a series issued under this Section 3.6 and in accordance with Article IV hereof shall be issued and shall be delivered to the purchasers or owners thereof, but before, or concurrently with, the delivery of said Refunding Bonds to such purchasers or owners there shall have been filed with the Trustee the items required by Section 3.3 above.

Section 3.7. Ownership.

(a) TCDA, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither TCDA nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond shall be valid and effectual and shall discharge the liability of TCDA, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.8. Registration, Transfer, and Exchange.

(a) So long as any Bond remains Outstanding, TCDA shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will file and maintain a copy of the Register with TCDA and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register. If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of TCDA to the Owner thereof for the payment of such Bond shall forthwith cease and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture, or with respect to, said Bond.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first-class, postage prepaid, to the Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of TCDA and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

(e) Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of TCDA and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different Authorized Denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(g) Neither TCDA nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within 45 days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.9. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.10. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of TCDA may execute and, upon TCDA's request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions, and other variations as the officers of TCDA executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Indenture.

(c) TCDA, without unreasonable delay, shall prepare, execute and deliver to the Trustee the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and the Trustee shall authenticate and deliver in exchange therefor, a Bond or Bonds of the same maturity and series, in definitive form, in the Authorized Denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.11. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor, a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. TCDA or the

Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Trustee, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Trustee to save them and TCDA harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by TCDA and the Trustee.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, TCDA and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by TCDA, the Paying Agent/Registrar, or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of TCDA and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

### Section 3.12. Book-Entry Only System.

The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from TCDA to DTC. On the Closing Date the definitive Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, TCDA and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or Beneficial Owner. Without limiting the immediately preceding sentence, TCDA and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant, any Beneficial Owner, or any other Person, other than DTC, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant, any Beneficial Owner, or any other Person, other than DTC, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, TCDA and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge TCDA's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of TCDA to make payments of amounts due pursuant to this Indenture. To the extent that the Beneficial Owners are designated as the transferee by the Owners, in accordance with Section 3.08, the Bonds will be delivered to such Beneficial Owners. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.13. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that TCDA determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from TCDA to DTC, TCDA shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

Section 3.14. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from TCDA to DTC.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds maturing on September 1 in the years [\_\_\_\_\_] and [\_\_\_\_\_] are subject to mandatory sinking fund redemption prior to their stated maturity and will be redeemed by TCDA in part at the price of par plus accrued and unpaid interest to the date of redemption from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

\$ _____ Bonds Maturing September 1, 20__	
Mandatory Sinking Fund	
<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 20__	\$ _____
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__*	

---

\*Stated Maturity

\$ _____ Bonds Maturing September 1, 20__	
Mandatory Sinking Fund	
<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 20__	\$ _____
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__*	

---

\*Stated Maturity

(b) At least 45 days prior to each mandatory sinking fund redemption date and subject to any prior reduction authorized by subparagraphs (c) and (d) of this Section 4.2, the Trustee shall select for redemption by lot, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of TCDA, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by TCDA at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least

45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

(a) TCDA reserves the right and option to redeem Bonds, with the prior written consent of the Commissioners Court, before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20[\_\_\_], such redemption date or dates to be fixed by TCDA, at the price of par plus accrued interest to the date of redemption.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision of this Indenture to the contrary, TCDA reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any date, at 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of as a result of Prepayments or any other transfers to the Redemption Fund under the terms of this Indenture.

Notwithstanding the foregoing, the Trustee will not be required to make an extraordinary optional redemption pursuant to this Section 4.4 unless it has at least \$1,000 available in the Redemption Fund with which to redeem the Bonds.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2, 4.3 or 4.4, Bonds shall be redeemed in minimum principal amounts of \$1,000 or any integral multiple thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by \$1,000. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination in effect at that time; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

(b) If less than all of the Bonds are called for optional redemption pursuant to Section 4.3 hereof, TCDA shall, pursuant to a TCDA Certificate, determine the Bond or Bonds or the amount thereof within a Stated Maturity to be redeemed and direct the Trustee to call by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

(c) If less than all of the Bonds are called for extraordinary optional redemption pursuant to Section 4.4 hereof, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds. If less than all Bonds within a Stated Maturity are called for extraordinary optional redemption pursuant to Section 4.4 hereof, the Trustee shall call by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

(d) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver an exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) Upon delivery of a TCDA Certificate directing redemption of the Bond received at least 45 days prior to, the Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register. So long as the Bonds are in book-entry-only form and held by the DTC as security depository, Owner means Cede & Co., as nominee for DTC.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) TCDA has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(e) With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the redemption price of the Bonds to be redeemed before giving

of a notice of redemption, the notice may state TCDA may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied and sufficient funds are not received, the notice shall be of no force and effect, TCDA shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from TCDA and shall use such funds solely for the purpose of paying the redemption price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the redemption price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

## ARTICLE V

### FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification

(including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by TCDA or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State may be typewritten and photocopied or otherwise reproduced.

#### Section 5.2. CUSIP Registration.

TCDA may secure identification numbers through the CUSIP Global Services managed by S&P Global Market Intelligence on behalf of The American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and none of TCDA, the Trustee nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

#### Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of TCDA, which may be executed in facsimile.

### ARTICLE VI

#### FUNDS AND ACCOUNTS

##### Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;

- (iii) Project Fund;
- (iv) Reserve Fund;
- (v) Redemption Fund;
- (vi) Rebate Fund; and
- (vii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Account is hereby created and established under the Pledged Revenue Fund:

- (A) Bond Pledged Revenue Account;

(ii) The following Accounts are hereby created and established under the Bond Fund:

- (A) Principal and Interest Account;

(iii) The following Accounts are hereby created and established under the Reserve Fund:

- (A) Reserve Account; and
- (B) Additional Interest Reserve Account;

(iv) The following Accounts are hereby created and established under the Project Fund:

- (A) Improvement Account; and
- (B) Costs of Issuance Account.

(c) Each Fund and Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of TCDA. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

(e) The Trustee may, from time to time, upon written direction from TCDA pursuant to a TCDA Certificate, create additional Funds or Accounts hereunder as may be necessary for the receipt and application of the Contract Assessment Revenues, to account properly for the payment of the Actual Costs of the Improvement Area #1 Improvements or to facilitate the payment or redemption of the Bonds.

#### Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Reserve Account of the Reserve Fund: \$\_\_\_\_\_;
- (ii) to the Costs of Issuance Account of the Project Fund: \$\_\_\_\_\_;
- (iii) to the Improvement Account of the Project Fund: \$\_\_\_\_\_; and
- (iv) to the Administrative Fund: \$\_\_\_\_\_.

#### Section 6.3. Pledged Revenue Fund.

(a) On or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Bonds are Outstanding, TCDA shall deposit or cause to be deposited the Pledged Contract Revenues into the Pledged Revenue Fund. As soon as practicable following deposit to the Pledged Revenue Fund, the Trustee shall deposit or cause to be deposited Pledged Contract Revenues, from amounts deposited to the Pledged Revenue Fund, in the following order of priority:

- (i) first, to the Bond Pledged Revenue Account in an amount sufficient to pay Annual Debt Service on the Bonds;
- (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement,
- (iii) third, to the Additional Interest Reserve Account in an amount equal to the Additional Interest Reserve Requirement, and

(iv) fourth for any lawful purpose for which Assessments may be used under the PID Act.

Along with each deposit of Pledged Contract Revenues to the Pledged Revenue Fund, TCDA shall provide a TCDA Certificate to the Trustee as to (i) the Funds and Accounts into which the amounts are to be deposited and (ii) the amounts of any payments to be made from such Funds and Accounts.

(b) From time to time as needed to pay the obligations relating to the Bonds, but no later than five Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

(d) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Accounts of the Reserve Fund made with respect to the Assessed Property or Assessed Properties to which the Foreclosure Proceeds relate (*first*, to replenish the Reserve Account Requirement and *second*, to replenish the Additional Interest Reserve Requirement), and second, to the Redemption Fund.

(f) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the accounts of the Reserve Fund, TCDA may direct the Trustee by TCDA Certificate to apply Contract Assessment Revenues for any lawful purposes permitted by the PID Act for which Assessments may be paid, including transfers to the Redemption Fund.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw first, from the Additional Interest Reserve Account and second, from the Reserve Account of the Reserve Fund amounts to cover the amount of such insufficiency. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1(i) and (v) hereof, as set forth in this Section 6.5.

(b) Except for the payment of costs of issuance of the Bonds to be paid on the Closing Date in accordance with instructions contained in a closing memorandum provided by TCDA, or TCDA's financial advisor on behalf of TCDA, to the Trustee, disbursements to pay or reimburse the payment of the costs of issuance of the Bonds shall be made by the Trustee from the Costs of Issuance Account of the Project Fund only upon receipt by the Trustee of a Closing Disbursement Request, pursuant to and in accordance with the disbursement procedures described in the Financing Agreement. Such provisions and procedures related to such disbursement contained in the Financing Agreement are herein incorporated by reference and deemed set forth herein in full.

(c) Money on deposit in the Improvement Account shall be used to pay Actual Costs of the Improvement Area #1 Improvements. Disbursements from the Improvement Account of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. The disbursement of funds from the Improvement Account of the Project Fund pursuant to a Certification for Payment shall be pursuant to and in accordance with the disbursement procedures described in the Financing Agreement. Such provisions and procedures related to such disbursement contained in the Financing Agreement are herein incorporated by reference and deemed set forth herein in full.

(d) Upon receipt of a fully executed and approved Closing Disbursement Request or Certification for Payment and the required attachments, the Trustee may rely conclusively upon such Closing Disbursement Request or Certifications for Payment. The Trustee shall have no liability on account of any disbursement from the Project Fund in accordance with such Closing Disbursement Request or Certifications for Payment provided that it has complied with the

procedures required in paragraphs (b) and (c) above with respect to such Closing Disbursement Request or Certifications for Payment.

(e) If the TCDA Representative determines in his or her sole discretion that amounts then on deposit in the Improvement Account of the Project Fund are not expected to be expended for purposes of the Improvement Account of the Project Fund due to the abandonment or constructive abandonment of the Improvement Area #1 Improvements, as the case may be, such that, in the opinion of the TCDA Representative, it is unlikely that the amounts in the Improvement Account of the Project Fund will ever be expended for the purposes of the Improvement Account of the Project Fund, the TCDA Representative shall file a TCDA Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Account of the Project Fund that are not expected to be used for purposes of the Improvement Account of the Project Fund. If such TCDA Certificate is so filed, the amounts on deposit in the Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture and the Improvement Account shall be closed.

(f) In making any determination pursuant to this Section, the TCDA Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(g) Upon the filing of a TCDA Certificate stating that all Improvement Area #1 Improvements have been completed and that all Actual Costs of the Improvement Area #1 Improvements have been paid, or that any such Actual Costs are not required to be paid from the Improvement Account of the Project Fund pursuant to a Certification of Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Account of the Project Fund to the Redemption Fund, and (ii) the Improvement Account of the Project Fund shall be closed.

(h) Not later than six months following the Closing Date, upon a determination by the TCDA Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Improvement Account of the Project Fund and used to pay Actual Costs or, if the Improvement Account has been closed, to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by TCDA in a TCDA Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

#### Section 6.6. Redemption Fund.

(a) Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for

redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) TCDA agrees with the Owners of the Bonds to accumulate, and when accumulated maintain in the Reserve Account of the Reserve Fund, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account of the Reserve Fund shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture.

(b) The Trustee will transfer from the Pledged Revenue Fund to the Additional Interest Reserve Account, to the extent that the Reserve Account contains the Reserve Account Requirement and funds are available after application of the deposit priority in Section 6.3(a) hereof, an amount equal to the Additional Interest until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that at any time the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has accumulated in the Additional Interest Reserve Account. Whenever, on any Interest Payment Date, or on any other date at the written request of the TCDA Representative, the amounts on deposit in the Additional Interest Reserve Account exceed the Additional Interest Reserve Requirement, the Trustee shall provide written notice to TCDA of the amount of the excess (the "Excess Additional Interest Reserve Amount"). The Excess Additional Interest Reserve Amount shall be transferred, at the direction of TCDA pursuant to a TCDA Certificate, to the Administrative Fund for the payment of Annual Collection Costs. In the event that the Trustee does not receive a TCDA Certificate directing the transfer of the Excess Additional Interest Reserve Amount to the Administrative Fund within 45 days of providing notice to TCDA of such Excess Additional Interest Reserve Amount, the Trustee shall transfer the Excess Additional Interest Reserve Amount to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof.

(c) Whenever a transfer is made from the Accounts of the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to TCDA, specifying the amount withdrawn and the source of said funds.

(d) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds redeemed

with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption; provided, however, no such transfer from the Reserve Account shall cause the amount on deposit therein to be less than the Reserve Account Requirement to be in effect after such redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall or any additional amounts to permit the redemption of Bonds to be redeemed in minimum principal amounts of \$1,000 from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of a TCDA Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the TCDA Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within 45 days of such notice to the TCDA Representative, the Trustee receives a TCDA Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the Improvement Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first from the Additional Interest Reserve Account of the Reserve Fund to the Bond Fund and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account allocable to such Bonds shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

(i) If the amount held in the Accounts in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued on such Outstanding Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds as of such Interest Payment Date.

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of TCDA to be designated “Travis County Development Authority Rebate Fund” (the “Rebate Fund”) to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code.

(b) In order to assure that Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.8(h) and shall not be liable or responsible if it follows the instructions of TCDA and shall not be required to take any action under this Section and Section 7.8(h) in the absence of written instructions from TCDA.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, TCDA may direct the Trustee, pursuant to a TCDA Certificate, to transfer the amount in excess of the Rebate Amount to the Bond Fund.

Section 6.9. Administrative Fund.

(a) On or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Bonds are Outstanding, TCDA shall deposit or cause to be deposited to the Administrative Fund the amounts collected each year to pay the Annual Collection Costs and Delinquent Collection Costs.

(b) Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Accounts and Funds created and administered hereunder and used as directed by a TCDA Certificate solely for the purposes set forth in the Service and Assessment Plan.

(c) The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds.

Section 6.10. Investment of Funds.

(a) Money in any Fund established pursuant to this Indenture shall be invested by the Trustee as directed by TCDA pursuant to a TCDA Certificate filed with the Trustee at least two days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Notwithstanding the preceding sentence, amounts in the Additional Interest Reserve Account of the Reserve Fund may not be invested above the yield on the Bonds, unless and until the TCDA receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such investment and/or the failure to comply with such yield restriction will not adversely affect the exemption from federal income tax of the interest on the Bonds. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investments which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

(b) Obligations purchased as an investment of moneys in any Fund shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture, except as otherwise provided in this Section or by a Supplemental Indenture, for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by TCDA to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities as directed in a TCDA Certificate.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall have no investment discretion and the Trustee's only responsibility for investments shall be to follow the written instructions of the TCDA Certificate or to ensure the investment directed is a permitted investment.

The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish TCDA monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

#### Section 6.11. Security of Funds.

All Funds or Accounts heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds or Accounts shall be used only for the purposes and in the manner permitted or required by this Indenture.

### ARTICLE VII

#### GENERAL COVENANTS AND REPRESENTATIONS OF TCDA

##### Section 7.1. Payment of Bonds; Limited Obligations.

(a) TCDA shall promptly pay, or cause to be paid, the principal of (whether at maturity, by call for redemption or otherwise), premium, if any, and interest on the Bonds issued under this Indenture to the Trustee for payment to the Owners of the Bonds, on the dates and in the manner provided herein according to the true intent and meaning thereof. Notwithstanding anything contained in this Indenture to the contrary, the Bonds shall be limited and special obligations of TCDA payable solely from the assets contained in the Trust Estate. The Bonds shall not constitute a debt or obligation of the County, the City, or of the State or any other political subdivision of the State, and neither the County (other than to the extent the County is obligated to provide certain revenues to TCDA in accordance with the Funding Agreement), the State, nor any other political subdivision of the State shall be liable thereon. In no event shall the Bonds be payable out of any

funds or properties other than assets held within the Trust Estate, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

(b) No recourse shall be had by any Owner of the Bonds for the payment of the principal of, redemption price, and interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture or the Funding Agreement against any past, present or future member, officer, agent, director, commissioner or employee of TCDA or the County, or any incorporator, member, officer, employee, director, commissioner, or trustee of any successor entity, as such, either directly or through TCDA, the County or any successor entity, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, officer, employee, director, agent, commissioner or trustee as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of the Bonds.

Section 7.2. Further Covenants and Representations of TCDA.

(a) TCDA shall observe and perform all covenants, conditions and agreements required on its part in this Indenture, in each Bond executed, authenticated and delivered hereunder, in all other documents related hereto, and under any laws or regulations related to the issuance of the Bonds; provided, however, that the liability of TCDA for a breach of any such covenant, condition or agreement shall be limited solely to the assets on deposit in, or to be deposited in, the Trust Estate.

(b) TCDA shall observe and perform all covenants, conditions and agreements required on its part under the Funding Agreement and will cause the County, its officials, officers, and employees to comply with all of its obligations under the Funding Agreement by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings in any court of competent jurisdiction; and the Funding Agreement will not be rescinded, modified, or amended in any way except as permitted by Article X hereof.

Section 7.3. Power to Enter Into Indenture, Issue Bonds, and Pledge Trust Estate.

(a) TCDA is duly authorized under all Applicable Laws to issue the Bonds, to enter into this Indenture, and to pledge the Trust Estate pledged by this Indenture in the manner and to the extent provided in this Indenture and, except as otherwise provided herein, no other authorization or consent is required thereof. The Trust Estate so pledged is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto except the pledge granted by this Indenture to the extent provided in this Indenture and all action on the part of TCDA to that end has been and will be duly and validly taken. This Indenture has been duly and

lawfully entered into by TCDA, is in full force and effect and is valid and binding upon TCDA and enforceable in accordance with its terms subject only to the laws relating to bankruptcy, creditors' rights and principles of governmental law and equity. The Bonds and the provisions of this Indenture are and will be the valid and legally enforceable obligations of TCDA in accordance with their terms and the terms of this Indenture subject only to the laws relating to bankruptcy, creditors' rights and principles of governmental law and equity. TCDA shall at all times, to the extent permitted by law, defend, preserve and protect its title to the Trust Estate, the pledge of the Trust Estate under this Indenture and all the rights of the Owners of the Bonds under this Indenture against all claims and demands of all persons whomsoever.

(b) TCDA shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Pledged Contract Revenues and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

Section 7.4. Amend Articles and Bylaws.

TCDA shall only amend TCDA's articles of incorporation or bylaws with the prior written consent of the County. Further, TCDA shall not amend TCDA's articles of incorporation or bylaws in any manner that would (a) result in inclusion of interest on the Bonds in gross income for federal income tax purposes, or (b) adversely affect the interest of the Owners of the Bonds or any other beneficiary of this Indenture. For the purposes of compliance with the preceding sentence, TCDA and the Trustee may rely on a written opinion of Bond Counsel.

Section 7.5. Maintenance of Corporate Existence of TCDA; Consolidation, Merger, Sale or Transfer of Assets Under Certain Conditions.

TCDA covenants and agrees that, so long as any Bonds are Outstanding, it will maintain its existence as a Texas public nonprofit local government corporation and will not dissolve, sell or otherwise dispose of all or substantially all of its assets (unless all Bonds then Outstanding are redeemed, paid or defeased from the proceeds of such sale) nor consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

Section 7.6. Against Encumbrances.

(a) Other than Refunding Bonds, TCDA shall not create and, to the extent Pledged Contract Revenues are received, shall not suffer to remain, any lien, encumbrance, or charge upon the Trust Estate, other than that as specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

(b) So long as Bonds are Outstanding hereunder, TCDA shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

Section 7.7. Records, Accounts, Accounting Reports.

TCDA hereby covenants and agrees that so long as any of the Outstanding Bonds or any interest thereon remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Contract Assessment Revenues. The Trustee and Owner or Owners of any Bonds or any duly authorized agent or agents of such Owners shall have the right at all reasonable times to inspect and make copies of all such records, accounts, and data relating thereto, upon written request to TCDA by the Trustee or duly authorized representative, as applicable. TCDA shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during TCDA's regular business hours and on a mutually agreeable date not later than 30 days after TCDA receives such request.

Section 7.8. Covenants to Maintain Tax-Exempt Status.

For any Bonds for which TCDA intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Bonds, TCDA covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Bonds) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, TCDA shall comply with each of the following covenants:

(a) TCDA will use all of the proceeds of the Bonds to provide funds for the purposes described in Section 3.1 hereof. TCDA will not use any portion of the proceeds of the Bonds to pay the principal of or interest or redemption premium on, any other obligation of TCDA or a related person.

(b) TCDA will not directly or indirectly take any action, or omit to take any action, which action or omission would cause the Bonds to constitute “private activity Bonds” within the meaning of Section 141(a) of the Code.

(c) Principal of and interest on the Bonds will be paid solely from the Assessments collected by TCDA and investment earnings on such collections.

(d) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, TCDA reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion thereof to be an “arbitrage bond” within the meaning of Section 148 of the Code.

(e) At all times while the Bonds are outstanding, TCDA will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. TCDA will monitor the yield on the investments of the proceeds of the Bonds and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Bonds. To the extent necessary to prevent the Bonds from constituting “arbitrage bonds,” TCDA will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Bonds to be less than the yield that is materially higher than the yield on the Bonds.

(f) TCDA will not take any action or knowingly omit to take any action that, if taken or omitted, would cause the Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code.

(g) TCDA represents that not more than fifty percent (50%) of the proceeds of the Bonds will be invested in nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and TCDA reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within the three-year period beginning on the date of issue of the Bonds.

(h) TCDA will take all necessary steps to comply with the requirement that certain amounts earned by TCDA on the investment of the gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, TCDA will (i) maintain records regarding the receipt, investment, and expenditure of the gross proceeds of the Bonds as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of TCDA allocable to other obligations of TCDA or moneys which do not represent gross proceeds of any obligations of TCDA and retain such records for at least six years after the day on which the last outstanding Bond is discharged, (ii) account for all gross proceeds under a

reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of any gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Bonds and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, TCDA will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, interest thereon and any penalty.

(i) TCDA will not directly or indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the Bonds not been relevant to either party.

(j) TCDA will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.

(k) TCDA will not issue or use the Bonds as part of an “abusive arbitrage device” (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Bonds are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling TCDA to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(l) Proper officers of TCDA charged with the responsibility for issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the date of issuance of the Bonds and stating whether there are facts, estimates or circumstances that would materially change TCDA’s expectations. On or after the date of issuance of the Bonds, TCDA will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(m) The covenants and representations made or required by this Section are for the benefit of the Owners and any subsequent Owner and may be relied upon by the Owners and any subsequent Owners and bond counsel to TCDA.

(n) In complying with the foregoing covenants, TCDA may rely upon an unqualified opinion issued to TCDA by nationally recognized bond counsel that any action by TCDA or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

(o) Notwithstanding any other provision of this Indenture, TCDA's representations and obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

(p) Elections. TCDA hereby directs and authorizes the President, Vice-President or Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

## ARTICLE VIII

### LIABILITY OF TCDA

(a) TCDA and the County shall never be liable for any obligations relating to the Bonds or other obligations relating to the District, other than as specifically provided for in this Indenture. Neither the full faith and credit nor the general taxing power of the County is pledged to the payment of the Bonds, and except for the Trust Estate, no County taxes, fees, or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds or any other obligations relating to the District.

(b) TCDA and the County shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. TCDA shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. TCDA shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants, or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or Event of Default thereunder.

(c) In the absence of bad faith, TCDA and the County may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to TCDA and conforming to the requirements of this Indenture. TCDA and the County shall not be liable for any error of judgment made in good faith unless it shall be proved that the respective party was grossly negligent in ascertaining the pertinent facts.

(d) No provision of this Indenture, the Funding Agreement, the Bonds, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (collectively, the “Bond Documents”), shall require TCDA or the County to expend or risk its own general funds or other funds or otherwise incur any financial liability (other than with respect to the Trust Estate and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of TCDA or the County there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

(e) Neither the Owners nor any other Person shall have any claim against TCDA, the County or any of their officers, officials, agents, or employees for damages suffered as a result of TCDA or the County’s failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of TCDA or the County, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Trust Estate or the amounts collected to pay the Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against TCDA, the County or any of their officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

(f) TCDA and the County may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. TCDA may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

(g) Whenever in the administration of its duties under this Indenture, TCDA shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically

prescribed) may, in the absence of willful misconduct on the part of TCDA, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or TCDA Representative or other person designated by the Board to so act on behalf of TCDA, and such certificate shall be full warrant to TCDA for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion TCDA may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

(h) In order to perform its duties and obligations hereunder, TCDA may employ such persons or entities as it deems necessary or advisable. TCDA and the County shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

## ARTICLE IX

### THE TRUSTEE

#### Section 9.1. Trustee as Registrar and Paying Agent.

The Trustee is hereby designated and agrees to act as Registrar and Paying Agent for and in respect to the Bonds.

#### Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified, to the extent permitted by law, to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that absent an Event of Default, the Trustee shall not request or require indemnification as a condition to making any deposits, payments or transfers when required hereunder, or to delivering any notice when required hereunder.

#### Section 9.3. Responsibilities of the Trustee.

The recitals contained in this Indenture and in the Bonds shall be taken as the statements of TCDA and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of the offering documents, this Indenture,

or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to TCDA or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; (iv) any calculation of arbitrage or rebate under the Code; (v) any loss suffered in connection with any investment of funds in accordance with this Indenture; (vi) to undertake any other action unless specifically authorized pursuant to a written direction by TCDA or the County or pursuant to this Indenture; or (vii) determining compliance with the terms or conditions of any documents to which the Trustee is not a party.

The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct, both before and after default by TCDA.

The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and, with respect to such permissive rights, the Trustee shall not be answerable for other than its negligence or willful misconduct.

#### Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the expressed terms and conditions of this Indenture.

#### Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may conclusively rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters

referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a TCDA Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such TCDA Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by TCDA to the Trustee shall be sufficiently executed if executed in the name of TCDA by the TCDA Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

#### Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Bonds Outstanding. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If TCDA shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in the Administrative Fund, and to the extent moneys in the Administrative Fund are insufficient then from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, TCDA or any committee formed to protect the rights of Owners of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the Owners of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' written notice, specifying the date when such resignation shall take effect, to TCDA and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to TCDA, or (ii) so long as TCDA is not in default under this Indenture, TCDA. Copies of each such instrument shall be delivered by TCDA to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of TCDA or the Owners of not less than 10% of the aggregate Outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least 25% of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and TCDA.

Until such successor Trustee shall have been appointed by the Owners of the Bonds, TCDA shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of TCDA providing for any such appointment shall be delivered by TCDA to the Trustee so appointed. TCDA shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by TCDA immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and TCDA shall be responsible for the costs of such appointment process.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

#### Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and TCDA an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties,

obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of TCDA or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from TCDA be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by TCDA.

Section 9.12. Merger, Conversion, or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee to File Continuation Statements.

If necessary and pursuant to written direction, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by TCDA or the County, or on behalf of TCDA or the County, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC.

Section 9.14. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds. Permissive rights of the Trustee are not to be construed as duties.

## ARTICLE X

### MODIFICATION OR AMENDMENT OF THIS INDENTURE AND THE FUNDING AGREEMENT

#### Section 10.1. Amendments Permitted.

(a) This Indenture, the Funding Agreement, the rights and obligations of TCDA and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture or an amendment to the Funding Agreement, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of at least 51% of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the principal of or interest rate thereon, or otherwise alter or impair the obligation of TCDA to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by TCDA of any pledge or lien upon the Pledged Contract Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by Applicable Laws or this Indenture), or reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

(b) This Indenture, the Funding Agreement and the rights and obligations of TCDA and of the Owners may also be modified or amended at any time by a Supplemental Indenture or an amendment to the Funding Agreement, with the written consent of the County and without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of TCDA in this Indenture or any Supplemental Indenture or the Funding Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon TCDA;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting, or supplementing any defective provision contained in this Indenture or the Funding Agreement, or in regard to questions arising under this Indenture or the Funding Agreement, as TCDA and the Trustee may deem necessary or desirable and not

inconsistent with this Indenture and the Funding Agreement, and that shall not adversely affect the rights of the Owners of the Bonds;

(iv) to provide for the issuance of Refunding Bonds in accordance with the provisions of this Indenture;

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds; and

(vi) to amend a prior Supplemental Indenture in accordance with the provisions thereof.

Any modification or amendment made pursuant to this subsection 10.1(b) shall not be subject to the consent and notice procedures specified in Section 10.3 below.

#### Section 10.2. Owners' Meetings.

TCDA may at any time call a meeting of the Owners of the Bonds. In such event TCDA is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

#### Section 10.3. Procedure for Amendment with Written Consent of Owners.

TCDA and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture or amending the Funding Agreement, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture or amendment to the Funding Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture or amendment to the Funding Agreement when assented to as in this Section provided.

Such Supplemental Indenture or amendment to the applicable Funding Agreement shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner

by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture or amendment to the Funding Agreement, TCDA shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture or amendment to the Funding Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture or amendment to the Funding Agreement shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture and amendment to the Funding Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon TCDA and the Owners of all Bonds at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

#### Section 10.4. Execution of Supplemental Indenture.

(a) In executing, or accepting any Supplemental Indenture permitted by subsection 10.1(a) of this Article, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of Bond Counsel addressed and delivered to the Trustee and the TCDA stating that the execution of such Supplemental Indenture (i) is permitted by and in compliance with this Indenture and (ii) will not adversely affect the exclusion of interest on any Bond Similarly Secured from gross income for purposes of federal income taxation.

(b) In executing, or accepting any Supplemental Indenture permitted by subsection 10.1(b)(i), (ii), (iii) or (v) of this Article, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of Bond Counsel addressed and delivered to the Trustee and the TCDA stating that the execution of such Supplemental Indenture will not adversely affect (i) the interests of the Owners in any material respect, and (ii) exclusion of interest on any Bond Similarly Secured from gross income for purposes of federal income taxation.

(c) In executing, or accepting any Supplemental Indenture permitted by subsection 10.1(b)(iv) of this Article, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of Bond Counsel addressed and delivered to the Trustee and the TCDA stating that the

execution of such Supplemental Indenture will not adversely affect exclusion of interest on any Bond Similarly Secured from gross income for purposes of federal income taxation.

(d) The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

Section 10.5. Effect of Supplemental Indenture and Amendment.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture or Funding Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of TCDA, the Trustee, and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.6. Endorsement or Replacement of Bonds Issued After Amendments.

TCDA may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by TCDA, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as TCDA may select and designate for that purpose, a suitable notation shall be made on such Bond. TCDA may determine that new Bonds, so modified as in the opinion of TCDA is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bond shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.7. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.8. Waiver of Default.

With the written consent of at least 51% in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by TCDA with certain past defaults under the

Indenture, the Funding Agreement and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

## ARTICLE XI

### DEFAULT AND REMEDIES

#### Section 11.1. Events of Default.

(a) Each of the following occurrences or events shall be and is hereby declared to be an “Event of Default,” to wit:

(i) The failure of TCDA to deposit the Pledged Contract Revenues to the Pledged Revenue Fund;

(ii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within 30 days (provided that the payments are to be made only from Pledged Contract Revenues and the Pledged Contract Revenues must be available to TCDA to make any such payments);

(iii) Default in the performance or observance of any covenant, agreement, or obligation of TCDA under this Indenture, any Supplemental Indenture, the Funding Agreement or the Bonds, and the continuation thereof for a period of 90 days after written notice to TCDA by the Trustee, or by the Owners of at least 51% of the aggregate Outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied; and

(iv) The occurrence of a payment default by the County under the Funding Agreement as described in Section 4.0 of such Funding Agreement.

(b) Nothing in Section 11.1(a) will be viewed to be an Event of Default if it is in violation of any applicable state or federal law or court order.

(c) Upon knowledge of the existence of any Event of Default, the Trustee shall notify TCDA and the County in writing as soon as practicable, but in any event within two Business Days; provided, however, that the Trustee need not provide notice of any Event of Default if TCDA has expressly acknowledged the existence of such Event of Default in a writing delivered to the Trustee and the County. The Trustee shall recognize any cure of an Event of Default by the County.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Owners of at least 51% of the Bonds then Outstanding, may proceed against TCDA for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by taking any of all of any combination of the following actions:

(i) seek mandamus or other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against TCDA may be sought or shall be permitted;

(ii) request that a court of competent jurisdiction appoint, to the extent permitted by law, a receiver or receivers of the Trust Estate, and the income, revenues, profits and use thereof, it being the intent hereof that to the extent permitted by law, the Trustee shall be entitled to appoint such a receiver as a matter of right;

(iii) take such actions, including the filing and prosecution of lawsuits as may be required to enforce to the benefit of the Owners the terms of the Bond Documents which the Trustee may be entitled to enforce, including without limitation the Funding Agreement;

(iv) exercise any right of TCDA to give any consent or notice, to take any act or refrain from taking any act, and otherwise act in the full place and stead of TCDA in Funding Agreement; and

(v) take such other steps to protect and enforce its rights and the rights of the Owners, whether by action suit or proceeding in aid of the execution of any power herein granted or for the enforcement of any other appropriate legal or equitable remedy, including, but not limited to, proceedings by suit or suits, at or in equity or by any other appropriate legal or equitable remedy, to enforce payment of the interest on and the principal of the Bonds.

(b) THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, TCDA shall determine, in its absolute discretion, and shall instruct the Trustee by a TCDA Certificate, which Trust Estate assets shall be applied to such payment and shall not

be liable to any Owner or other Person by reason of such selection and application. In the event that TCDA shall fail to deliver to the Trustee such TCDA Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or TCDA by reason of such selection, liquidation or sale.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against TCDA, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, TCDA shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

### Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture, for the appointment of a receiver or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of at least 51% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for 90 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding or request for the appointment of a receiver is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his or their action

or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of TCDA to pay each Bond issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds.

(c) In case the Trustee or any Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case TCDA, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

#### Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Contract Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, the Trustee, on behalf of TCDA, notwithstanding Section 11.2 hereof, be applied by the Trustee, to the payment of interest and principal or redemption price then due on Bonds, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or redemption price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due

dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the Owners entitled thereto, without any discrimination or preference.

Within ten days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of this Indenture.

(c) The restoration of TCDA to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

#### Section 11.5. Effect of Waiver.

No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

#### Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before

such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bond in respect of anything done or suffered to be done by TCDA or the Trustee in accordance therewith.

#### Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

#### Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

#### Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of TCDA will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and TCDA shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

## ARTICLE XII

### SPECIAL COVENANTS

#### Section 12.1. Further Assurances; Due Performance.

(a) At any and all times TCDA will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, any Supplemental Indentures (subject to the consent rights of the County) and all and every such further acts, conveyances, transfers, and assurances

in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts, and properties constituting the Pledged Contract Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) TCDA will duly and punctually keep, observe, and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 12.2. Additional Obligations; or Other Liens.

(a) TCDA reserves the right, subject to the provisions contained in this Section 12.2, to issue Additional Obligations under other indentures, assessment orders, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from Pledged Contract Revenues.

(b) Other than Refunding Bonds, TCDA will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in this Section shall require TCDA to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

(c) Additionally, TCDA has reserved the right to issue bonds or other obligations secured by and payable from Pledged Contract Revenues so long as such pledge is subordinate to the pledge of Pledged Contract Revenues securing payment of the Bonds.

(d) Notwithstanding anything to the contrary herein no Refunding Bonds or subordinate obligations described by Section 12.2(c) above may be issued by TCDA unless: (1) the principal (including any principal amounts to be redeemed on a mandatory sinking fund redemption date) of such Refunding Bonds or subordinate obligations are scheduled to mature on September 1 of the years in which principal is scheduled to mature and (2) the interest on such Refunding Bonds or subordinate obligations must be scheduled to be paid on March 1 and/or September 1 of the years in which interest is scheduled to be paid.

Section 12.3. Books of Record.

(a) TCDA shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of TCDA, which relate to the Trust Estate and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 12.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such information or a default based on such contents and has no duty to verify the accuracy of such information.

ARTICLE XIII

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE  
INDENTURE

Section 13.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 13.2. Satisfaction of Indenture.

If TCDA shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of TCDA to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to TCDA copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that TCDA may determine if the Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to TCDA.

Section 13.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds

are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by TCDA verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by TCDA maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

## ARTICLE XIV

### MISCELLANEOUS

#### Section 14.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than TCDA, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of TCDA shall be for the sole and exclusive benefit of the Owners and the Trustee.

#### Section 14.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either TCDA or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of TCDA or the

Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 14.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by TCDA or the Trustee in good faith and in accordance therewith.

Section 14.4. No Individual Liability.

NOTWITHSTANDING ANY OTHER PROVISIONS OF OR INFERENCES IN THIS INDENTURE OR ANY OTHER BOND DOCUMENT, NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS, THIS INDENTURE OR ANY SUPPLEMENTAL INDENTURE OR ANY OTHER BOND DOCUMENT SHALL BE DEEMED TO BE THE COVENANT OR AGREEMENT OF ANY MEMBER OF THE BOARD OR ANY OFFICER, AGENT, EMPLOYEE OR REPRESENTATIVE OF TCDA, THE COUNTY, OR THE TRUSTEE, AND NEITHER THE OFFICERS, AGENTS, EMPLOYEES OR REPRESENTATIVES OF TCDA, THE COUNTY, OR THE TRUSTEE NOR ANY PERSON EXECUTING OR AUTHENTICATING THE BONDS SHALL BE PERSONALLY LIABLE THEREON OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF, WHETHER BY VIRTUE OF ANY CONSTITUTIONAL PROVISION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY BEING EXPRESSLY RELEASED AND WAIVED AS A CONDITION OF AND

IN CONSIDERATION FOR THE EXECUTION OF THIS INDENTURE, ANY SUPPLEMENTAL INDENTURE AND THE ISSUANCE OF THE BONDS.

Section 14.5. Notices to and Demands on TCDA and Trustee.

(a) Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any TCDA Certificate, shall be in writing and shall be delivered by hand, mailed by first class mail, postage prepaid, or transmitted by facsimile, e-mail, telephone or fax and addressed as follows:

If to TCDA:	Travis County Development Authority 700 Lavaca Street, Suite 1560 Austin, Texas 78701 Attn: Andrea Shields, Managing Director
-------------	--

If to the Trustee or the Paying Agent/Registrar:	Wilmington Trust, National Association 15950 North Dallas Parkway, Suite 550 Dallas, Texas 75248 Attn: Kushina White
---	---

Any such notice, demand, or request may also be transmitted to the appropriate party by e-mail or facsimile and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Outstanding.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods, provided, however, that TCDA shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If TCDA elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding

of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. TCDA agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 14.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. TCDA hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 14.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State applicable to contracts made and performed in the State.

Section 14.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 14.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

*[remainder of page left blank intentionally]*

IN WITNESS WHEREOF, TCDA and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

TRAVIS COUNTY DEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_  
ANDY BROWN, President

Attest:

\_\_\_\_\_  
ANN HOWARD, Secretary

WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF TRAVIS COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED

REGISTERED

No. \_\_\_\_\_

\$ \_\_\_\_\_

United States of America  
State of Texas

TRAVIS COUNTY DEVELOPMENT AUTHORITY  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #1 PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
_____ %	September 1, 20__	_____	_____

The Travis County Development Authority (the "TCDA"), for value received, hereby promises to pay, solely from the Trust Estate, to

\_\_\_\_\_

or registered assigns, on the Maturity Date, as specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such

principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1 and September 1 of each year, commencing March 1, 2023, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Wilmington, Delaware (the “Designated Payment/Transfer Office”), of Wilmington Trust, National Association, as trustee and paying agent/registrar (the “Trustee”, which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the “Record Date,” which shall be the fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Trustee, if and when funds for the payment of such interest have been received from TCDA. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “Special Payment Date,” which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of TCDA having the designation specified in its title (herein referred to as the “Bonds”), dated September 1, 2022

and issued in the aggregate principal amount of \$[PRINCIPAL] and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of September 1, 2022 (the “Indenture”), by and between TCDA and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the Owners of the Bonds, the Trustee, and TCDA, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each Owners of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Improvement Area #1 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Improvement Area #1 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying the costs of issuing the Bonds.

The Bonds are special, limited obligations of TCDA payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of TCDA, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of TCDA to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of \$1,000 and any multiple of \$1,000 in excess thereof.

The Bonds are subject to mandatory sinking fund redemption prior to their stated maturities and will be redeemed by TCDA in part at a price equal to par plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

\$ \_\_\_\_\_ Bonds Maturing September 1, 20\_\_\_\_  
Mandatory Sinking Fund  
Redemption Date                      Sinking Fund Installment

\*

\_\_\_\_\_  
\*Stated Maturity.

At least 45 days prior to each mandatory sinking fund redemption date and subject to any prior reduction authorized by the Indenture, the Trustee shall select for redemption by lot, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to the Indenture shall be reduced, at the option of TCDA, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by TCDA at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to the Indenture shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

TCDA reserves the right and option to redeem Bonds, with the prior written consent of the Commissioners Court, before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20[\_\_\_], such redemption date or dates to be fixed by TCDA, at the price of par, plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on any date, at a redemption price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments or any other transfers to the Redemption Fund under the terms of the Indenture.

If less than all of the Bonds are called for optional redemption, the Trustee shall rely on directions provided in a TCDA Certificate in selecting the Bonds to be redeemed.

If less than all of the Bonds are called for extraordinary optional redemption, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds. If less than all Bonds within a Stated Maturity are called for extraordinary optional redemption, the Trustee shall call by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

The Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the redemption price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state TCDA may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied and sufficient funds are not received, the notice shall be of no force and effect, TCDA shall not redeem the Bonds, and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

TCDA has the right to rescind any optional redemption or extraordinary optional redemption described in the Indenture by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of TCDA and the rights of the Owners of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture

also contains provisions permitting the Owners of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the Owners of all the Bonds, to waive compliance by TCDA with certain past defaults under the Bond Resolution or the Indenture and their consequences. Any such consent or waiver by the Owners of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such Owners and upon all future Owners thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither TCDA nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

TCDA, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither TCDA nor the Trustee shall be affected by notice to the contrary.

TCDA has reserved the right to issue Refunding Bonds on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF TRAVIS COUNTY, TEXAS, OR THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS. TCDA HAS NO TAXING POWER.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total

indebtedness of TCDA, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the Board of Directors of TCDA has caused this Bond to be executed.

\_\_\_\_\_  
President, Travis County Development  
Authority

\_\_\_\_\_  
Secretary, Travis County Development  
Authority

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this \_\_\_\_\_

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State

[SEAL]

(c) Form of Certificate of Trustee.

### CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signatory

(d) Form of Assignment.

### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
\_\_\_\_\_

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

#### Authorized Signatory

(a) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the heading “INTEREST RATE” and “MATURITY DATE” shall both be completed with the expression “As Shown Below,” and the reference to the “CUSIP NUMBER” shall be deleted;

(ii) in the first paragraph of the Bond, the words “on the Maturity Date specified above, the sum of \_\_\_\_\_ DOLLARS” shall be deleted and the following will be inserted: “on \_\_\_\_\_ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates”</u>
--------------	-------------------------	------------------------

(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

## **APPENDIX B**

### **FORM OF SERVICE AND ASSESSMENT PLAN**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

# Turner's Crossing Public Improvement District

---

2022 AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN  
AUGUST 29, 2022



AUSTIN, TX | NORTH RICHLAND HILLS, TX

## TABLE OF CONTENTS

Table of Contents .....	1
Introduction .....	2
Section I: Definitions .....	5
Section II: The District .....	14
Section III: Authorized Improvements .....	14
Section IV: Service Plan .....	16
Section V: Assessment Plan .....	16
Section VI: Terms of the Assessments .....	20
Section VII: Assessment Roll .....	24
Section VIII: Additional Provisions .....	25
List of Exhibits .....	27
Exhibit A-1 – District Legal Description .....	28
Exhibit A-2 – Improvement Area #1 Legal Description .....	32
Exhibit A-3 – Lot 95 Legal Description .....	35
Exhibit B-1 – District Boundary Map .....	36
Exhibit B-2 – Improvement Area #1 Boundary Map .....	37
Exhibit B-2 – Lot 95 Boundary Map .....	38
Exhibit C – Authorized Improvements .....	39
Exhibit D – Service Plan – Five Years .....	40
Exhibit E – Service Plan – Sources and Uses of Funds .....	41
Exhibit F – Improvement Area #1 Assessment Roll .....	42
Exhibit G – Improvement Area #1 Annual Installments .....	51
Exhibit H – Improvement Area #1 Maximum Assessment per Lot Type .....	52
Exhibit I – Maps Depicting Improvement Area #1 Improvements .....	53
Exhibit J – Form of Improvement Area #1 Funding Agreement .....	57
Exhibit K - Form of Notice of PID Assessment Lien Termination .....	58
Exhibit L - Map Depicting Location of Lot Types .....	61
Exhibit M – Phase 1 Plat .....	62
Exhibit N - Lot Type 1 Buyer Disclosure .....	71
Exhibit O - Lot Type 2 Buyer Disclosure .....	77
Exhibit P - Lot Type 3 Buyer Disclosure .....	83

## INTRODUCTION

Capitalized terms used in this 2022 Amended and Restated Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 2022 Amended and Restated Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” or an “Exhibit” shall be a reference to a Section of this 2022 Amended and Restated Service and Assessment Plan, or an Exhibit attached to and made a part of this 2022 Amended and Restated Service and Assessment Plan for all purposes.

On November 13, 2018, the County passed and approved a resolution (the “**Authorization Resolution**”) authorizing the establishment of the Turner’s Crossing Public Improvement District in accordance with the PID Act, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 446.732 acres located entirely within the County and the extraterritorial jurisdiction of the City, as described by metes and bounds on **Exhibit A-1** and depicted on **Exhibit B-1**. Improvement Area #1 contains approximately 85.345 acres and is legally described by lot and block on **Exhibit A-2** and depicted on **Exhibit B-2**. The Financing Agreement provides that the Managing Developer intends to develop the property in the District in four Improvement Areas. This 2022 Amended and Restated Service and Assessment Plan will be updated to provide for the future Improvement Areas as development of the District progresses.

On October 5, 2021, the County approved the 2021 Service and Assessment Plan by approving the Initial Improvement Area #1 Assessment Order, for the purpose of levying Assessments on the Improvement Area #1 Assessed Property.

On October 5, 2021, the County and the TCDA approved and authorized the Original Improvement Area #1 Funding Agreement.

On July 12, 2022, pursuant to Section 372.012 of the PID Act and upon the written advise of Bond Counsel to the TCDA, the Commissioners Court, by order (the “**Lot 95 Initial Assessment Release Order**”), determined that the Initial Improvement Area #1 Assessment levied on Lot 95 was invalid, as such land was not included within the boundaries of the District, as set forth in the Authorization Resolution, and released, repealed and rescinded the Initial Improvement Area #1 Assessment on Lot 95.

On August 16, 2022, the Commissioners Court by resolution authorized the amendment to the boundaries of the District to, among other things, add Lot 95 in accordance with its finding as to the advisability of the improvement projects and services.

Pursuant to the PID Act, a service and assessment plan must be reviewed and updated at least annually. This document is the 2022 Amended and Restated Service and Assessment Plan, which serves to amend and restate the 2021 Service and Assessment Plan in its entirety for the purposes of (1) including Lot 95 as Assessed Property and levying an Assessment thereon, (2) incorporating provisions relating to the County's consent to the TCDA's issuance of the Improvement Area #1 Bonds, and (3) updating the Assessment Rolls. This document also serves as the Annual Service Plan Update for 2022.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the District based on the special benefits conferred on the property of the District by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the assessment against each Assessed Property determined by the method chosen by the Commissioners Court. The Assessment against each Assessed Property must be sufficient to pay the share of the Actual Costs apportioned to the Assessed Property and cannot exceed the special benefit conferred on the Assessed Property by the Authorized Improvements. The Assessment Roll for Improvement Area #1 is included as **Exhibit F**.

The PID Act permits the Commissioners Court to enter into an agreement with a corporation created by the County under the Texas Constitution or other law that provides for payment of amounts that may be assessment revenues pledged under the PID Act to such corporation to secure indebtedness issued by the corporation to finance an improvement project, including indebtedness to pay capitalized interest, fund a reserve fund permitted by the PID Act, and pay the corporation's costs of issuance. Additionally, the Commissioners Court may enter into an agreement with a corporation to manage one or more of the County's public improvement districts. Pursuant to the LGC Act, the County has created the TCDA to aid, assist, and act on behalf of the County in the performance of the County's general functions, including but not limited to managing public improvement districts created by the County under the PID Act. Pursuant to the PID Act and the LGC Act, the County and the TCDA have entered into the Management Contract pursuant to which the TCDA agreed to provide management and administrative services for public improvement districts created by the Commissioners Court and, when requested by the Commissioners Court, consider the issuance of PID Bonds. Pursuant to the PID Act and the LGC Act, the County and the TCDA intend to enter into one or more Funding Agreements for the transfer of Assessment Revenues to the TCDA for the payment of the Actual

Costs of the Authorized Improvements or, if PID Bonds are issued by the TCDA, the payment thereof.

On October 5, 2021, the County and the TCDA approved and authorized the Original Improvement Area #1 Funding Agreement, which was amended and restated on August 16, 2022.

[Remainder of this page intentionally left blank.]

## SECTION I: DEFINITIONS

**“2021 Service and Assessment Plan”** means the Service and Assessment Plan approved by the County on October 5, 2021.

**“2022 Amended and Restated Service and Assessment Plan”** means this 2022 Amended and Restated Service and Assessment Plan as it may be modified, amended, supplemented, and updated from time to time.

**“Actual Cost(s)”** means, with respect to each Authorized Improvement, the Managing Developer’s demonstrated, reasonable, allocable, and allowable costs of constructing the Authorized Improvement, as specified in a payment request in a form that has been reviewed and approved by the County or the TCDA and:

- (a) in an amount not to exceed the amount for the Authorized Improvement as set forth in **Exhibit C**;
- (b) do not include the costs for any change orders that affect a Community Benefit listed in Exhibit I to the Financing Agreement that have not been approved by either the County and the TCDA or by an Applicable Entity, but may include the following costs incurred by or on behalf of the Managing Developer (either directly or through affiliates):
  - (1) the cost to plan, design, acquire, construct, install, and dedicate such improvements to the Applicable Entity;
  - (2) the cost to prepare plans, specifications (including bid packages), contracts, and as-built drawings;
  - (3) the cost to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals;
  - (4) the cost to acquire easements and other right-of-way;
  - (5) the cost to relocate a utility when the relocation costs are not the responsibility of the utility owner;
  - (6) the costs for third-party professional consulting services including, but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisal services;

- (7) the costs of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums;
- (8) fees charged by an Applicable Entity or any other political subdivision or governmental authority; and
- (9) a Construction Management Fee to implement, administer, and manage the activities described in Paragraphs (1) through (8) above and equal to 4% of the costs incurred by or on behalf of the Managing Developer for the construction of such Authorized Improvement, but excluding:
  - (A) the costs described in Paragraphs (3), (6), and (8), and
  - (B) taxes, insurance premiums, and financing costs.

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

**“Additional Interest Rate”** means the 0.50% additional interest rate charged on an Assessment securing PID Bonds, as authorized by Section 372.018 of the PID Act.

**“Administrator”** means the County or TCDA or the person or independent firm designated by the County or TCDA who shall have the responsibilities provided in this 2022 Amended and Restated Service and Assessment Plan, the Indenture, or any other agreement or document approved by the County or TCDA related to the duties and responsibilities of the administration of the District.

**“Annual Collection Costs”** mean the actual or budgeted costs and expenses related to collecting the Annual Installments, including, but not limited to, costs and expenses for:

- (a) the Administrator;
- (b) County staff;
- (c) TCDA staff;
- (d) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the County or TCDA;
- (e) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments;
- (f) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates;
- (g) investing or depositing Assessments and Annual Installments;

- (h) complying with this 2022 Amended and Restated Service and Assessment Plan and the PID Act;
- (i) the TCDA Depository Bank in connection with reimbursement of the Actual Costs, including their legal counsel; and
- (j) administering the construction of the Authorized Improvements.

**“Annual Installment”** means the annual installment payment on the Assessment as calculated by the Administrator and confirmed and approved by the Commissioners Court, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest, if applicable.

**“Annual Service Plan Update”** means an update to this 2022 Amended and Restated Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the Commissioners Court.

**“Applicable Entity”** has the meaning given in the Financing Agreement.

**“Assessed Property”** means any Parcel within the District against which an Assessment is levied.

**“Assessment”** means an assessment levied against a Parcel within the District and imposed pursuant to an Assessment Order and the provisions of this 2022 Amended and Restated Service and Assessment Plan, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

**“Assessment Order”** means an order adopted by the Commissioners Court in accordance with the PID Act that levies an Assessment.

**“Assessment Plan”** assesses the Actual Costs of the Authorized Improvements against the District based on the special benefits conferred on the District by the Authorized Improvements, more specifically described in **Section V**.

**“Assessment Revenues”** means money collected by or on behalf of the County from any one or more of the following: (1) an Assessment levied against the Assessed Property, or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (2) a Prepayment, (3) Delinquent Collection Costs, and (4) Foreclosure Proceeds.

**“Assessment Roll”** means any Assessment Roll approved by an Assessment Order that levies Assessments on property within the District, including the Improvement Area #1 Assessment Roll.

**“Authorized Improvements”** means improvements authorized by Section 372.003 of the PID Act.

**“Bond Issuance Costs”** means the costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, County costs, capitalized interest, reserve fund requirements, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

**“City”** means the City of Austin, Texas.

**“Commissioners Court”** means the governing body of the County.

**“Community Benefit”** has the meaning given in the Financing Agreement.

**“Construction Costs”** means the actual cost for a selected construction contractor to construct an Authorized Improvement, excluding Preconstruction Costs, Construction Management Fees, and Non-Eligible Costs.

**“Construction Management Fee”** means the costs, incurred by or on behalf of Managing Developer or a third party construction manager, for general oversight of preconstruction and construction of an Authorized Improvement, including testing and materials, inspection, quality assurance/quality control, permitting, change order and claim investigations and resolutions, warranty period monitoring and reporting of deficiencies, and other construction management services and is equal to no more than four percent of Construction Costs.

**“Contract Assessment Revenues”** means the Assessment Revenues required to be paid by the County to the TCDA pursuant to the provisions of a Funding Agreement for deposit into a segregated fund held by the TCDA Depository Bank for the payment of the Actual Costs of Authorized Improvements or, if PID Bonds are issued by the TCDA, in a segregated fund held by the Trustee to be used for the payment of such PID Bonds.

**“County”** means Travis County, Texas, a political subdivision of the State of Texas.

**“Delinquent Collection Costs”** mean, costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this 2022 Amended and Restated Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

**“District”** means the Turner’s Crossing Public Improvement District containing approximately 446.732 acres located within the County and the extraterritorial jurisdiction of the City and shown on **Exhibit B-1** and more specifically described in **Exhibit A-1**.

**“Estimated Buildout Value”** means the estimated buildout value of an Assessed Property, and shall be determined by the Administrator and confirmed by the Commissioners Court 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 information that may impact value.

**“Financing Agreement”** means the Turner’s Crossing Public Improvement District Financing Agreement by and among the County, the TCDA, and the Managing Developer dated May 25, 2021, as amended on August 16, 2022, that provides for construction and dedication of an Authorized Improvement to the County or City, as applicable, as such agreement may be amended from time to time.

**“First Year Annual Collection Costs”** means the estimated Annual Collection Costs for the first year following the levy of Assessments.

**“Foreclosure Proceeds”** mean the proceeds, including interest and penalty interest, received by the County from the enforcement of the Assessments against any Assessed Property, by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

**“Funding Agreements”** means any Funding Agreement by and between the County and the TCDA under which the County will make or cause to be made payments of Assessment Revenues to the TCDA who will deposit such revenues in a segregated fund held by the TCDA Depository Bank to be used to reimburse the Managing Developer for Actual Costs of the Authorized Improvements paid by the Owners or, if PID Bonds are issued by the TCDA, in a segregated fund held by the Trustee to be used for the payment of such PID Bonds.

**“Improvement Area” or “Improvement Areas”** means a definable development area within the District.

**“Improvement Area #1”** means approximately 85.345 acres of land located within the District and shown on **Exhibit B-2** and more specifically described in **Exhibit A-2**.

**“Improvement Area #1 Annual Installment”** means the annual installment payment on the Improvement Area #1 Assessment as calculated by the Administrator and confirmed and approved by the Commissioners Court, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

**“Improvement Area #1 Assessed Property”** means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

**“Improvement Area #1 Assessment”** means an Assessment, including the Initial Improvement Area #1 Assessment, as amended by the Lot 95 Initial Assessment Release Order, and the Lot 95 Assessment, levied against a Parcel within Improvement Area #1 and imposed pursuant to an Assessment Order and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

**“Improvement Area #1 Assessment Revenues”** means money collected by or on behalf of the County from any one or more of the following: (1) an Improvement Area #1 Assessment levied against the Improvement Area #1 Assessed Property as defined in this 2022 Amended and Restated Service and Assessment Plan, or Annual Installment payment thereof, including any interest on such Improvement Area #1 Assessment or Annual Installment thereof during any period of delinquency, (2) a Prepayment of Improvement Area #1 Assessments, (3) Delinquent Collection Costs, and (4) Foreclosure Proceeds.

**“Improvement Area #1 Assessment Roll”** means the Assessment Roll for the Improvement Area #1 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this 2022 Amended and Restated Service and Assessment Plan as **Exhibit F**.

**“Improvement Area #1 Bonds”** means those certain “Travis County Development Authority Contract Assessment Revenue Bonds, Series 2022 (Turner’s Crossing Public Improvement District Improvement Area #1 Project)”, that are secured by Improvement Area #1 Assessments.

**“Improvement Area #1 Contract Assessment Revenues”** means Improvement Area #1 Assessment Revenues required to be paid by the County to the TCDA pursuant to the provisions of the Improvement Area #1 Funding Agreement for deposit into a segregated fund held by the TCDA Depository Bank for the payment of the Actual Costs of the Improvement Area #1 Improvements.

**“Improvement Area #1 Funding Agreement”** means that certain Amended and Restated Turner’s Crossing Public Improvement District Improvement Area #1 Funding Agreement dated August 16, 2022, by and between the County and the TCDA relating to Improvement Area #1, which amends and restates the Original Improvement Area #1 Funding Agreement in its entirety, the form of which is attached hereto as **Exhibit J**, as such agreement may be amended from time to time.

**“Improvement Area #1 Improvements”** mean the Authorized Improvements that solely benefit Improvement Area #1 Assessed Property, as more specifically described in **Section III.A** and shown on **Exhibit C** and depicted on **Exhibit I**.

**“Improvement Area #1 Projects”** means, collectively, the Improvement Area #1 Improvements, the First Year Annual Collection Costs allocable to Improvement Area #1, and the Bond Issuance Costs related to the Improvement Area #1 Bonds.

**“Improvement Area #1 Reimbursement Agreement”** means that certain Turner’s Crossing Public Improvement District Improvement Area #1 Acquisition and Reimbursement Agreement dated October 5, 2021, as amended on August 16, 2022, entered into by and among the County, the

TCDA, and the Managing Developer pursuant to which all or a portion of the Actual Costs, plus interest thereon as provided in the agreement, of the Improvement Area #1 Improvements will be paid to the Managing Developer from Improvement Area #1 Contract Assessment Revenues or proceeds of the Improvement Area #1 Bonds, as such agreement may be amended from time to time.

**“Indenture”** means an Indenture of Trust entered into in connection with the issuance of PID Bonds, as amended or supplemented from time to time, between the TCDA and the Trustee setting forth terms and conditions related to the PID Bonds.

**“Initial Improvement Area #1 Assessment Order”** means an order adopted by the Commissioners Court on October 5, 2021, approving the 2021 Service and Assessment Plan and levying the Initial Improvement Area #1 Assessments.

**“Initial Improvement Area #1 Assessments”** means the assessments levied on Assessed Property within Improvement Area #1 pursuant to the Initial Improvement Area #1 Assessment Order.

**“LGC Act”** means subchapter D of Chapter 431, Texas Transportation Code, as amended.

**“Lot”** means (1) for any portion of the District for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a “lot” in such subdivision plat, and (2) for any portion of the District for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat.

**“Lot 95”** means approximately 0.144 acres of land located within Improvement Area #1 as shown on **Exhibit B-3** and more specifically described in **Exhibit A-3**.

**“Lot 95 Assessment”** means the assessments levied on Lot 95 within Improvement Area #1 pursuant to the Lot 95 Assessment Order.

**“Lot 95 Assessment Order”** means the order adopted by the Commissioners Court on September 13, 2022, approving this 2022 Amended and Restated Service and Assessment Plan and levying the Lot 95 Assessment on Lot 95.

**“Lot 95 Initial Assessment Release Order”** means the order adopted by the Commissioners Court on July 12, 2022, that determined that the levy of the Initial Improvement Area #1 Assessment on Lot 95 was invalid and released, repealed, and rescinded such assessment on Lot 95.

**“Lot Type”** means a classification of final building Lots with similar characteristics (e.g., commercial, light industrial, multi-family, single-family residential, etc.), as determined by the Administrator and approved and confirmed by the Commissioners Court. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by

the Estimated Buildout Value of the Lot as determined by the Administrator and approved and confirmed by the Commissioners Court.

**“Lot Type 1”** means a lot designated as a 40’ lot by the Owners, as shown on **Exhibit L**.

**“Lot Type 2”** means a lot designated as a 45’ lot by the Owners, as shown on **Exhibit L**.

**“Lot Type 3”** means a lot designated as a 50’ lot by the Owners, as shown on **Exhibit L**.

**“Management Contract”** means that certain Contract for Management and Administrative Services dated April 24, 2018 between the County and the TCDA, relating to the management and administration of public improvement districts created by the Commissioners Court, as such contract may be amended from time to time.

**“Managing Developer”** means Meritage Homes of Texas, LLC.

**“Maximum Assessment”** means, for each Lot Type, an Assessment equal to the lesser of: (1) the amount calculated pursuant to **Section VI.A**, and (2) the amount shown on **Exhibit H**.

**“Non-Benefited Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements.

**“Non-Eligible Costs”** means the cost of improvements that are not Authorized Improvements.

**“Original Improvement Area #1 Funding Agreement”** means that certain Turner’s Crossing Public Improvement District Improvement Area #1 Funding Agreement dated October 5, 2021, by and between the County and the TCDA relating to Improvement Area #1.

**“Owner”** or **“Owners”** means, individually or collectively, as applicable, Meritage Homes of Texas, LLC, Taylor Morrison of Texas, Inc., and Tri Pointe Homes Texas, Inc., and their designated successors and assigns.

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

**“Phase 1 Plat”** means the final plat that was recorded as Document Number 202100102 of the Official Public Records of Travis County, Texas on April 30, 2021 and attached as **Exhibit M**. Improvement Area #1 comprises 85.345 acres of such plat.

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

**“PID Bonds”** means any bonds issued in accordance with the PID Act that are secured by Assessments.

**“Preconstruction Costs”** means those costs determined by the County to be reasonably necessary to complete the engineering, geotechnical, environmental, survey, utility adjustment, right-of-way-acquisition, submittal fees, recording fees, inspection fees, stormwater pollution prevention plan costs, and similar costs and services that are required before construction of an Authorized Improvement can begin.

**“Prepayment”** means the payment of all or a portion of an Assessment before the due date of the final installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Assessment.

**“Prepayment Costs”** mean accrued interest and Annual Collection Costs to the date of Prepayment.

**“Service Plan”** covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

**“TCDA”** means Travis County Development Authority, a local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code, and its successors and assigns.

**“TCDA Depository Bank”** means the depository bank, with trust powers, selected by TCDA.

**“Trustee”** means a trustee (or successor trustee) under the applicable Indenture.

## SECTION II: THE DISTRICT

The District includes approximately 446.732 acres located within the County and the extraterritorial jurisdiction of the City, as more particularly described by metes and bounds on **Exhibit A-1** and depicted on **Exhibit B-1**. Development of the District is anticipated to include approximately 1,327 single-family homes and 90,300 square feet of commercial space.

The Owners intend to develop the District in Improvement Areas. Improvement Area #1 includes approximately 85.345 contiguous acres located within the District, as more particularly described by lot and block on **Exhibit A-2** and depicted on **Exhibit B-2**. Development of Improvement Area #1 is anticipated to include approximately 314 single-family homes, consisting of 120 Lot Type 1 Lots, 93 Lot Type 2 Lots, and 101 Lot Type 3 Lots. As additional Improvement Areas are developed, this 2022 Amended and Restated Service and Assessment Plan will be updated to include such Improvement Area.

## SECTION III: AUTHORIZED IMPROVEMENTS

The Commissioners Court, based on information provided by the Managing Developer and its engineer and after review by the County staff and third-party consultants retained by the County and TCDA, has determined that the costs described below are costs of Authorized Improvements, as defined by the PID Act, that confer a special benefit on the Assessed Property. The budget for the Improvement Area #1 Improvements is shown on **Exhibit C** and a map depicting the Improvement Area #1 Improvements is shown on **Exhibit I**.

### A. Improvement Area #1 Improvements

- *Water*

Improvements including trench excavation and embedment, trench safety, piping, valves, fire hydrant assemblies, service connections, testing, related earthwork, excavation, and erosion control, and all other necessary appurtenances required to provide water service to each Lot within Improvement Area #1. The water improvements will be owned and operated by the City.

- *Wastewater*

Improvements including trench excavation and embedment, trench safety, piping, manholes, lift station improvements and modifications, force mains, service connections, testing, related earthwork, excavation, and erosion control, and all other necessary appurtenances required to provide wastewater service to each Lot within Improvement Area #1. The wastewater improvements will be owned and operated by the City.

- *Storm Drainage*

Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing, as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for Improvement Area #1. The storm drain facilities will be owned and operated by the County.

- *Roadway and Sidewalks*

Improvements including subgrade stabilization (including soil treatment and compaction), testing, handicapped ramps, streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting, other materials or work that would be necessary to complete a roadway project, and re-vegetation of all disturbed areas within the right-of-way are included. The roadway improvements will provide vehicular and pedestrian access to each Lot within Improvement Area #1. The roadway and sidewalk improvements will be owned and operated by the County.

- *Soft Costs and Project Management*

All Improvement Area #1 Improvements include 10.00% soft costs for design, engineering, and other fees relating to constructing the Improvement Area #1 Improvements and a Construction Management Fee equal to not more than 4% of Construction Costs.

## **B. First Year Annual Collection Costs**

Equals the estimated Annual Collection Costs for the first year following the levy of Assessments.

## **C. Bond Issuance Costs**

- *Debt Service Reserve Fund*

Equals the amount required under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

Equals the capitalized interest payments on PID Bonds as reflected in an applicable Indenture.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds plus a fee for underwriter's counsel.

- *Cost of Issuance*

Includes costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, County costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

## SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the projected costs and annual indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must be reviewed and updated, at least annually, and approved by the Commissioners Court. **Exhibit D** summarizes the Service Plan for the District.

**Exhibit E** summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit E** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

## SECTION V: ASSESSMENT PLAN

The PID Act requires the Commissioners Court to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the Commissioners Court, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the Commissioners Court that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality or the County and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The determination by the Commissioners Court of the assessment methodologies set forth below is the result of the discretionary exercise by the Commissioners Court of its legislative authority and governmental powers and is conclusive and binding on the Owners and all future owners and developers of the Assessed Property.

### A. Assessment Methodology

The Commissioners Court, acting in its legislative capacity based on information provided by the Managing Developer and its engineer and reviewed by County staff and by third-party

consultants retained by the County, has determined that the Actual Costs of the Improvement Area #1 Projects shall be allocated entirely to the Improvement Area #1 Assessed Property.

**Section VI** provides the assessment methodology for the reallocation of the Assessments initially allocated to the Improvement Area #1 Assessed Property (i) upon division prior to recording of a subdivision plat, (ii) upon subdivision by a recorded subdivision plat, and (iii) consolidation.

## **B. Assessments**

Improvement Area #1 Assessments have been or will be levied on the Improvement Area #1 Assessed Property as shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit G**. The Maximum Assessments for each Lot Type in Improvement Area #1 is shown on **Exhibit H**. In no case will the Assessment for any Lot Type exceed the Maximum Assessment.

## **C. Findings of Special Benefit**

The Commissioners Court, acting in its legislative capacity based on information provided by the Managing Developer and its engineer and reviewed by the County staff and by third-party consultants retained by County or TCDA, has found and determined:

- *Improvement Area #1*
  - The cost of the Improvement Area #1 Projects equal \$11,931,477 as shown on **Exhibit C**; and
  - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Projects equal to or greater than the Actual Cost of the Improvement Area #1 Projects; and
  - The Improvement Area #1 Assessed Property was allocated 100% of the Initial Improvement Area #1 Assessments levied for the Improvement Area #1 Projects, which equaled \$10,190,000;
  - The Initial Improvement Area #1 Assessment levied on Lot 95 was released in accordance with the Lot 95 Initial Assessment Release Order, resulting in a reduced Initial Improvement Area #1 Assessment in the amount of \$10,153,698, of which \$8,678,970<sup>1</sup> remains outstanding, as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F**; and

---

<sup>1</sup> Preliminary; subject to change. The outstanding Initial Improvement Area #1 Assessments will be reduced to an amount that, when added to the Lot 95 Assessment, will equal the actual principal amount of the Improvement Area #1 Bonds.

- The cost of the Improvement Area #1 Projects allocable to Lot 95 equal \$42,506, resulting in \$11,888,971 of the costs of the Improvement Area #1 Projects being allocable to the Improvement Area #1, save and except Lot 95;
- The special benefit (  $\geq$  \$11,888,971) received by the Improvement Area #1 Assessed Property, save and except Lot 95, from the Improvement Area #1 Projects is equal or greater than the amount of the Initial Improvement Area #1 Assessments (\$10,153,698) levied on the Improvement Area #1 Assessed Property, save and except Lot 95, for the Improvement Area #1 Projects; and
- At the time the Commissioners Court approved the 2021 Service and Assessment Plan, the Owners owned 100% of the Improvement Area #1 Assessed Property. The Owners acknowledged that the Improvement Area #1 Projects confer a special benefit on the Improvement Area #1 Assessed Property and consented to the imposition of the Initial Improvement Area #1 Assessments to pay for the Actual Costs associated therewith. The Owners ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the Commissioners Court as to the special benefits described in the 2021 Service and Assessment Plan and in the Assessment Order; (2) the 2021 Service and Assessment Plan and the Initial Improvement Area #1 Assessment Order, and (3) the levying of Initial Improvement Area #1 Assessments.
- The cost of the Improvement Area #1 Projects allocable to Lot 95 equal \$42,506 as shown on **Exhibit C**; and
- Lot 95 receives special benefit from the Improvement Area #1 Projects equal to or greater than the Actual Cost of the Improvement Area #1 Projects allocable to Lot 95; and
- Lot 95 will be allocated 100% of the Lot 95 Assessment levied for the Improvement Area #1 Projects, which equals \$31,030, as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F**; and
- The special benefit (  $\geq$  \$42,506) received by Lot 95 from the Improvement Area #1 Projects is equal or greater than the amount of the Lot 95 Assessment (\$31,030) levied on Lot 95 for the Improvement Area #1 Projects; and
- At the time the Commissioners Court approved the Lot 95 Assessment Order, Tri Pointe Homes Texas, Inc. owned 100% of Lot 95. Tri Pointe Homes Texas, Inc. acknowledged that the Improvement Area #1 Projects confer a special benefit on Lot 95 and consented to the imposition of the Lot 95 Assessments to pay for the Actual Costs associated therewith. Tri Pointe Homes Texas, Inc. ratified,

confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the Commissioners Court as to the special benefits described in this 2022 Amended and Restated Service and Assessment Plan and in the Lot 95 Assessment Order; (2) this 2022 Amended and Restated Service and Assessment Plan and the Lot 95 Assessment Order, and (3) the levying of Lot 95 Assessments on Lot 95.

#### **D. Annual Collection Costs**

The Annual Collection Costs shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

#### **E. Additional Interest**

The interest rate on Assessments securing PID Bonds may exceed the interest rate on the PID Bonds by the Additional Interest Rate. If applicable, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

#### **F. Funding Agreements**

On August 16, 2022, the County and the TCDA entered into the Improvement Area #1 Funding Agreement, under which the County will make or cause to be made payments of Contract Assessment Revenues to the TCDA, which will deposit such revenues in a segregated fund held by the TCDA Depository Bank to be used to reimburse the Managing Developer for Actual Costs of the Authorized Improvements paid by the Owners or for the payment of PID Bonds, in accordance with the provisions of the respective Funding Agreement.

Concurrently, with the adoption of the Initial Improvement Area #1 Assessment Order, the County and the TCDA entered into the Original Improvement Area #1 Funding Agreement.

Concurrently, with the adoption of the Lot 95 Assessment Order, the County and the TCDA entered into the Improvement Area #1 Funding Agreement.

## SECTION VI: TERMS OF THE ASSESSMENTS

### A. Reallocation of Assessments

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

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this 2022 Amended and Restated Service and Assessment Plan approved by the Commissioners Court.

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

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

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Assessed Property prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Managing Developer shall provide the County an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this 2022 Amended and Restated Service and Assessment Plan approved by the Commissioners Court.

### *3. Upon Consolidation*

If two or more Lots or Parcels of Assessed Property are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be affirmed and approved by the Commissioners Court in the next Annual Service Plan Update. The Assessment for any resulting lot will not exceed the Maximum Assessment for the applicable Lot Type, and compliance may require a true-up of Assessment pursuant to **Section VI.B.**

## **B. True-Up of Assessments if Maximum Assessment Exceeded**

If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the Maximum Assessment, the owner of the Assessed Property requesting the subdivision must partially prepay the Assessment for each Assessed Property that exceeds the Maximum Assessment in an amount sufficient to reduce the Assessment to the Maximum Assessment.

## **C. Mandatory Prepayment of Assessments**

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the owner transferring the Assessed Property shall pay to the Administrator the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

## **D. Reduction of Assessments**

If as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, (i) in the event PID

Bonds are not issued, the Commissioners Court shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs, or (ii) in the event that PID Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the project fund relating to the PID Bonds that are not expected to be used for purposes of the project fund, to redeem outstanding PID Bonds, in accordance with the applicable Indenture. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

The Administrator shall update and submit to the Commissioners Court for review and approval as part of the next Annual Service Plan Update, the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

#### **E. Prepayment of Assessments**

The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with interest and Annual Collection Costs through the Prepayment date: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the Commissioners Court as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the County shall provide the owner with a recordable "Notice of PID Assessment Lien Termination" a form of which is attached as **Exhibit K**.

If an Assessment is prepaid in part, with interest through the Prepayment date: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the Commissioners Court as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced.

#### **F. Prepayment as a result of Eminent Domain Proceeding or Taking**

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "**Taking**"), the portion of the Assessed Property that was taken or transferred (the "**Taken Property**") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property prior to the Taking shall remain in

force against the remaining Assessed Property (the Assessed Property less the Taken Property, (the **“Remaining Property”**) following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner of the Remaining Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2022 Amended and Restated Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Annual Installments applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the Maximum Assessment, the owner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the Maximum Assessment, in which case the Assessment and Annual Installments applicable to the Remaining Property will be reduced by the amount of the partial Prepayment.

In all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment on the Remaining Property by \$10, then the owner shall be required to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to be \$90 and the Annual Installments adjusted accordingly.

Notwithstanding the previous paragraphs in this subsection, if the owner notifies the County and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

### **G. Payment of Assessment in Annual Installments**

**Exhibit G** shows the estimated Annual Installments for Improvement Area #1 Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

The Administrator shall prepare and submit to the Commissioners Court for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Other than changes relating to Annual Collection Costs, the Annual Installments shall not exceed what is shown on **Exhibit G**. Annual Collection Costs shall be allocated pro rata based on the amount of outstanding Assessments among Parcels for which the Assessments remain unpaid. Annual Installments shall be collected by the County in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the County. The Commissioners Court may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the non-delinquent Annual Installments as they become due and payable.

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments of the Improvement Area #1 Assessments shall be due when billed and shall be delinquent if not paid prior to February 1, 2023.

### **H. Allocating Annual Installments if Assessed Property is Sold**

If Assessed Property is sold, the Annual Installment shall be allocated between the buyer and seller in the same manner as property taxes.

## **SECTION VII: ASSESSMENT ROLL**

The Improvement Area #1 Assessment Roll is attached as **Exhibit F**. The Administrator shall prepare and submit to the Commissioners Court for review and approval, proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Improvement Area #1 Assessed Property as part of each Annual Service Plan Update.

## **SECTION VIII: ADDITIONAL PROVISIONS**

### **A. Calculation Errors**

If the owner of a Parcel claims that an error has been made in any calculation required by this 2022 Amended and Restated Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1<sup>st</sup> of each year following Commissioners Court approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the Commissioners Court and the owner within 30 days of such referral. The Commissioners Court shall consider the owner's notice of error and the Administrator's response at a meeting of the Commissioners Court, and within 30 days after closing such hearing, the Commissioners Court shall make a final determination as to whether or not an error has been made. If the Commissioners Court determines that an error has been made, the Commissioners Court shall take such corrective action as is authorized by the PID Act, this 2022 Amended and Restated Service and Assessment Plan, the Assessment Order, or is otherwise authorized by the discretionary power of the Commissioners Court. The determination by the Commissioners Court as to whether an error has been made, and any corrective action taken by the Commissioners Court, shall be final and binding on the owner and the Administrator.

### **B. Amendments**

Amendments to this 2022 Amended and Restated Service and Assessment Plan may be made only by the Commissioners Court in accordance with the PID Act. To the extent permitted by the PID Act, this 2022 Amended and Restated Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this 2022 Amended and Restated Service and Assessment Plan.

### **C. Administration and Interpretation**

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2022 Amended and Restated Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the County and TCDA; and (3) interpret the provisions of this 2022 Amended and Restated Service and Assessment Plan. Interpretations of this 2022 Amended and Restated Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the Commissioners Court by owners or developers adversely affected by the interpretation. Appeals shall be decided by the Commissioners Court after holding a meeting of

the Commissioners Court at which all interested parties have an opportunity to be heard. Decisions by the Commissioners Court shall be final and binding on the owners and developers and their successors and assigns.

#### **D. Concurrence between County and TCDA**

The County and the TCDA have entered into a contract pursuant to which the TCDA provides management and administrative services for the public improvement districts created by the Commissioners Court, including the District.

#### **E. Form of Buyer Disclosure**

Per Section 5.014 of the Texas Property Code, as amended, this 2022 Amended and Restated Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto as **Exhibit N**, **Exhibit O** and **Exhibit P**. Within seven days of approval by the Commissioners Court, the County shall file and record in the real property records of the County the executed order approving this 2022 Amended and Restated Service and Assessment Plan, or any future Annual Service Plan Updates. The executed order, including any attachments, approving this 2022 Amended and Restated Service and Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

#### **F. Severability**

If any provision of this 2022 Amended and Restated Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

## LIST OF EXHIBITS

The following Exhibits are attached to and made a part of this 2022 Amended and Restated Service and Assessment Plan for all purposes:

<b>Exhibit A-1</b>	District Legal Description
<b>Exhibit A-2</b>	Improvement Area #1 Legal Description
<b>Exhibit A-3</b>	Lot 95 Legal Description
<b>Exhibit B-1</b>	District Boundary Map
<b>Exhibit B-2</b>	Improvement Area #1 Boundary Map
<b>Exhibit B-3</b>	Lot 95 Boundary Map
<b>Exhibit C</b>	Authorized Improvements
<b>Exhibit D</b>	Service Plan – Five Years
<b>Exhibit E</b>	Service Plan – Sources and Uses of Funds
<b>Exhibit F</b>	Improvement Area #1 Assessment Roll
<b>Exhibit G</b>	Improvement Area #1 Annual Installments
<b>Exhibit H</b>	Improvement Area #1 Maximum Assessment per Lot Type
<b>Exhibit I</b>	Maps Depicting Improvement Area #1 Improvements
<b>Exhibit J</b>	Form of Improvement Area #1 Funding Agreement
<b>Exhibit K</b>	Form of Notice of PID Assessment Lien Termination
<b>Exhibit L</b>	Map Depicting Location of Lot Types
<b>Exhibit M</b>	Phase 1 Plat
<b>Exhibit N</b>	Lot Type 1 Buyer Disclosure
<b>Exhibit O</b>	Lot Type 2 Buyer Disclosure
<b>Exhibit P</b>	Lot Type 3 Buyer Disclosure

## EXHIBIT A-1 – DISTRICT LEGAL DESCRIPTION

Kimley Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

### A METES AND BOUNDS DESCRIPTION OF A 231.709 ACRE PUBLIC IMPROVEMENT DISTRICT

**BEING** a 231.709 acre (10,093,223 square feet) tract of land situated in the Elijah Caples Survey, Abstract No. 155, Travis County, Texas; containing a portion of Turner's Crossing North Phase 1 subdivision, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, and a portion of that certain 246.832 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a TXDOT monument found marking the westerly southwest corner of the herein described tract, at the intersection of the northerly right of way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width):

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45, and along the easterly right-of-way line of said North Turnersville Road, the following two (2) courses and distances:

1. North 2°40'43" West, 535.14 feet to a 1/2-inch iron rod found for corner;
2. North 2°14'27" West, 2442.36 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at the intersection of the easterly right-of-way line of said North Turnersville Road with the southerly right-of-way line of F.M. 1327 (80 feet wide);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said F.M. 1327, the following two (2) courses and distances:

1. in a southeasterly direction, along a non-tangent curve to the right having a central angle of 14°41'53", a radius of 676.20 feet, a chord bearing and distance of South 09°45'52" East, 172.00 feet, and a total arc length of 173.47 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at a point of tangency;
2. South 62°24'54" East, 3836.98 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found marking the northwesterly corner of a called 100.270 acre tract of land described in instrument to F.M. 1327 Enterprises LP in Document No. 2021157135 of the Official Public Records of Travis County, Texas;

**THENCE**, South 11°50'00" West, 3056.34 feet departing the southerly right of way line of said F.M. 1327 and along the westerly line of said 100.278 acre tract to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found on the northerly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northerly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North 69°52'23" West, 811.43 feet to a TXDOT monument found for corner;
2. in a northwesterly direction, along a non-tangent curve to the right having a central angle of 1°10'19", a radius of 14618.20 feet, a chord bearing and distance of North 67°22'47" West, 200.01 feet, and a total arc length of 299.01 feet to a TXDOT monument found for corner;
3. North 43°45'32" West, 107.80 feet to a TXDOT monument found for corner;
4. North 05°21'50" West, 100.55 feet to a TXDOT monument found for corner;
5. North 57°18'33" West, 52.16 feet to a point marking the south corner of Lot 96 Multi-family Lot of aforesaid Turner's Crossing North Phase 1;

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45 and along the boundary of said Lot 96 Multi-family Lot the following fifteen (15) courses and distances:

1. North 40°29'41" East, 281.37 feet to a point for corner;
2. North 16°55'01" East, 414.84 feet to a point for corner;
3. North 80°24'16" West, 120.16 feet to a point for corner;
4. North 78°32'05" West, 201.20 feet to a point for corner;
5. North 1°20'25" West, 120.02 feet to a point for corner;
6. in a northwesterly direction, along a non-tangent curve to the right, a central angle of 88°24'43", a radius of 810.00 feet, a chord bearing and distance of North 88°24'43" West, 49.99 feet, and a total arc length of 50.00 feet to a point for corner;
7. South 3°22'43" West, 120.00 feet to a point for corner;

Kimley-Horn and Associates, Inc.  
TRPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

8. In a northwesterly direction, along a non-tangent curve to the right, a central angle of  $20^{\circ}18'31''$ , a radius of 920.00 feet, a chord bearing and distance of North  $71^{\circ}58'01''$  West, 465.50 feet, and a total arc length of 470.61 feet to a point of tangency;
9. North  $57^{\circ}16'46''$  West, 380.77 feet to a point for corner;
10. In a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}33'08''$ , a radius of 1227.94 feet, a chord bearing and distance of North  $56^{\circ}23'00''$  West, 54.70 feet, and a total arc length of 54.70 feet to a point for corner;
11. North  $24^{\circ}56'00''$  East, 120.00 feet to a point for corner;
12. In a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}40'04''$ , a radius of 1035.00 feet, a chord bearing and distance of North  $53^{\circ}40'58''$  West, 50.00 feet, and a total arc length of 50.00 feet to a point of tangency;
13. South  $37^{\circ}42'04''$  West, 282.50 feet to a point for corner;
14. South  $57^{\circ}16'46''$  East, 100.16 feet to a point for corner;
15. South  $32^{\circ}41'14''$  West, 225.06 feet to a point for corner on the northeasterly right-of-way line of aforesaid State Highway No. 45,

**THENCE** along the northeasterly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North  $57^{\circ}18'32''$  West, 97.88 feet to a TXDOT monument found for corner;
2. North  $81^{\circ}04'19''$  West, 270.74 feet to a TXDOT monument found for corner;
3. North  $44^{\circ}00'40''$  West, 45.40 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found for corner;
4. North  $2^{\circ}57'59''$  West, 510.80 feet to a TXDOT monument found for corner;
5. South  $87^{\circ}04'31''$  West, 62.40 feet to the **POINT OF BEGINNING** and containing 231.700 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §6654.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



*John G. Mosier* 6-3-2022

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

**A METES AND BOUNDS  
DESCRIPTION OF A  
215.023 ACRE PUBLIC IMPROVEMENT DISTRICT**

**BEING** a 215.023 acre (9,366,421 square feet) tract of land situated in the William P. Corben Survey, Abstract No. 159, Travis County, Texas; and being a portion of a called 222.714 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found marking the western-most northwest corner of said 222.714 acre tract, at the intersection of the southerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said State Highway No. 45 the following five (5) courses and distances:

1. North 07°09'52" East, 70.10 feet to a TXDOT monument found for corner;
2. North 3°02'16" West, 155.83 feet to a TXDOT monument found for corner;
3. North 62°09'44" East, 94.12 feet to a TXDOT monument found for corner;
4. South 62°37'49" East, 204.30 feet to a TXDOT monument found for corner;
5. South 53°55'35" East, 420.06 feet to a point for corner;

**THENCE**, crossing said 222.714 acre tract the following five (5) courses and distances:

1. South 03°41'27" West, 320.30 feet departing the southerly right-of-way line of said State Highway No. 45 to a point for corner;
2. South 86°56'16" West, 336.22 feet to a point marking the southwest corner of said 4.562 acre tract;
3. South 2°41'42" East, 432.04 feet to a point for corner;
4. South 87°52'59" East, 473.77 feet to a point for corner;
5. North 35°58'41" East, 606.60 feet to a point for corner on the southerly right-of-way line of said State Highway No. 45;

**THENCE**, continuing along the southerly right-of-way line of said State Highway No. 45 the following nine (9) courses and distances:

1. South 67°52'36" East, 52.48 feet to a TXDOT monument found for corner;
2. South 43°50'02" East, 106.62 feet to a TXDOT monument found for corner;
3. South 65°18'54" East, 121.55 feet to a TXDOT monument found for corner;
4. South 00°23'42" East, 139.54 feet to a TXDOT monument found for corner;
5. South 67°53'17" East, 716.52 feet to a TXDOT monument found for corner;
6. South 86°10'11" East, 215.41 feet to a TXDOT monument found for corner;
7. South 70°03'00" East, 973.87 feet to a TXDOT monument found for corner;
8. South 69°45'00" East, 754.88 feet to a TXDOT monument found for corner;
9. South 72°28'08" East, 165.43 feet to a TXDOT monument found for corner marking the northwesterly corner of a called 115.77 acre tract of land described in instrument to BGICO, LLC in Document No. 2008058532 of the Official Public Records of Travis County, Texas;

Kimley-Horn and Associates, Inc.  
TRPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

**THENCE**, departing the southerly right-of-way line of said State Highway No. 45 and along the westerly line of said 115.77 acre tract, the following two (2) courses and distances:

1. South 27°17'46" West, 1976.08 feet to a 3/4-inch iron pipe found for corner;
2. South 02°47'41" East, 136.86 feet to a 1-inch iron pipe found marking the northerly corner of Lot 1 of Turnersville Estates, recorded in Volume 04, Pages 123D-213G of the Plat Records of Travis County, Texas;

**THENCE**, South 27°27'17" West, 1004.58 feet along the westerly line of said Lot 1 to a 1/2-inch iron rod found on the northeasterly right-of-way line of Turnersville Road (variable width);

**THENCE**, North 02°31'00" West, 2904.05 feet along the northeasterly right-of-way line of said Turnersville Road to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found at the intersection of the northeasterly right-of-way line of said Turnersville Road with the easterly right-of-way line of aforesaid North Turnersville Road;

**THENCE**, North 2°41'42" West, 2713.80 feet along the said easterly right of way line of North Turnersville Road to the **POINT OF BEGINNING** and containing 215.023 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



*John G. Mosier* 6-8-2022

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

## EXHIBIT A-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
10101 Reunion Place, Suite 400  
San Antonio, Texas 78216

### A METES AND BOUNDS DESCRIPTION OF A 85.346 ACRE TRACT OF LAND

BEING all of Turner's Crossing North – Phase 1, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, including platted rights-of-way, save and except the following lots:

- Lot 78, Block H, Private Parkland Lot
- Lot 96, Block H, Multi-Family Lot
- Lot 97, Block H, Water Tower & P.U.E. Lot
- Lot 98, Block H, Commercial Lot
- And the 0.818 acre right-of-way dedication to North Turnersville Road

and being more particularly described as follows:

**BEGINNING** at a point marking the intersection of the northwesterly right-of-way line of Turner Forest Avenue (70 foot wide public right-of-way) with the southwesterly right-of-way line of F.M. 1327 (80 foot wide public right-of-way);

**THENCE**, South 62°24'54" East, 100.00 feet along the southwesterly right-of-way line of said F.M. 1327 and the terminus of said Turner Forest Avenue to a point for corner;

**THENCE**, departing the southwesterly right-of-way line of said F.M. 1327 and along the southeasterly right-of-way line of said Turner Forest Avenue the following five (5) courses and distances:

1. in a westerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 72°36'15" West, 21.21 feet, a central angle of 89°57'42", and an arc length of 23.55 feet to a point for corner;
2. South 27°37'24" West, 93.71 feet to a point of curvature;
3. in a southwesterly direction along a tangent curve to the right, having a radius of 505.00 feet, a chord of South 48°25'51" West, 358.78 feet, a central angle of 41°36'54", and an arc length of 366.79 feet to a point of tangency;
4. South 69°14'18" West, 310.59 feet to a point of curvature;
5. in a southwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 23°45'19" West, 21.39 feet, a central angle of 90°57'57", and an arc length of 23.81 feet to a point on the northeasterly right-of-way line of Turner Coach Trail (70 foot wide public right-of-way);

**THENCE**, departing the southeasterly right-of-way line of said Turner Forest Avenue and along the northeasterly right-of-way line of said Turner Coach Trail the following seven (7) courses and distances:

1. South 21°43'39" East, 452.39 feet to a point of curvature;
2. in a southeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of South 35°36'12" East, 208.64 feet, a central angle of 27°45'05", and an arc length of 210.69 feet to a point for corner;
3. South 49°28'44" East, 411.12 feet to a point for corner;
4. in a easterly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord North 89°08'19" East, 19.83 feet, a central angle of 82°46'16", and an arc length of 21.67 feet to a point for corner;
5. South 41°38'49" East, 50.00 feet to a point for corner;
6. in a southerly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord South 02°02'00" East, 22.13 feet, a central angle of 95°02'23", and an arc length of 24.88 feet to a point for corner;
7. South 49°28'44" East, 99.90 feet to a point for corner;

**THENCE**, South 40°31'16" West, 50.00 feet crossing the right-of-way of said Turner Coach Trail to a point of curvature marking the east corner of Lot 18, Block R of aforesaid Turner's Crossing North – Phase 1 on the southwesterly right-of-way line of Turner Coach Trail;

**THENCE**, departing the southwesterly right-of-way line of said Turner Coach Trail and along the boundaries of Lots 1-18 of said Block R the following four (4) courses and distances:

1. in a southwesterly direction along a non-tangent curve to the left, having a radius of 445.00 feet, a chord South 31°17'52" West, 163.72 feet, a central angle of 21°12'01", and an arc length of 164.66 feet to a point of tangency;
2. South 20°41'51" West, 409.91 feet to a point of curvature;
3. in a southerly direction along a tangent curve to the left, having a radius of 445.00 feet, a chord of South 09°40'43" West, 170.11 feet, a central angle of 22°02'17", and an arc length of 171.16 feet to a point of tangency;
4. South 01°20'25" East, 81.11 feet and crossing the right-of-way of Dairywork Road (70 foot wide public right-of-way) to a point on the southerly right-of-way line of said Dairywork Road;

**THENCE**, along the southerly right-of-way line of said Dairywork road the following two (2) courses and distances:

1. South 88°39'35" West, 577.42 feet to a point of curvature;

2. In a westerly direction along a tangent curve to the right, having a radius of 800.00 feet, a chord of North 88°58'51" West, 65.87 feet, a central angle of 04°43'08", and an arc length of 65.89 feet to a point marking the northeastern corner of Lot 79, Block H of aforesaid Turner's Crossing North – Phase 1 on the southerly right-of-way line of said Dairywork Road;

**THENCE**, departing the southerly right-of-way line of said Dairywork Road and along the boundaries of Lots 79-95, of said Block H the following five (5) courses and distances:

1. South 03°22'43" West, 120.00 feet to a point for corner;
2. in a westerly direction along a non-tangent curve to the right, having a radius of 920.00 feet, a chord North 71°58'01" West, 465.50 feet, a central angle of 29°16'31", and an arc length of 470.61 feet to a point for corner;
3. North 57°18'46" West, 390.77 feet to a point of curvature;
4. In a northwesterly direction along a non-tangent curve to the right, having a radius of 1227.94 feet, a chord North 56°23'00" West, 54.70 feet, a central angle of 02°33'09", and an arc length of 54.70 feet to a point for corner;
5. North 34°56'00" East, 120.00 feet to a point marking the north corner of said Lot 95, Block H on the southwesterly boundary of aforesaid Dairywork Road;

**THENCE**, along the southwesterly right-of-way line of said Dairywork Road the following three (3) courses and distances:

1. In a northwesterly direction along a non-tangent curve to the right, having a radius of 1035.00 feet, a chord North 34°05'13" West, 741.13 feet, a central angle of 41°57'33", and an arc length of 757.86 feet to a point of tangency;
2. North 13°06'27" West, 166.69 feet to a point of curvature;
3. In a northwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 58°32'18" West, 21.37 feet, a central angle of 90°51'43", and an arc length of 23.79 feet to a point of reverse curvature on the southerly right-of-way line of aforesaid Turner Forest Avenue;

**THENCE**, departing the southwesterly right-of-way line of said Dairywork Road and along the southerly right-of-way line of said Turner Forest Avenue the following three (3) courses and distances:

1. In a westerly direction along a reverse tangent curve to the right, having a radius of 535.00 feet, a chord South 81°53'40" West, 109.32 feet, a central angle of 11°43'41", and an arc length of 109.51 feet to a point of tangency;
2. South 87°45'31" West, 66.60 feet to a point of curvature;
3. In a southwesterly direction along a tangent curve to the left, having a radius of 25.00 feet, a chord of South 43°17'28" West, 35.03 feet, a central angle of 88°56'05", and an arc length of 38.81 feet to a point on the easterly boundary of aforesaid 0.818 acre right-of-way dedication to North Turnersville Road;

**THENCE**, North 01°57'52" West, 127.54 feet along the easterly boundary of said 0.818 acre right-of-way dedication and crossing the right-of-way of said Turner Forest Avenue to a point marking a southwestern corner of Lot 17 – Landscape Lot, Block A of aforesaid Turner's Crossing North – Phase 1 on the northerly right-of-way line of said Turner Forest Avenue;

**THENCE**, departing the northerly right-of-way line of said Turner Forest Avenue and continuing along the westerly and northerly boundary of said Lot 17 – Landscape Lot, Block A the following three (3) courses and distances:

1. North 02°14'05" West, 588.09 feet to a point for corner;
2. North 19°00'51" East, 526.46 feet to a point for corner;
3. South 70°59'09" East, 170.00 feet along the northerly boundary of said Lot 17 – Landscape Lot and Lot 15, of said Block A to a point on the northeasterly right-of-way line of aforesaid Dairywork Road;

**THENCE**, North 19°00'51" East, 18.56 feet along the northeasterly right-of-way line of said Dairywork Road to a point for corner;

**THENCE**, South 70°59'09" East, 170.00 feet crossing the right-of-way of said Dairywork Road, then departing the southeasterly right-of-way line of said Dairywork Road and along the northerly boundary of Lot 1, Block B of aforesaid Turner's Crossing North – Phase 1 to a point on the northwesterly boundary of Lot 23 of said Block B;

**THENCE**, North 19°00'51" East, 414.60 feet along the boundaries of Lots 15-23 of said Block B to a point marking the north corner of said Lot 15, Block B;

**THENCE**, South 70°59'09" East, 175.00 feet along the northeasterly boundary of said Lot 15, Block B and crossing the right-of-way line of Purple Prairie Lane (50 foot wide public right-of-way) to a point on the southeasterly right-of-way line of said Purple Prairie Lane;

**THENCE**, South 19°00'51" West, 13.44 feet along the southeasterly right-of-way line of said Purple Prairie Lane to a point marking the north corner of Lot 1, Block E of aforesaid Turner's Crossing North – Phase 1;

**THENCE**, departing the southeasterly right-of-way line of said Purple Prairie Lane, and along the boundaries of Lots 1-17 of said Block E the following thirteen (13) courses and distances:

1. South 70°59'09" East, 95.00 feet to a point for corner;
2. South 68°57'47" East, 44.98 feet to a point for corner;
3. South 63°40'40" East, 44.99 feet to a point for corner;
4. South 62°24'54" East, 315.00 feet to a point for corner;

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
10101 Reunion Place, Suite 400  
San Antonio, Texas 78216

5. South 61°26'40" East, 44.98 feet to a point for corner;
6. South 56°15'55" East, 44.98 feet to a point for corner;
7. South 50°35'55" East, 44.98 feet to a point for corner;
8. South 44°55'55" East, 44.98 feet to a point for corner;
9. South 39°15'55" East, 44.98 feet to a point for corner;
10. South 33°35'55" East, 44.98 feet to a point for corner;
11. South 27°55'55" East, 44.98 feet to a point for corner;
12. South 22°43'49" East, 44.98 feet to a point for corner;
13. South 21°43'39" East, 58.19 feet to a point marking the east corner of said Lot 17 – Landscape Lot, Block E on the northwesterly right-of-way line of aforesaid Turner Forest Avenue;

THENCE, along the northwesterly right-of-way line of said Turner Forest Avenue the following six (6) courses and distances:

1. North 69°14'18" East, 104.76 feet to a point for corner;
2. North 69°14'18" East, 80.01 feet to a point for corner;
3. North 69°14'18" East, 322.27 feet to a point of curvature;
4. in a northeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of North 48°25'61" East, 309.05 feet, a central angle of 41°36'54", and an arc length of 315.95 feet to a point of tangency;
5. North 27°37'24" East, 93.64 feet to a point of curvature;
6. in a northerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 17°23'45" West, 21.22 feet, a central angle of 90°02'18", and an arc length of 23.57 feet to the **POINT OF BEGINNING** and containing 85.345 acres of land in Travis County, Texas; The basis of bearing for this description is the Turner's Crossing North – Phase 1 plat. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

*John G. Mosier 7-29-22*  
John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph: 210-541-9166  
greg.mosier@kimley-horn.com



## EXHIBIT A-3 – LOT 95 LEGAL DESCRIPTION

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
10101 Reunion Place, Suite 400  
San Antonio, Texas 78216

### A METES AND BOUNDS DESCRIPTION OF A 0.144 ACRE TRACT OF LAND

**BEING** a 0.144 acre (6,282 square feet) tract of land situated in the Elijah Caples Survey No. 7, Abstract No. 155, Travis County, Texas; and being all of Lot 95, Block H of Turner's Crossing North – Phase 1, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County; and being more particularly described as follows;

**BEGINNING** at a point on the southwesterly right-of-way line of Dairywork Road (70 foot wide public right-of-way) marking the north corner of Lot 94, Block H of said Turner's Crossing North – Phase 1 and the east corner of said Lot 95

**THENCE**, South 32°41'14" West, 120.00 feet along the common line of said Lot 94 and 95 to a point on the northeasterly boundary of Lot 96 – Multi-Family Lot, of said Block H;

**THENCE**, along the common line of said Lot 96 – Multi-Family Lot and Lot 95 the following two (2) courses and distances:

1. in a northwesterly direction along a non-tangent curve to the right, having a radius of 1227.94 feet, a chord North 56°23'00" West, 54.70 feet, a central angle of 02°33'09", and an arc length of 54.70 feet to a point for corner;
2. North 34°56'00" East, 120.00 feet to a point on the southwesterly right-of-way line of aforesaid Dairywork Road;

**THENCE**, along the southwesterly right-of-way line of said Dairywork Road and the northeasterly boundary of said Lot 95 the following two (2) courses and distances:

1. in a southeasterly direction along a non-tangent curve to the left, having a radius of 1035.00 feet, a chord South 56°11'23" East, 40.57 feet, a central angle of 02°14'46", and an arc length of 40.57 feet to a point of curvature;
2. South 57°18'46" East, 9.43 feet to the **POINT OF BEGINNING** and containing 0.144 acres of land in Travis County, Texas. The basis of bearing for this description is the Turner's Crossing North – Phase 1 plat. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

*John G. Mosier 7-29-22*

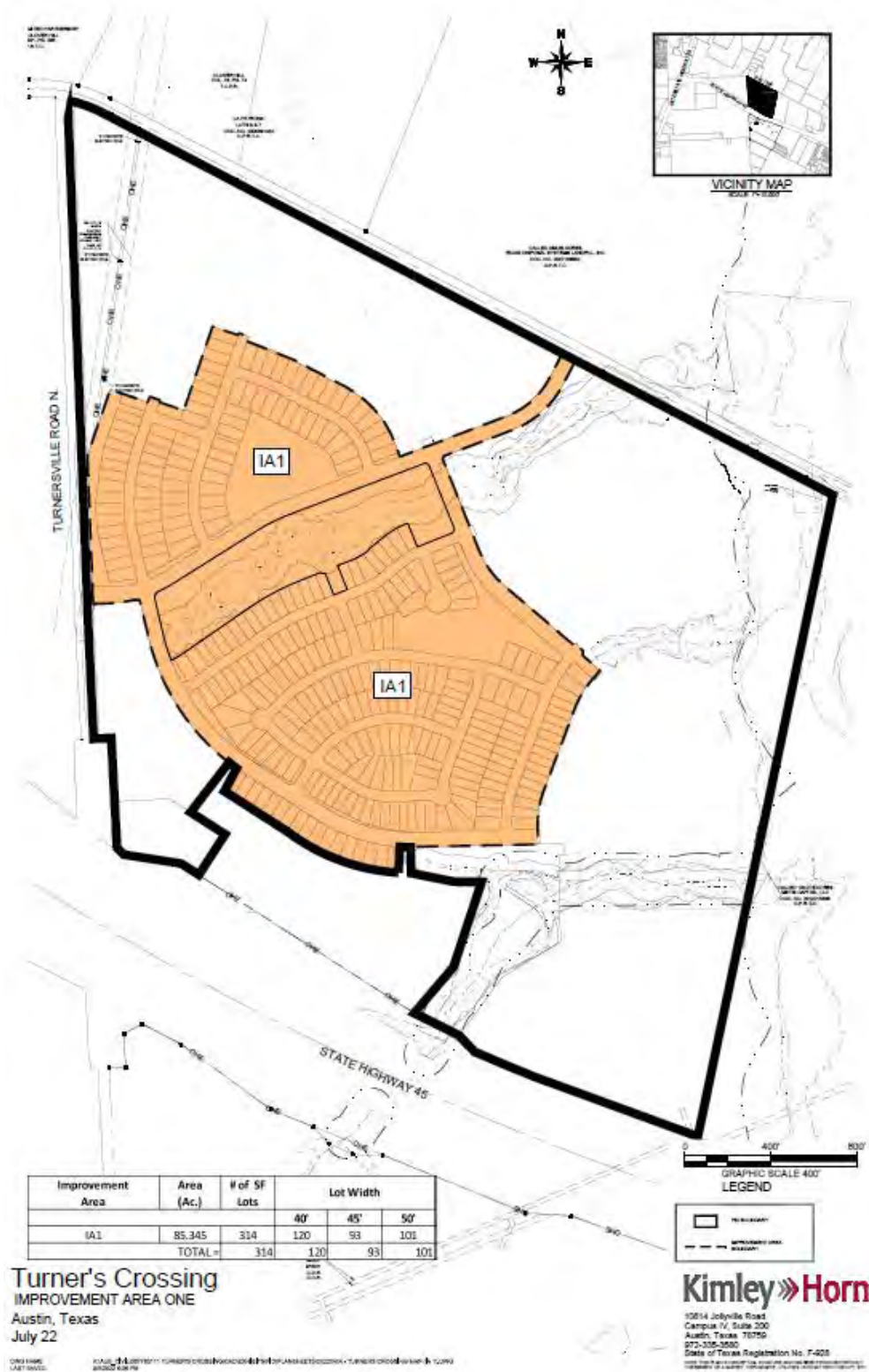
John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com



## EXHIBIT B-1 – DISTRICT BOUNDARY MAP



## EXHIBIT B-2 – IMPROVEMENT AREA #1 BOUNDARY MAP



**EXHIBIT B-3 – LOT 95 BOUNDARY MAP**



## EXHIBIT C – AUTHORIZED IMPROVEMENTS

	Total Costs	Improvement Area #1	
		% Allocable	Cost
Improvement Area #1 Improvements [a]			
Water	\$ 1,653,085	100.00%	\$ 1,653,085
Onsite Sanitary Sewer	1,341,575	100.00%	1,341,575
Storm Drainage	2,878,953	100.00%	2,878,953
Roadway/Sidewalks	3,290,613	100.00%	3,290,613
Soft Costs (10.00%)	916,422	100.00%	916,422
Project Management (4.00%)	366,569	100.00%	366,569
	<b>\$ 10,447,216</b>		<b>\$ 10,447,216</b>
First Year Annual Collection Costs	<b>\$ 75,000</b>	100.00%	<b>\$ 75,000</b>
	<b>\$ 75,000</b>		<b>\$ 75,000</b>
Bond Issuance Costs			
Debt Service Reserve Fund	\$ 581,811	100.00%	\$ 581,811
Capitalized Interest	-	100.00%	-
Underwriter Discount	261,300	100.00%	261,300
Cost of Issuance	566,150	100.00%	566,150
	<b>\$ 1,409,261</b>		<b>\$ 1,409,261</b>
Total	<b>\$ 11,931,477</b>		<b>\$ 11,931,477</b>

Notes:

[a] Per the "Application and Certificate for Payment/DNT Construction #13", dated 7/31/21.

## EXHIBIT D – SERVICE PLAN – FIVE YEARS

		Improvement Area #1				
Installments Due		1/31/2023	1/31/2024	1/31/2025	1/31/2026	1/31/2027
<i>Improvement Area #1 Bonds</i>						
Principal		\$ 175,000.00	\$ 148,000.00	\$ 154,000.00	\$ 160,000.00	\$ 166,000.00
Interest		389,769.73	433,811.26	427,521.26	420,976.26	414,176.26
Capitalized Interest		-	-	-	-	-
	(1)	\$ 564,769.73	\$ 581,811.26	\$ 581,521.26	\$ 580,976.26	\$ 580,176.26
Additional Interest	(2)	\$ 38,469.17	\$ 42,675.00	\$ 41,935.00	\$ 41,165.00	\$ 40,365.00
Annual Collection Costs	(3)	\$ 75,000.00	\$ 76,500.00	\$ 78,030.00	\$ 79,590.60	\$ 81,182.41
<b>Total Annual Installments</b>	<b>(4) = (1) + (2) + (3)</b>	<b>\$ 678,238.90</b>	<b>\$ 700,986.26</b>	<b>\$ 701,486.26</b>	<b>\$ 701,731.86</b>	<b>\$ 701,723.67</b>

## EXHIBIT E – SERVICE PLAN – SOURCES AND USES OF FUNDS

		Improvement Area #1
Sources of Funds		
Improvement Area #1 Bond Par	\$	8,710,000
Owner Contribution [a]		3,221,477
<b>Total Sources</b>	<b>\$</b>	<b>11,931,477</b>
Uses of Funds		
Improvement Area #1 Improvements	\$	10,447,216
	<b>\$</b>	<b>10,447,216</b>
<i>First Year Annual Collection Costs</i>	\$	75,000
	<b>\$</b>	<b>75,000</b>
<i>Bond Issuance Costs</i>		
Debt Service Reserve Fund	\$	581,811
Capitalized Interest		-
Underwriter Discount		261,300
Cost of Issuance		566,150
	<b>\$</b>	<b>1,409,261</b>
<b>Total Uses</b>	<b>\$</b>	<b>11,931,477</b>

[a] Not reimbursable to Owner.

## EXHIBIT F – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954495	TURNERS CROSSING NORTH PHS 1 BLK A LOT 1	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954494	TURNERS CROSSING NORTH PHS 1 BLK A LOT 2	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954493	TURNERS CROSSING NORTH PHS 1 BLK A LOT 3	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954492	TURNERS CROSSING NORTH PHS 1 BLK A LOT 4	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954491	TURNERS CROSSING NORTH PHS 1 BLK A LOT 5	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954490	TURNERS CROSSING NORTH PHS 1 BLK A LOT 6	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954489	TURNERS CROSSING NORTH PHS 1 BLK A LOT 7	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954488	TURNERS CROSSING NORTH PHS 1 BLK A LOT 8	12700 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954487	TURNERS CROSSING NORTH PHS 1 BLK A LOT 9	12616 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954486	TURNERS CROSSING NORTH PHS 1 BLK A LOT 10	12612 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954430	TURNERS CROSSING NORTH PHS 1 BLK A LOT 11	12610 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954429	TURNERS CROSSING NORTH PHS 1 BLK A LOT 12	12608 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954428	TURNERS CROSSING NORTH PHS 1 BLK A LOT 13	12606 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954427	TURNERS CROSSING NORTH PHS 1 BLK A LOT 14	12604 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954426	TURNERS CROSSING NORTH PHS 1 BLK A LOT 15	12602 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954425	TURNERS CROSSING NORTH PHS 1 BLK A LOT 16	12600 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954424	TURNERS CROSSING NORTH PHS 1 BLK A LOT 17 ( LANDSCAPE)	DAIRYWORK RD	Non-Benefited	\$ -	\$ -
954423	TURNERS CROSSING NORTH PHS 1 BLK A LOT 18	12512 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954440	TURNERS CROSSING NORTH PHS 1 BLK B LOT 1	DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954431	TURNERS CROSSING NORTH PHS 1 BLK B LOT 15	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954432	TURNERS CROSSING NORTH PHS 1 BLK B LOT 16	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954433	TURNERS CROSSING NORTH PHS 1 BLK B LOT 17	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954434	TURNERS CROSSING NORTH PHS 1 BLK B LOT 18	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954435	TURNERS CROSSING NORTH PHS 1 BLK B LOT 19	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954436	TURNERS CROSSING NORTH PHS 1 BLK B LOT 20	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954437	TURNERS CROSSING NORTH PHS 1 BLK B LOT 21	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954438	TURNERS CROSSING NORTH PHS 1 BLK B LOT 22	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954439	TURNERS CROSSING NORTH PHS 1 BLK B LOT 23	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954507	TURNERS CROSSING NORTH PHS 1 BLK C LOT 1	12713 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954508	TURNERS CROSSING NORTH PHS 1 BLK C LOT 2	12711 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954509	TURNERS CROSSING NORTH PHS 1 BLK C LOT 3	12709 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954510	TURNERS CROSSING NORTH PHS 1 BLK C LOT 4	12707 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954511	TURNERS CROSSING NORTH PHS 1 BLK C LOT 5	12705 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954512	TURNERS CROSSING NORTH PHS 1 BLK C LOT 6	12703 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954513	TURNERS CROSSING NORTH PHS 1 BLK C LOT 7	12701 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954514	TURNERS CROSSING NORTH PHS 1 BLK C LOT 8	12611 DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954458	TURNERS CROSSING NORTH PHS 1 BLK C LOT 9	12609 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954459	TURNERS CROSSING NORTH PHS 1 BLK C LOT 10	12607 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954460	TURNERS CROSSING NORTH PHS 1 BLK C LOT 11	12605 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954461	TURNERS CROSSING NORTH PHS 1 BLK C LOT 12	12603 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954462	TURNERS CROSSING NORTH PHS 1 BLK C LOT 13	12601 DAIRYWORK RD	2	\$ 27,926.61	\$ 2,174.62
954463	TURNERS CROSSING NORTH PHS 1 BLK C LOT 14	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954464	TURNERS CROSSING NORTH PHS 1 BLK C LOT 15	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954465	TURNERS CROSSING NORTH PHS 1 BLK C LOT 16	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954515	TURNERS CROSSING NORTH PHS 1 BLK C LOT 17	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954516	TURNERS CROSSING NORTH PHS 1 BLK C LOT 18	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954517	TURNERS CROSSING NORTH PHS 1 BLK C LOT 19	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954518	TURNERS CROSSING NORTH PHS 1 BLK C LOT 20	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954519	TURNERS CROSSING NORTH PHS 1 BLK C LOT 21	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954520	TURNERS CROSSING NORTH PHS 1 BLK C LOT 22	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954521	TURNERS CROSSING NORTH PHS 1 BLK C LOT 23	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954522	TURNERS CROSSING NORTH PHS 1 BLK C LOT 24 ( LANDSCAPE)	TURNER FOREST AVE	Non-Benefited	\$ -	\$ -
954524	TURNERS CROSSING NORTH PHS 1 BLK D LOT 1	PURPLE PRAIRIE LN	3	\$ 31,029.57	\$ 2,416.24
954525	TURNERS CROSSING NORTH PHS 1 BLK D LOT 2	PURPLE PRAIRIE LN	3	\$ 31,029.57	\$ 2,416.24
954526	TURNERS CROSSING NORTH PHS 1 BLK D LOT 3	PURPLE PRAIRIE LN	3	\$ 31,029.57	\$ 2,416.24
954527	TURNERS CROSSING NORTH PHS 1 BLK D LOT 4	PURPLE PRAIRIE LN	3	\$ 31,029.57	\$ 2,416.24
954528	TURNERS CROSSING NORTH PHS 1 BLK D LOT 5	PURPLE PRAIRIE LN	3	\$ 31,029.57	\$ 2,416.24
954466	TURNERS CROSSING NORTH PHS 1 BLK D LOT 6	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954467	TURNERS CROSSING NORTH PHS 1 BLK D LOT 7	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954468	TURNERS CROSSING NORTH PHS 1 BLK D LOT 8	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954469	TURNERS CROSSING NORTH PHS 1 BLK D LOT 9	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954470	TURNERS CROSSING NORTH PHS 1 BLK D LOT 10	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954471	TURNERS CROSSING NORTH PHS 1 BLK D LOT 11	PURPLE PRAIRE LN	3	\$ 31,029.57	\$ 2,416.24
954472	TURNERS CROSSING NORTH PHS 1 BLK D LOT 12	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954473	TURNERS CROSSING NORTH PHS 1 BLK D LOT 13	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954474	TURNERS CROSSING NORTH PHS 1 BLK D LOT 14	6405 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954475	TURNERS CROSSING NORTH PHS 1 BLK D LOT 15	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954476	TURNERS CROSSING NORTH PHS 1 BLK D LOT 16	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954477	TURNERS CROSSING NORTH PHS 1 BLK D LOT 17	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954478	TURNERS CROSSING NORTH PHS 1 BLK D LOT 18	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954479	TURNERS CROSSING NORTH PHS 1 BLK D LOT 19	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954480	TURNERS CROSSING NORTH PHS 1 BLK D LOT 20	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954481	TURNERS CROSSING NORTH PHS 1 BLK D LOT 21	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954482	TURNERS CROSSING NORTH PHS 1 BLK D LOT 22	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954483	TURNERS CROSSING NORTH PHS 1 BLK D LOT 23	6511 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954484	TURNERS CROSSING NORTH PHS 1 BLK D LOT 24	6513 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954523	TURNERS CROSSING NORTH PHS 1 BLK D LOT 25 ( AMENITY CENTER)	PURPLE PRAIRIE LN	Non-Benefited	\$ -	\$ -
954457	TURNERS CROSSING NORTH PHS 1 BLK E LOT 1	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954456	TURNERS CROSSING NORTH PHS 1 BLK E LOT 2	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954455	TURNERS CROSSING NORTH PHS 1 BLK E LOT 3	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954454	TURNERS CROSSING NORTH PHS 1 BLK E LOT 4	6406 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954453	TURNERS CROSSING NORTH PHS 1 BLK E LOT 5	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954452	TURNERS CROSSING NORTH PHS 1 BLK E LOT 6	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954451	TURNERS CROSSING NORTH PHS 1 BLK E LOT 7	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954450	TURNERS CROSSING NORTH PHS 1 BLK E LOT 8	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954449	TURNERS CROSSING NORTH PHS 1 BLK E LOT 9	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954448	TURNERS CROSSING NORTH PHS 1 BLK E LOT 10	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954447	TURNERS CROSSING NORTH PHS 1 BLK E LOT 11	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954446	TURNERS CROSSING NORTH PHS 1 BLK E LOT 12	VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954445	TURNERS CROSSING NORTH PHS 1 BLK E LOT 13	6508 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954444	TURNERS CROSSING NORTH PHS 1 BLK E LOT 14	6510 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954443	TURNERS CROSSING NORTH PHS 1 BLK E LOT 15	6514 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954442	TURNERS CROSSING NORTH PHS 1 BLK E LOT 16	6514 VELVET LEAF LN	3	\$ 31,029.57	\$ 2,416.24
954441	TURNERS CROSSING NORTH PHS 1 BLK E LOT 17 (LANDSCAPE)	VELVET LEAF LN	Non-Benefited	\$ -	\$ -
954579	TURNERS CROSSING NORTH PHS 1 BLK H LOT 79	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954578	TURNERS CROSSING NORTH PHS 1 BLK H LOT 80	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954577	TURNERS CROSSING NORTH PHS 1 BLK H LOT 81	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954576	TURNERS CROSSING NORTH PHS 1 BLK H LOT 82	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954575	TURNERS CROSSING NORTH PHS 1 BLK H LOT 83	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954574	TURNERS CROSSING NORTH PHS 1 BLK H LOT 84	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954573	TURNERS CROSSING NORTH PHS 1 BLK H LOT 85	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954572	TURNERS CROSSING NORTH PHS 1 BLK H LOT 86	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954571	TURNERS CROSSING NORTH PHS 1 BLK H LOT 87	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954570	TURNERS CROSSING NORTH PHS 1 BLK H LOT 88	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954569	TURNERS CROSSING NORTH PHS 1 BLK H LOT 89	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954568	TURNERS CROSSING NORTH PHS 1 BLK H LOT 90	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954567	TURNERS CROSSING NORTH PHS 1 BLK H LOT 91	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954566	TURNERS CROSSING NORTH PHS 1 BLK H LOT 92	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954565	TURNERS CROSSING NORTH PHS 1 BLK H LOT 93	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954564	TURNERS CROSSING NORTH PHS 1 BLK H LOT 94	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954563 [a]	TURNERS CROSSING NORTH PHS 1 BLK H LOT 95	DAIRYWORK RD	3	\$ 31,029.57	\$ 2,416.24
954530	TURNERS CROSSING NORTH PHS 1 BLK L LOT 1 ( PARKLAND)	ROUNDED PEBBLE LN	Non-Benefited	\$ -	\$ -
954556	TURNERS CROSSING NORTH PHS 1 BLK L LOT 2 ( LANDSCAPE)	ROUNDED PEBBLE LN	Non-Benefited	\$ -	\$ -
954555	TURNERS CROSSING NORTH PHS 1 BLK L LOT 3	6300 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954554	TURNERS CROSSING NORTH PHS 1 BLK L LOT 4	6302 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954553	TURNERS CROSSING NORTH PHS 1 BLK L LOT 5	6304 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954552	TURNERS CROSSING NORTH PHS 1 BLK L LOT 6	6306 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954551	TURNERS CROSSING NORTH PHS 1 BLK L LOT 7	6308 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954550	TURNERS CROSSING NORTH PHS 1 BLK L LOT 8	6310 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954549	TURNERS CROSSING NORTH PHS 1 BLK L LOT 9	6312 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954548	TURNERS CROSSING NORTH PHS 1 BLK L LOT 10	6314 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954547	TURNERS CROSSING NORTH PHS 1 BLK L LOT 11	6400 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954546	TURNERS CROSSING NORTH PHS 1 BLK L LOT 12	6402 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954545	TURNERS CROSSING NORTH PHS 1 BLK L LOT 13	6404 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954544	TURNERS CROSSING NORTH PHS 1 BLK L LOT 14	6406 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954543	TURNERS CROSSING NORTH PHS 1 BLK L LOT 15	6408 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954542	TURNERS CROSSING NORTH PHS 1 BLK L LOT 16	6410 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954541	TURNERS CROSSING NORTH PHS 1 BLK L LOT 17	6412 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954540	TURNERS CROSSING NORTH PHS 1 BLK L LOT 18	6414 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954539	TURNERS CROSSING NORTH PHS 1 BLK L LOT 19	6416 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954538	TURNERS CROSSING NORTH PHS 1 BLK L LOT 20	6502 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954537	TURNERS CROSSING NORTH PHS 1 BLK L LOT 21	6504 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954536	TURNERS CROSSING NORTH PHS 1 BLK L LOT 22	6506 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954535	TURNERS CROSSING NORTH PHS 1 BLK L LOT 23	6508 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954534	TURNERS CROSSING NORTH PHS 1 BLK L LOT 24	6510 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954533	TURNERS CROSSING NORTH PHS 1 BLK L LOT 25	6512 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954532	TURNERS CROSSING NORTH PHS 1 BLK L LOT 26	6514 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954531	TURNERS CROSSING NORTH PHS 1 BLK L LOT 27	6516 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954580	TURNERS CROSSING NORTH PHS 1 BLK M LOT 1 (LANDSCAPE)	ROUNDED PEBBLE LN	Non-Benefited	\$ -	\$ -
954581	TURNERS CROSSING NORTH PHS 1 BLK M LOT 2	6301 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954582	TURNERS CROSSING NORTH PHS 1 BLK M LOT 3	6303 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954583	TURNERS CROSSING NORTH PHS 1 BLK M LOT 4	6305 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954584	TURNERS CROSSING NORTH PHS 1 BLK M LOT 5	6307 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954585	TURNERS CROSSING NORTH PHS 1 BLK M LOT 6	6309 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954586	TURNERS CROSSING NORTH PHS 1 BLK M LOT 7	6311 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954587	TURNERS CROSSING NORTH PHS 1 BLK M LOT 8	6313 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954588	TURNERS CROSSING NORTH PHS 1 BLK M LOT 9	6315 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954589	TURNERS CROSSING NORTH PHS 1 BLK M LOT 10	6401 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954590	TURNERS CROSSING NORTH PHS 1 BLK M LOT 11	6403 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954591	TURNERS CROSSING NORTH PHS 1 BLK M LOT 12	6405 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954592	TURNERS CROSSING NORTH PHS 1 BLK M LOT 13	6407 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954593	TURNERS CROSSING NORTH PHS 1 BLK M LOT 14	6409 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954594	TURNERS CROSSING NORTH PHS 1 BLK M LOT 15	6411 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954595	TURNERS CROSSING NORTH PHS 1 BLK M LOT 16	6413 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954596	TURNERS CROSSING NORTH PHS 1 BLK M LOT 17	6415 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954597	TURNERS CROSSING NORTH PHS 1 BLK M LOT 18	6410 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954598	TURNERS CROSSING NORTH PHS 1 BLK M LOT 19	6408 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954599	TURNERS CROSSING NORTH PHS 1 BLK M LOT 20	6406 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954600	TURNERS CROSSING NORTH PHS 1 BLK M LOT 21	6404 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954601	TURNERS CROSSING NORTH PHS 1 BLK M LOT 22	6402 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954602	TURNERS CROSSING NORTH PHS 1 BLK M LOT 23	6400 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954603	TURNERS CROSSING NORTH PHS 1 BLK M LOT 24	6310 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954604	TURNERS CROSSING NORTH PHS 1 BLK M LOT 25	6308 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954605	TURNERS CROSSING NORTH PHS 1 BLK M LOT 26	6306 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954606	TURNERS CROSSING NORTH PHS 1 BLK M LOT 27	6304 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954607	TURNERS CROSSING NORTH PHS 1 BLK M LOT 28	6302 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954608	TURNERS CROSSING NORTH PHS 1 BLK M LOT 29	6300 NIGHT CHINOOK LN	2	\$ 27,926.61	\$ 2,174.62
954609	TURNERS CROSSING NORTH PHS 1 BLK M LOT 30	13000 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954610	TURNERS CROSSING NORTH PHS 1 BLK M LOT 31	13002 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954611	TURNERS CROSSING NORTH PHS 1 BLK M LOT 32	13004 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954612	TURNERS CROSSING NORTH PHS 1 BLK M LOT 33	13006 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954613	TURNERS CROSSING NORTH PHS 1 BLK M LOT 34	13008 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954614	TURNERS CROSSING NORTH PHS 1 BLK M LOT 35	13010 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954615	TURNERS CROSSING NORTH PHS 1 BLK M LOT 36	13012 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954616	TURNERS CROSSING NORTH PHS 1 BLK M LOT 37	13014 HATSY WAY	2	\$ 27,926.61	\$ 2,174.62
954702	TURNERS CROSSING NORTH PHS 1 BLK N LOT 1	12901 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954701	TURNERS CROSSING NORTH PHS 1 BLK N LOT 2	12903 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954700	TURNERS CROSSING NORTH PHS 1 BLK N LOT 3	12905 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954705	TURNERS CROSSING NORTH PHS 1 BLK N LOT 4	12907 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954704	TURNERS CROSSING NORTH PHS 1 BLK N LOT 5	12909 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954703	TURNERS CROSSING NORTH PHS 1 BLK N LOT 6	12911 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954629	TURNERS CROSSING NORTH PHS 1 BLK N LOT 7 (LANDSCAPE)	JOHNSON BAR	Non-Benefited	\$ -	\$ -
954628	TURNERS CROSSING NORTH PHS 1 BLK N LOT 8	12910 JOHNSON BAR	2	\$ 27,926.61	\$ 2,174.62
954627	TURNERS CROSSING NORTH PHS 1 BLK N LOT 9	6515 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954626	TURNERS CROSSING NORTH PHS 1 BLK N LOT 10	6513 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954625	TURNERS CROSSING NORTH PHS 1 BLK N LOT 11	6511 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954624	TURNERS CROSSING NORTH PHS 1 BLK N LOT 12	6509 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954623	TURNERS CROSSING NORTH PHS 1 BLK N LOT 13	6507 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954622	TURNERS CROSSING NORTH PHS 1 BLK N LOT 14	6505 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954621	TURNERS CROSSING NORTH PHS 1 BLK N LOT 15	6503 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954620	TURNERS CROSSING NORTH PHS 1 BLK N LOT 16	6501 ROUNDED PEBBLE LN	2	\$ 27,926.61	\$ 2,174.62
954619	TURNERS CROSSING NORTH PHS 1 BLK N LOT 17	6500 NIGHT CHINOOK DR	2	\$ 27,926.61	\$ 2,174.62
954618	TURNERS CROSSING NORTH PHS 1 BLK N LOT 18	6502 NIGHT CHINOOK DR	2	\$ 27,926.61	\$ 2,174.62
954617	TURNERS CROSSING NORTH PHS 1 BLK N LOT 19	6504 NIGHT CHINOOK DR	2	\$ 27,926.61	\$ 2,174.62
954709	TURNERS CROSSING NORTH PHS 1 BLK N LOT 20	6702 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954708	TURNERS CROSSING NORTH PHS 1 BLK N LOT 21	6704 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954707	TURNERS CROSSING NORTH PHS 1 BLK N LOT 22	6706 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954706	TURNERS CROSSING NORTH PHS 1 BLK N LOT 23	6708 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954630	TURNERS CROSSING NORTH PHS 1 BLK O LOT 1	6301 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954631	TURNERS CROSSING NORTH PHS 1 BLK O LOT 2	6305 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954632	TURNERS CROSSING NORTH PHS 1 BLK O LOT 3	6307 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954633	TURNERS CROSSING NORTH PHS 1 BLK O LOT 4	6309 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954634	TURNERS CROSSING NORTH PHS 1 BLK O LOT 5	6401 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954635	TURNERS CROSSING NORTH PHS 1 BLK O LOT 6	6403 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954636	TURNERS CROSSING NORTH PHS 1 BLK O LOT 7	6405 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954637	TURNERS CROSSING NORTH PHS 1 BLK O LOT 8	6407 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954638	TURNERS CROSSING NORTH PHS 1 BLK O LOT 9	6409 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954639	TURNERS CROSSING NORTH PHS 1 BLK O LOT 10	6411 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954640	TURNERS CROSSING NORTH PHS 1 BLK O LOT 11	6413 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954641	TURNERS CROSSING NORTH PHS 1 BLK O LOT 12	6501 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954642	TURNERS CROSSING NORTH PHS 1 BLK O LOT 13	6503 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954643	TURNERS CROSSING NORTH PHS 1 BLK O LOT 14	6505 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954644	TURNERS CROSSING NORTH PHS 1 BLK O LOT 15	6507 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954645	TURNERS CROSSING NORTH PHS 1 BLK O LOT 16	6509 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954646	TURNERS CROSSING NORTH PHS 1 BLK O LOT 17	6601 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954647	TURNERS CROSSING NORTH PHS 1 BLK O LOT 18	6603 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954648	TURNERS CROSSING NORTH PHS 1 BLK O LOT 19	6605 NIGHT CHINOOK DR	1	\$ 24,823.66	\$ 1,932.99
954710	TURNERS CROSSING NORTH PHS 1 BLK O LOT 20	13000 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954711	TURNERS CROSSING NORTH PHS 1 BLK O LOT 21	13002 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954712	TURNERS CROSSING NORTH PHS 1 BLK O LOT 22	13004 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954713	TURNERS CROSSING NORTH PHS 1 BLK O LOT 23	13006 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954714	TURNERS CROSSING NORTH PHS 1 BLK O LOT 24	13008 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954715	TURNERS CROSSING NORTH PHS 1 BLK O LOT 25	13010 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954649	TURNERS CROSSING NORTH PHS 1 BLK O LOT 26	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954650	TURNERS CROSSING NORTH PHS 1 BLK O LOT 27	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954651	TURNERS CROSSING NORTH PHS 1 BLK O LOT 28	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954652	TURNERS CROSSING NORTH PHS 1 BLK O LOT 29	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954653	TURNERS CROSSING NORTH PHS 1 BLK O LOT 30	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954654	TURNERS CROSSING NORTH PHS 1 BLK O LOT 31	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954655	TURNERS CROSSING NORTH PHS 1 BLK O LOT 32	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954656	TURNERS CROSSING NORTH PHS 1 BLK O LOT 33	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954657	TURNERS CROSSING NORTH PHS 1 BLK O LOT 34	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954658	TURNERS CROSSING NORTH PHS 1 BLK O LOT 35	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954659	TURNERS CROSSING NORTH PHS 1 BLK O LOT 36	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954660	TURNERS CROSSING NORTH PHS 1 BLK O LOT 37	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954661	TURNERS CROSSING NORTH PHS 1 BLK O LOT 38	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954662	TURNERS CROSSING NORTH PHS 1 BLK O LOT 39	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954663	TURNERS CROSSING NORTH PHS 1 BLK O LOT 40	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954664	TURNERS CROSSING NORTH PHS 1 BLK P LOT 1	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954665	TURNERS CROSSING NORTH PHS 1 BLK P LOT 2	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954666	TURNERS CROSSING NORTH PHS 1 BLK P LOT 3	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954667	TURNERS CROSSING NORTH PHS 1 BLK P LOT 4	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954668	TURNERS CROSSING NORTH PHS 1 BLK P LOT 5	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954669	TURNERS CROSSING NORTH PHS 1 BLK P LOT 6	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954670	TURNERS CROSSING NORTH PHS 1 BLK P LOT 7	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954671	TURNERS CROSSING NORTH PHS 1 BLK P LOT 8	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954672	TURNERS CROSSING NORTH PHS 1 BLK P LOT 9	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954673	TURNERS CROSSING NORTH PHS 1 BLK P LOT 10	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954674	TURNERS CROSSING NORTH PHS 1 BLK P LOT 11	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954765	TURNERS CROSSING NORTH PHS 1 BLK P LOT 12	MALLORD BROOK BND	1	\$ 24,823.66	\$ 1,932.99
954675	TURNERS CROSSING NORTH PHS 1 BLK P LOT 13	13106 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954676	TURNERS CROSSING NORTH PHS 1 BLK P LOT 14	13108 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954677	TURNERS CROSSING NORTH PHS 1 BLK P LOT 15	13110 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954678	TURNERS CROSSING NORTH PHS 1 BLK P LOT 16	13205 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954679	TURNERS CROSSING NORTH PHS 1 BLK P LOT 17	13203 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954680	TURNERS CROSSING NORTH PHS 1 BLK P LOT 18	13201 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954681	TURNERS CROSSING NORTH PHS 1 BLK P LOT 19	13117 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954682	TURNERS CROSSING NORTH PHS 1 BLK P LOT 20	13113 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954683	TURNERS CROSSING NORTH PHS 1 BLK P LOT 21	13109 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954684	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 1 (LANDSCAPE)	13100 HATSY WAY	Non-Benefited	\$ -	\$ -
954685	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 2	13102 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954686	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 3	13104 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954687	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 4	13106 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954688	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 5	13108 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954689	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 6	13110 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954690	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 7	13112 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954691	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 8	13114 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954692	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 9	13116 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954693	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 10	13200 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954694	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 11	13202 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954695	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 12	13204 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954696	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 13	13206 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954697	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 14	13208 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954698	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 15	13210 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954699	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 16	13212 HATSY WAY	1	\$ 24,823.66	\$ 1,932.99
954716	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 17	13115 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954717	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 18	13113 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954718	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 19	13111 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954719	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 20	13109 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954720	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 21	13107 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954721	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 22	13105 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954722	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 23	13103 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954723	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 24	13101 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954724	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 25	13013 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954725	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 26	13011 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954726	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 27	13009 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954727	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 28	13007 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954728	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 29	13005 BARRISTER LN	1	\$ 24,823.66	\$ 1,932.99
954729	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 30	6701 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954730	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 31	6703 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954731	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 32	6705 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954732	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 33	6707 NIGHT CHINOOK DR	3	\$ 31,029.57	\$ 2,416.24
954733	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 34	13006 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954734	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 35	13008 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954735	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 36	13010 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954736	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 37	13012 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954737	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 38	13100 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954738	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 39	13102 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954739	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 40	13104 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954740	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 41	13106 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954741	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 42	13108 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954742	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 43	13110 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954743	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 44	13112 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954744	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 45	13114 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954745	TURNERS CROSSING NORTH PHS 1 BLK Q LOT 46	13116 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954746	TURNERS CROSSING NORTH PHS 1 BLK R LOT 1	13115 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954747	TURNERS CROSSING NORTH PHS 1 BLK R LOT 2	13113 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954748	TURNERS CROSSING NORTH PHS 1 BLK R LOT 3	13111 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954749	TURNERS CROSSING NORTH PHS 1 BLK R LOT 4	13109 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954750	TURNERS CROSSING NORTH PHS 1 BLK R LOT 5	13107 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954751	TURNERS CROSSING NORTH PHS 1 BLK R LOT 6	13105 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954752	TURNERS CROSSING NORTH PHS 1 BLK R LOT 7	13103 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954753	TURNERS CROSSING NORTH PHS 1 BLK R LOT 8	13101 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954754	TURNERS CROSSING NORTH PHS 1 BLK R LOT 9	13013 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954755	TURNERS CROSSING NORTH PHS 1 BLK R LOT 10	13011 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954756	TURNERS CROSSING NORTH PHS 1 BLK R LOT 11	13009 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954757	TURNERS CROSSING NORTH PHS 1 BLK R LOT 12	13007 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954758	TURNERS CROSSING NORTH PHS 1 BLK R LOT 13	13005 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954759	TURNERS CROSSING NORTH PHS 1 BLK R LOT 14	13003 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954760	TURNERS CROSSING NORTH PHS 1 BLK R LOT 15	13001 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99

Parcel ID	Legal Description	Address	Lot Type	Improvement Area #1	
				Outstanding Assessment	Installment due 1/31/23
954761	TURNERS CROSSING NORTH PHS 1 BLK R LOT 16	12905 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954762	TURNERS CROSSING NORTH PHS 1 BLK R LOT 17	12903 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
954763	TURNERS CROSSING NORTH PHS 1 BLK R LOT 18	12901 BRAVE TENDERFOOT TRL	1	\$ 24,823.66	\$ 1,932.99
<b>Total</b>				<b>\$ 8,710,000.00</b>	<b>\$ 678,238.90</b>

[a] Lot 95

*Note: Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.*

*Totals may not sum due to rounding.*

## EXHIBIT G – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Annual Installment Due January 31,	Principal [a]	Interest [b]	Capitalized Interest	Additional Interest [c]	Annual Collection Costs	Annual Installment
2023	\$ 175,000.00	\$ 389,769.73	\$ -	\$ 38,469.17	\$ 75,000.00	\$ 678,238.90
2024	148,000.00	433,811.26	-	42,675.00	76,500.00	700,986.26
2025	154,000.00	427,521.26	-	41,935.00	78,030.00	701,486.26
2026	160,000.00	420,976.26	-	41,165.00	79,590.60	701,731.86
2027	166,000.00	414,176.26	-	40,365.00	81,182.41	701,723.67
2028	172,000.00	407,121.26	-	39,535.00	82,806.06	701,462.32
2029	179,000.00	398,951.26	-	38,675.00	84,462.18	701,088.44
2030	187,000.00	390,448.76	-	37,780.00	86,151.43	701,380.19
2031	195,000.00	381,566.26	-	36,845.00	87,874.45	701,285.71
2032	204,000.00	372,303.76	-	35,870.00	89,631.94	701,805.70
2033	212,000.00	362,613.76	-	34,850.00	91,424.58	700,888.34
2034	223,000.00	351,748.76	-	33,790.00	93,253.07	701,791.83
2035	233,000.00	340,320.00	-	32,675.00	95,118.13	701,113.13
2036	244,000.00	328,378.76	-	31,510.00	97,020.50	700,909.26
2037	256,000.00	315,873.76	-	30,290.00	98,960.91	701,124.67
2038	269,000.00	302,753.76	-	29,010.00	100,940.13	701,703.89
2039	282,000.00	288,967.50	-	27,665.00	102,958.93	701,591.43
2040	295,000.00	274,515.00	-	26,255.00	105,018.11	700,788.11
2041	310,000.00	259,396.26	-	24,780.00	107,118.47	701,294.73
2042	325,000.00	243,508.76	-	23,230.00	109,260.84	700,999.60
2043	341,000.00	226,852.50	-	21,605.00	111,446.05	700,903.55
2044	359,000.00	208,950.00	-	19,900.00	113,674.98	701,524.98
2045	377,000.00	190,102.50	-	18,105.00	115,948.48	701,155.98
2046	396,000.00	170,310.00	-	16,220.00	118,267.44	700,797.44
2047	417,000.00	149,520.00	-	14,240.00	120,632.79	701,392.79
2048	438,000.00	127,627.50	-	12,155.00	123,045.45	700,827.95
2049	461,000.00	104,632.50	-	9,965.00	125,506.36	701,103.86
2050	485,000.00	80,430.00	-	7,660.00	128,016.49	701,106.49
2051	510,000.00	54,967.50	-	5,235.00	130,576.82	700,779.32
2052	537,000.00	28,192.50	-	2,685.00	133,188.35	701,065.85
<b>Total</b>	<b>\$ 8,710,000.00</b>	<b>\$ 8,446,307.39</b>	<b>\$ -</b>	<b>\$ 815,139.17</b>	<b>\$ 3,042,605.94</b>	<b>\$ 21,014,052.50</b>

[a] Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.

[b] Interest on the Improvement Area #1 Bonds is estimated for illustrative purposes.

[c] Additional Interest is calculated at a 0.50% rate.

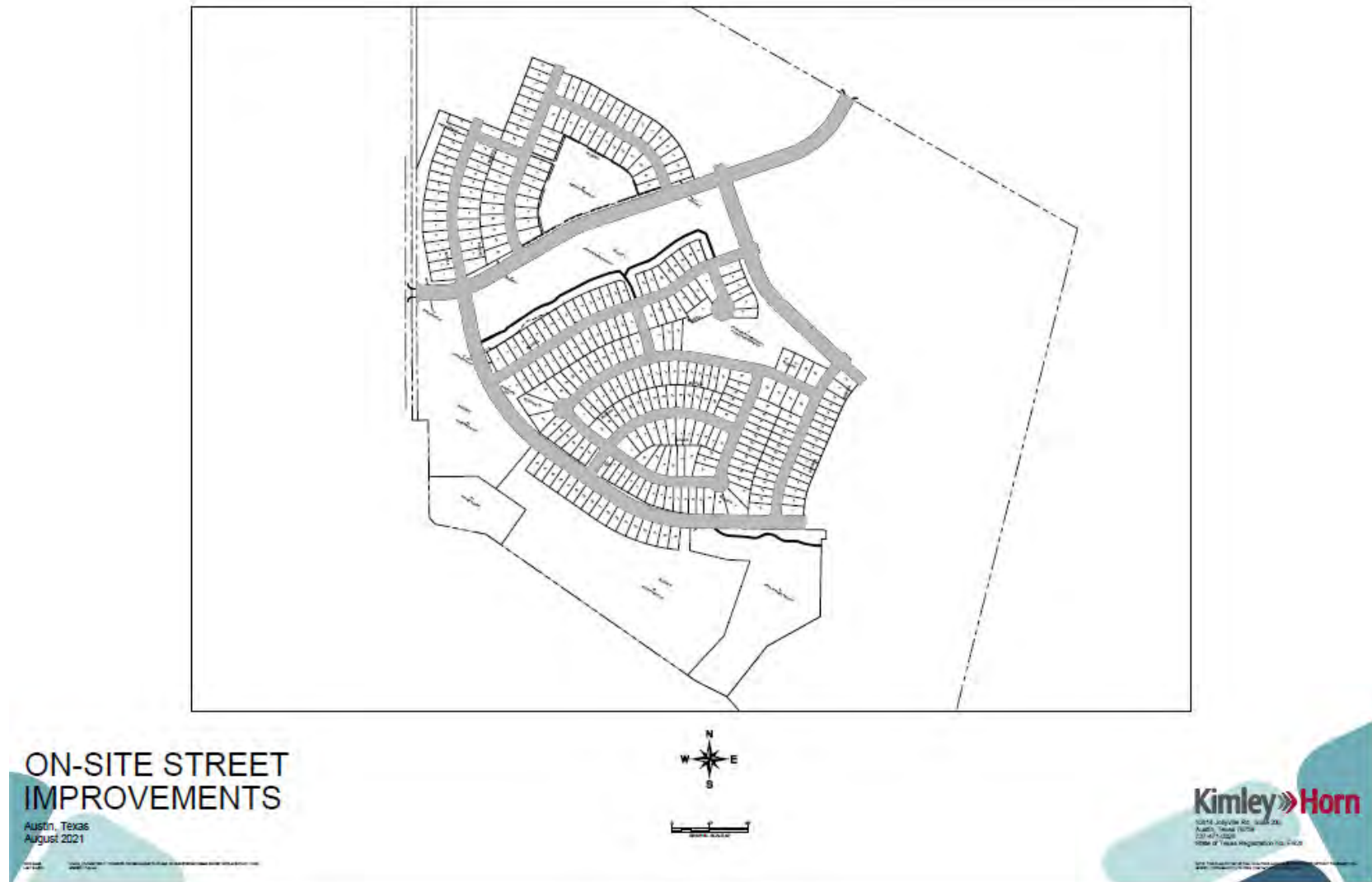
*Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.*

## EXHIBIT H – IMPROVEMENT AREA #1 MAXIMUM ASSESSMENT PER LOT TYPE

Lot Type	Units	Buildout Value per Lot	Total Buildout Value	% Allocation	Total Assessment [a]	Maximum Assessment per Lot
1	120	\$ 340,000	\$ 40,800,000	34.20%	\$ 2,978,839	\$ 24,823.66
2	93	\$ 382,500	\$ 35,572,500	29.82%	\$ 2,597,175	\$ 27,926.61
3	101	\$ 425,000	\$ 42,925,000	35.98%	\$ 3,133,986	\$ 31,029.57
	<b>314</b>		<b>\$ 119,297,500</b>		<b>\$ 8,710,000</b>	

[a] Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.

## EXHIBIT I – MAPS DEPICTING IMPROVEMENT AREA #1 IMPROVEMENTS





## ON-SITE SANITARY SEWER IMPROVEMENTS

Austin, Texas  
August 2021



**Kimley»Horn**

3234 Jollyville Rd., Suite 200  
Austin, Texas 78759  
737.451.1222  
Texas Professional Seal No. 44024



## ON-SITE STORM IMPROVEMENTS

Austin, Texas  
August 2021



**Kimley»Horn**

50614 Jollyville Rd., Suite 200  
Austin, Texas 78758  
737.477.0200  
State of Texas Registration No. 4460



## ON-SITE WATER IMPROVEMENTS

Austin, Texas  
August 2021



**Kimley»Horn**

3030 Jolly Rd., Suite 200  
Austin, Texas 78758  
512-451-1500  
State of Texas Registration No. 41620

## **EXHIBIT J – FORM OF IMPROVEMENT AREA #1 FUNDING AGREEMENT**

[BOND COUNSEL TO PROVIDE]

## EXHIBIT K - FORM OF NOTICE OF PID ASSESSMENT LIEN TERMINATION



P3Works, LLC  
9284 Huntington Square, Suite 100  
North Richland Hills, TX 76182

---

[DATE]

Honorable Rebecca Guerrero  
Travis County Clerk  
PO Box 149325  
Austin, TX 78714

**Re: Travis County Lien Release documents for filing**

Dear Ms. Guerrero,

Enclosed is a lien release that Travis County is requesting to be filed in your office. Lien release for [LEGAL DESCRIPTION], created by Document/Instrument No. [PLAT NO.] of the Official Public Records of Travis County. Please forward copies of the filed documents below:

Travis County Planning & Budget Office  
Attn: Christy Moffett  
700 Lavaca Street, Suite 1560  
Austin, TX 78701

Please contact me if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to be 'J. [unclear]'.

P3Works, LLC  
(817) 393-0353  
[admin@p3-works.com](mailto:admin@p3-works.com)  
[www.p3-works.com](http://www.p3-works.com)

**AFTER RECORDING RETURN TO:**

Travis County Planning & Budget Office  
Attn: Christy Moffett  
700 Lavaca Street, Suite 1560  
Austin, TX 78701

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN**

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS	§	

**THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN** (this "Full Release") is executed and delivered as of the Effective Date by Travis County, Texas.

**RECITALS**

**WHEREAS**, the governing body (hereinafter the "Commissioners Court") of the Travis County, Texas (herein the "County"), is authorized by Chapter 372, Texas Local Government Code, as amended, to create public improvement districts within the County; and

**WHEREAS**, on or about November 13, 2018, the Commissioners Court for the County approved creating the Turner's Crossing Public Improvement District; and

**WHEREAS**, on or about \_\_\_\_\_, the Commissioners Court, approved an order (herein the "Assessment Order") approving a service and assessment plan and assessment roll for the property within the Turner's Crossing Public Improvement District; and

**WHEREAS**, the Assessment Order, imposed an assessment in the amount of [AMOUNT DESCRIPTION (\$ AMOUNT)] (herein the "Lien Amount") for the following property:

[LEGAL DESCRIPTION], a subdivision according to the Plat Records of Travis County, Texas in Document No. [PLAT NO.] of the Official Public Records of Travis County, Texas (herein the "Property"); and

**WHEREAS**, the property owners of the Property have paid unto the County the Lien Amount.

**RELEASE**

**NOW THEREFORE**, the County, the owner and holder of the Lien in the amount of the Lien Amount against the Property releases and discharges, the above-described Property from said lien held by the County securing said indebtedness.

**EXECUTED** to be **EFFECTIVE** this, the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**TRAVIS COUNTY, TEXAS**

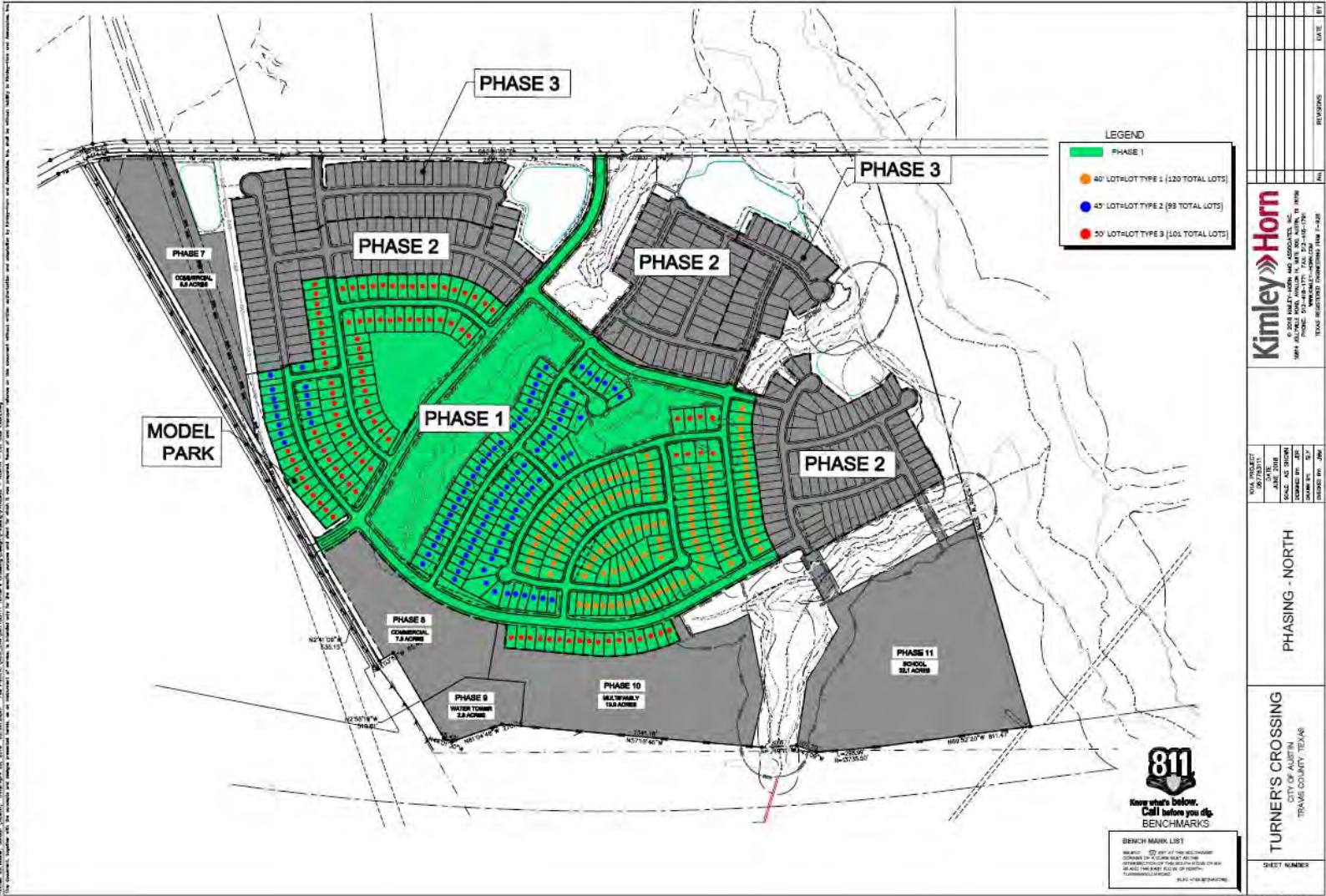
By: \_\_\_\_\_  
Andy Brown  
Travis County Judge

**STATE OF TEXAS**                   §  
   §  
**COUNTY OF TRAVIS**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Andy Brown, County Judge of Travis County, Texas, on behalf of said county.

\_\_\_\_\_  
Notary Public, State of Texas

EXHIBIT L - MAP DEPICTING LOCATION OF LOT TYPES



C8J-2018-0091

EXHIBIT M – PHASE 1 PLAT



8 pgs

202100102

# PLAT

## PLAT RECORDS INDEX SHEET

SUBDIVISION NAME TURNERS CROSSING NORTH PHASE I

OWNERS NAME MERITAGE HOMES OF TEXAS, LLC, TREND  
MAKER HOMES INC AND TAYLOR MORRISON OF TEXAS INC

RESUBDIVISION? YES ☐ NO ☒

## ADDITIONAL RESTRICTIONS / COMMENTS

TAX CERTIFICATE 2021096608  
AGREEMENT 2021096607

## RETURN

STAYS IN FILE



202100102

FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

Dana DeBeauvoir, County Clerk  
Travis County, Texas

Apr 30, 2021 12:28 PM

Fee \$237.00

MEDINAE

202100102  
4/30/2021  
\$237

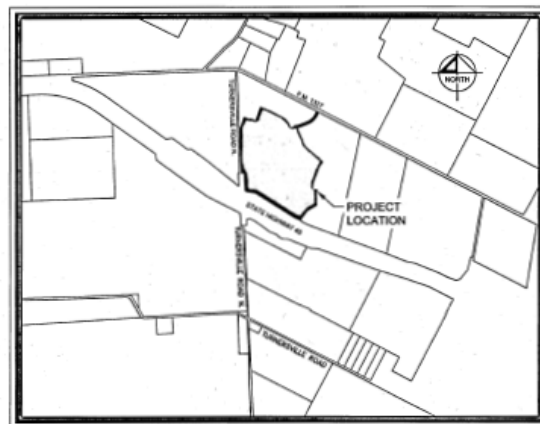
## TRAVIS COUNTY CONSUMER PROTECTION NOTICE FOR HOMEBUYERS

IF YOU ARE BUYING A LOT OR HOME, YOU SHOULD DETERMINE WHETHER IT IS INSIDE OR OUTSIDE THE CITY LIMITS.

DEPENDING ON STATE LAW AND OTHER FACTORS, LAND OUTSIDE THE CITY LIMITS MAY BE SUBJECT TO FEWER LOCAL GOVERNMENT CONTROLS OVER THE DEVELOPMENT AND USE OF LAND THAN INSIDE THE CITY LIMITS.

BECAUSE OF THIS, LOCAL GOVERNMENT MAY NOT BE ABLE TO RESTRICT THE NATURE OR EXTENT OF DEVELOPMENT NEAR THE LOT OR HOME NOR PROHIBIT NEARBY LAND USES THAT ARE INCOMPATIBLE WITH A RESIDENTIAL NEIGHBORHOOD.

THIS CAN AFFECT THE VALUE OF YOUR PROPERTY. TRAVIS COUNTY REQUIRES THIS NOTICE TO BE PLACED ON SUBDIVISION PLATS. IT IS NOT A STATEMENT OR REPRESENTATION OF THE OWNER OF THE PROPERTY, THE SUBDIVIDER, OR THEIR REPRESENTATIVES.



VICINITY MAP  
SCALE: 1" = 2,000'

OWNER/DEVELOPER:  
MERITAGE HOMES OF TEXAS, LLC  
8820 BUSINESS PARK DRIVE STE. 350  
AUSTIN, TEXAS 78759  
TEL: (512) 610-6409

TAYLOR MORRISON OF TEXAS, INC.  
12200 LAKELINE BOULEVARD, STE. 150A  
AUSTIN, TEXAS 78717  
TEL: (512) 549-6838

TRENDMAKER HOMES, INC.  
13640 BRIARWICK DRIVE, STE. 170  
AUSTIN, TEXAS 78729  
TEL: (281) 675-3335

CIVIL ENGINEER:  
KIMLEY-HORN AND ASSOCIATES,  
INC.  
12814 JOLLYVILLE ROAD,  
AVALLON IV, SUITE 200  
AUSTIN, TEXAS 78759  
TSPE FIRM REGISTRATION NO.  
F-408  
P/E: (512) 418-1771 FAX: (512)  
418-1791  
CONTACT: JOSHUA W. MIKSON,  
P.E.

SURVEYOR:  
KIMLEY-HORN AND ASSOCIATES,  
INC.  
LAND SURVEYOR NO. 6754  
601 NW LOOP 410, SUITE 300  
SAN ANTONIO, TEXAS 78216  
PH: (210) 541-9186  
CONTACT: ABEL P. STENDAH,  
R.P.L.S.

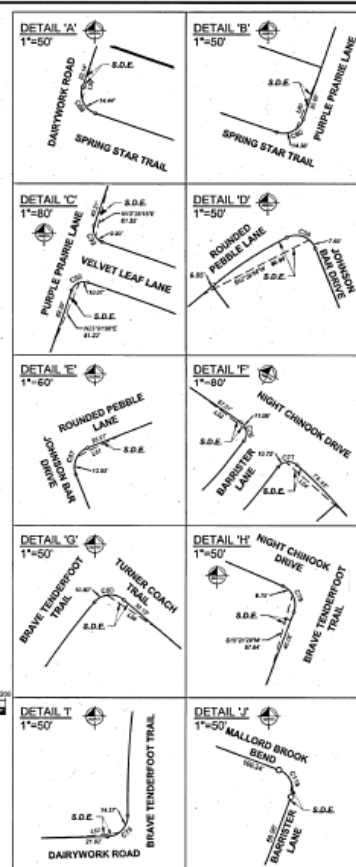
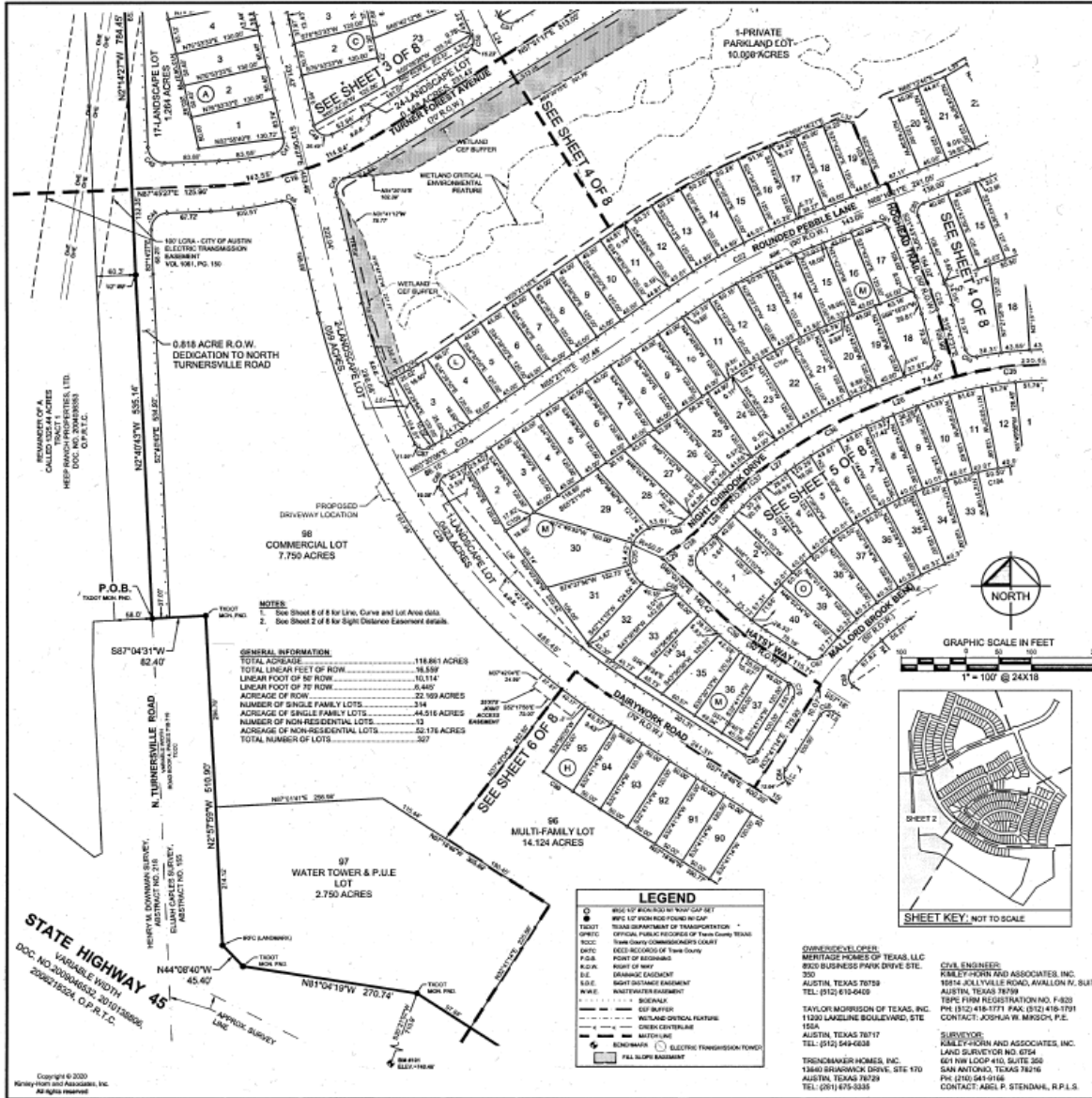
## FINAL PLAT TURNER'S CROSSING NORTH - PHASE 1

118.861 ACRES

OUT OF A CALLED 245.832 ACRE TRACT 1  
CONVEYED TO MERITAGE HOMES OF TEXAS, LLC,  
TAYLOR MORRISON OF TEXAS, INC., AND  
TRENDMAKER HOMES, INC.  
IN DOC. NO. 2019099240, OPRTC  
ELIJAH CAPLES SURVEY NO. 7, ABSTRACT NO. 155  
TRAVIS COUNTY, TEXAS

**Kimley»Horn**

601 NW Loop 410, Suite 300 San Antonio, Texas 78216	Firm # 10100073	Tel. No. (210) 541-9186 www.kimley-horn.com
Scale 1" = 2000'	Drawn by AFS	Checked by JGM
Date 11/12/19	Project No. 067783111	Sheet No. 1 OF 8



**FINAL PLAT  
TURNER'S CROSSING  
NORTH - PHASE 1  
118.861 ACRES**  
OUT OF A CALLED 245.832 ACRE TRACT 1  
CONVEYED TO MERITAGE HOMES OF TEXAS, LLC,  
TAYLOR MORRISON OF TEXAS, INC., AND  
TRENDAKER HOMES, INC. IN  
DOC. NO. 2018099240, OPRT  
ELIJAH CAPLES SURVEY NO. 7, ABSTRACT NO. 155  
TRAVIS COUNTY, TEXAS

## Kimley»Horn

601 NW Loop 410, Suite 350 San Antonio, Texas 78216		FIRM # 12193273	Tel. No. (210) 541-8980 www.kimley-horn.com	
<u>Scale</u> 1" = 100'	<u>Drawn by</u> APS	<u>Checked by</u> JGM	<u>Date</u> 11/12/12	<u>Project No.</u> 067763111
				<u>Sheet No.</u> 2 of 8

C8J-2018-0091.1A







[illegible]





## **EXHIBIT N - 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 372.0035), 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 RECORDING<sup>1</sup> RETURN TO:  
Travis County Planning & Budget Office  
Attn: Christy Moffett  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
TRAVIS COUNTY, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

---

PROPERTY ADDRESS

**LOT TYPE 1 PRINCIPAL ASSESSMENT: \$24,823.66**

As the purchaser of the real property described above, you are obligated to pay assessments to Travis County, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Turner's Crossing 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 Travis County. The exact amount of each annual installment will be approved each year by the Travis County Commissioners Court in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from Travis County.

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

---

<sup>1</sup> To be included in separate copy of the notice 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 Travis 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]<sup>2</sup>

---

<sup>2</sup> 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]<sup>3</sup>

\_\_\_\_\_  
<sup>3</sup> 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 Travis 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]<sup>4</sup>

\_\_\_\_\_  
<sup>4</sup> 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 Travis County.

## ANNUAL INSTALLMENTS - LOT TYPE 1

Annual Installment Due January 31,	Principal [a]	Interest [b]	Capitalized Interest	Additional Interest [c]	Annual Collection Costs	Annual Installment
2023	498.75	1,110.85	-	109.64	213.75	1,932.99
2024	421.80	1,236.37	-	121.62	218.03	1,997.82
2025	438.90	1,218.44	-	119.52	222.39	1,999.25
2026	456.00	1,199.79	-	117.32	226.83	1,999.95
2027	473.10	1,180.41	-	115.04	231.37	1,999.92
2028	490.20	1,160.30	-	112.68	236.00	1,999.18
2029	510.15	1,137.02	-	110.22	240.72	1,998.11
2030	532.95	1,112.79	-	107.67	245.53	1,998.95
2031	555.75	1,087.47	-	105.01	250.44	1,998.68
2032	581.40	1,061.07	-	102.23	255.45	2,000.16
2033	604.20	1,033.46	-	99.32	260.56	1,997.54
2034	635.55	1,002.49	-	96.30	265.77	2,000.12
2035	664.05	969.92	-	93.12	271.09	1,998.18
2036	695.40	935.89	-	89.80	276.51	1,997.60
2037	729.60	900.25	-	86.33	282.04	1,998.22
2038	766.65	862.85	-	82.68	287.68	1,999.87
2039	803.71	823.56	-	78.85	293.43	1,999.55
2040	840.76	782.37	-	74.83	299.30	1,997.26
2041	883.51	739.28	-	70.62	305.29	1,998.70
2042	926.26	694.00	-	66.21	311.40	1,997.86
2043	971.86	646.53	-	61.57	317.62	1,997.59
2044	1,023.16	595.51	-	56.72	323.98	1,999.36
2045	1,074.46	541.80	-	51.60	330.46	1,998.31
2046	1,128.61	485.39	-	46.23	337.06	1,997.29
2047	1,188.46	426.13	-	40.58	343.81	1,998.98
2048	1,248.31	363.74	-	34.64	350.68	1,997.37
2049	1,313.86	298.20	-	28.40	357.70	1,998.16
2050	1,382.26	229.23	-	21.83	364.85	1,998.17
2051	1,453.51	156.66	-	14.92	372.15	1,997.23
2052	1,530.46	80.35	-	7.65	379.59	1,998.05
<b>Total</b>	<b>\$ 24,823.66</b>	<b>\$ 24,072.13</b>	<b>\$ -</b>	<b>\$ 2,323.16</b>	<b>\$ 8,671.48</b>	<b>\$ 59,890.42</b>

[a] Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments and approximately \$29,041.68 in Outstanding Assessments for each Lot Type 1. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.

[b] Interest on the Improvement Area #1 Bonds is estimated for illustrative purposes.

[c] Additional Interest is calculated at a 0.50% 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.*

## **EXHIBIT O - 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 372.0035), 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 RECORDING<sup>1</sup> RETURN TO:  
Travis County Planning & Budget Office  
Attn: Christy Moffett  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
TRAVIS COUNTY, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

---

PROPERTY ADDRESS

**LOT TYPE 2 PRINCIPAL ASSESSMENT: \$27,926.61**

As the purchaser of the real property described above, you are obligated to pay assessments to Travis County, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Turner's Crossing 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 Travis County. The exact amount of each annual installment will be approved each year by the Travis County Commissioners Court in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from Travis County.

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

---

<sup>1</sup> To be included in separate copy of the notice 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 Travis 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]<sup>2</sup>

<sup>2</sup> 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]<sup>3</sup>

\_\_\_\_\_  
<sup>3</sup> 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 Travis 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]<sup>4</sup>

\_\_\_\_\_  
<sup>4</sup> 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 Travis County.

## ANNUAL INSTALLMENTS - LOT TYPE 2

Annual Installment Due January 31,	Principal [a]	Interest [b]	Capitalized Interest	Additional Interest [c]	Annual Collection Costs	Annual Installment
2023	561.10	1,249.71	-	123.34	240.47	2,174.62
2024	474.53	1,390.92	-	136.83	245.28	2,247.55
2025	493.77	1,370.75	-	134.45	250.19	2,249.15
2026	513.00	1,349.76	-	131.99	255.19	2,249.94
2027	532.24	1,327.96	-	129.42	260.29	2,249.92
2028	551.48	1,305.34	-	126.76	265.50	2,249.08
2029	573.92	1,279.15	-	124.00	270.81	2,247.88
2030	599.57	1,251.88	-	121.13	276.22	2,248.81
2031	625.22	1,223.40	-	118.14	281.75	2,248.51
2032	654.08	1,193.71	-	115.01	287.38	2,250.18
2033	679.73	1,162.64	-	111.74	293.13	2,247.24
2034	715.00	1,127.80	-	108.34	298.99	2,250.13
2035	747.06	1,091.16	-	104.76	304.97	2,247.96
2036	782.33	1,052.87	-	101.03	311.07	2,247.30
2037	820.81	1,012.78	-	97.12	317.30	2,248.00
2038	862.49	970.71	-	93.01	323.64	2,249.85
2039	904.17	926.51	-	88.70	330.11	2,249.49
2040	945.85	880.17	-	84.18	336.72	2,246.92
2041	993.94	831.69	-	79.45	343.45	2,248.54
2042	1,042.04	780.75	-	74.48	350.32	2,247.59
2043	1,093.34	727.35	-	69.27	357.33	2,247.29
2044	1,151.05	669.95	-	63.80	364.47	2,249.28
2045	1,208.76	609.52	-	58.05	371.76	2,248.10
2046	1,269.68	546.06	-	52.01	379.20	2,246.95
2047	1,337.01	479.40	-	45.66	386.78	2,248.85
2048	1,404.35	409.21	-	38.97	394.52	2,247.04
2049	1,478.09	335.48	-	31.95	402.41	2,247.93
2050	1,555.04	257.88	-	24.56	410.46	2,247.94
2051	1,635.20	176.24	-	16.78	418.66	2,246.89
2052	1,721.77	90.39	-	8.61	427.04	2,247.81
<b>Total</b>	<b>\$ 27,926.61</b>	<b>\$ 27,081.14</b>	<b>\$ -</b>	<b>\$ 2,613.56</b>	<b>\$ 9,755.42</b>	<b>\$ 67,376.73</b>

[a] Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments and approximately \$32,671.89 in Outstanding Assessments for each Lot Type 2. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.

[b] Interest on the Improvement Area #1 Bonds is estimated for illustrative purposes.

[c] Additional Interest is calculated at a 0.50% 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.*

## **EXHIBIT P - 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 372.0035), 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 RECORDING<sup>1</sup> RETURN TO:  
Travis County Planning & Budget Office  
Attn: Christy Moffett  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
TRAVIS COUNTY, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

---

PROPERTY ADDRESS

**LOT TYPE 3 PRINCIPAL ASSESSMENT: \$31,029.57**

As the purchaser of the real property described above, you are obligated to pay assessments to Travis County, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Turner's Crossing 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 Travis County. The exact amount of each annual installment will be approved each year by the Travis County Commissioners Court in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from Travis County.

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

---

<sup>1</sup> To be included in separate copy of the notice 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 Travis 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]<sup>2</sup>

---

<sup>2</sup> 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]<sup>3</sup>

\_\_\_\_\_  
<sup>3</sup> 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 Travis 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]<sup>4</sup>

\_\_\_\_\_  
<sup>4</sup> 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 Travis County.

## ANNUAL INSTALLMENTS - LOT TYPE 3

Annual Installment Due January 31,	Principal [a]	Interest [b]	Capitalized Interest	Additional Interest [c]	Annual Collection Costs	Annual Installment
2023	623.44	1,388.56	-	137.05	267.19	2,416.24
2024	527.25	1,545.46	-	152.03	272.53	2,497.28
2025	548.63	1,523.05	-	149.39	277.98	2,499.06
2026	570.00	1,499.74	-	146.65	283.54	2,499.94
2027	591.38	1,475.51	-	143.80	289.21	2,499.91
2028	612.75	1,450.38	-	140.84	295.00	2,498.98
2029	637.69	1,421.27	-	137.78	300.90	2,497.64
2030	666.19	1,390.98	-	134.59	306.92	2,498.68
2031	694.69	1,359.34	-	131.26	313.05	2,498.35
2032	726.75	1,326.34	-	127.79	319.32	2,500.20
2033	755.25	1,291.82	-	124.15	325.70	2,496.93
2034	794.44	1,253.11	-	120.38	332.22	2,500.15
2035	830.07	1,212.40	-	116.41	338.86	2,497.73
2036	869.26	1,169.86	-	112.26	345.64	2,497.00
2037	912.01	1,125.31	-	107.91	352.55	2,497.77
2038	958.32	1,078.57	-	103.35	359.60	2,499.84
2039	1,004.63	1,029.45	-	98.56	366.79	2,499.44
2040	1,050.94	977.97	-	93.53	374.13	2,496.57
2041	1,104.38	924.10	-	88.28	381.61	2,498.38
2042	1,157.82	867.51	-	82.76	389.24	2,497.33
2043	1,214.82	808.17	-	76.97	397.03	2,496.98
2044	1,278.95	744.39	-	70.89	404.97	2,499.20
2045	1,343.07	677.24	-	64.50	413.07	2,497.88
2046	1,410.76	606.73	-	57.78	421.33	2,496.61
2047	1,485.57	532.67	-	50.73	429.76	2,498.73
2048	1,560.38	454.68	-	43.30	438.35	2,496.72
2049	1,642.32	372.76	-	35.50	447.12	2,497.70
2050	1,727.82	286.53	-	27.29	456.06	2,497.71
2051	1,816.89	195.82	-	18.65	465.18	2,496.54
2052	1,913.07	100.44	-	9.57	474.49	2,497.56
<b>Total</b>	<b>\$ 31,029.57</b>	<b>\$ 30,090.16</b>	<b>\$ -</b>	<b>\$ 2,903.95</b>	<b>\$ 10,839.35</b>	<b>\$ 74,863.03</b>

[a] Currently, there are approximately \$10,153,698 in outstanding Initial Improvement Area #1 Assessments and approximately \$36,302.10 in Outstanding Assessments for each Lot Type 3. At the pricing of the Improvement Area #1 Bonds, the outstanding Initial Improvement Area #1 Assessments for each Parcel of Improvement Area #1 Assessment Property (other than Lot 95) will be reduced to an amount that, when added to the Lot 95 Assessment, expected to be levied in the amount of \$31,029.57, will be equal to the actual principal amount of the Improvement Area #1 Bonds, which is currently estimated to be \$8,710,000. Following the issuance of the Improvement Area #1 Bonds, any corresponding balance due to the Managing Developer under the Improvement Area #1 Reimbursement Agreement will be discharged and shall no longer be due and owing. These figures are preliminary and subject to change.

[b] Interest on the Improvement Area #1 Bonds is estimated for illustrative purposes.

[c] Additional Interest is calculated at a 0.50% 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.

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**APPENDIX C**

**FORM OF OPINION OF BOND COUNSEL**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

\_\_\_\_\_, 2022

Travis County Development Authority  
Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing Public Improvement District Improvement Area #1 Project)

Ladies and Gentlemen:

We have acted as bond counsel to the Travis County Development Authority (the "Issuer") in connection with the issuance of \$[PRINCIPAL] aggregate principal amount of bonds designated as "Travis County Development Authority Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)" (the "Bonds"). The Bonds are authorized by a resolution adopted by the Board of Directors of the Issuer (the "Board") on [\_\_\_\_], 2022 (the "Bond Resolution") and are issued and secured under an Indenture of Trust dated as of September 1, 2022 (the "Indenture") between the Issuer and Wilmington Trust, National Association (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Bond Resolution, the Indenture, the Amended and Restated Turner's Crossing Public Improvement District Improvement Area #1 Funding Agreement dated August 16, 2022 (the "Funding Agreement") between the Issuer and Travis County, Texas (the "County"), the tax certificate and agreement between the Issuer and the County dated the date hereof (the "Tax Certificate"), certificates of the Issuer and the County, opinions of counsel to the Issuer, the County and the Trustee, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Bond Resolution, the Indenture, the Funding Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Bond Resolution, the Indenture, the Funding Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases, and to the limitations on legal remedies

against entities such as the Issuer in the State of Texas (the “State”). We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Limited Offering Memorandum or other offering material relating to the Bonds and express no opinion or conclusion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute valid and binding special, limited obligations of the Issuer.
2. The Indenture has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Issuer enforceable against the Issuer in accordance with its terms. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Trust Estate, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.
3. The Funding Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Issuer enforceable against the Issuer in accordance with its terms. We rely on the opinion, dated this date, of the Assistant County Attorney to the effect that the Funding Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the County. The obligation of the County to make payments under the Funding Agreement is solely payable from special assessments levied against assessable property within Improvement Area #1 of the District.
4. The Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State, the County or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Issuer has no taxing authority.
5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

**APPENDIX D-1**

**FORM OF TCDA DISCLOSURE AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**TRAVIS COUNTY DEVELOPMENT AUTHORITY  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT  
AREA #1 PROJECT)**

**CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER**

This Continuing Disclosure Agreement of the Issuer dated as of September 1, 2022 (this "Disclosure Agreement") is executed and delivered by and between the Travis County Development Authority (the "Issuer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association (the "Dissemination Agent"), with respect to the Issuer's "Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing 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 September 1, 2022, between the Issuer and the Trustee 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:

"Administrator" shall mean the County or Issuer or the person or independent firm designated by the County or 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 County or the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the initial Administrator.

"Annual Collection Costs" shall have the meaning assigned to such term in the Indenture.

"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.

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

"Audited Financial Statements" shall mean the audited financial statements of the Issuer, or of the County, if the Issuer's financial information is reported together therewith, that have been prepared in accordance with generally accepted accounting principles applicable

to the Issuer from time to time 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.

“Contract Assessment Revenues” shall have the meaning assigned to such term in the Indenture.

“County” shall mean Travis County, Texas.

“Developer Disclosure Agreements” shall mean, collectively, (i) the Continuing Disclosure Agreement with respect to the Bonds dated as of September 1, 2022, by and among Meritage Homes of Texas, LLC, P3Works, LLC, and Wilmington Trust, National Association, as Dissemination Agent; (ii) the Continuing Disclosure Agreement with respect to the Bonds dated as of September 1, 2022, by and among Taylor Morrison of Texas, Inc., P3Works, LLC, and Wilmington Trust, National Association, as Dissemination Agent, and (iii) the Continuing Disclosure Agreement with respect to the Bonds dated as of September 1, 2022, by and among Tri Pointe Homes of Texas, Inc., P3Works, LLC, and Wilmington Trust, National Association, as Dissemination Agent.

“Developers” shall mean, collectively, Meritage Homes of Texas, LLC, Taylor Morrison of Texas, Inc. and Tri Pointe Homes of Texas, Inc. Each of the Developers may sometimes be referred to herein individually as a “Developer.”

“Disclosure Representative” shall mean the Managing Director 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 Wilmington Trust, National Association, 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 Turner’s Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

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

“Funding Agreement” shall mean the “Amended and Restated Turner’s Crossing Public Improvement District Improvement Area #1 Funding Agreement” dated as of August 16, 2022, by and between the County and the Issuer.

“Improvement Area #1” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Listed Events” shall mean any of the events listed in Section 5(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 reports pursuant to the Rule.

“Outstanding” shall have the meaning given to it in the Indenture.

“Owner(s)” shall mean the registered owner(s) of any Bonds, as shown on the register maintained by the Trustee.

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

“Prepayment” shall mean the payment of all or a portion of an Assessment before the due date of the final installment payment thereof.

“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, or any successor trustee pursuant to the Indenture.

### Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) The Issuer shall cause and hereby directs the Administrator to compile and prepare the Annual Financial Information. The Administrator shall provide such Annual Financial Information to the Issuer and the Dissemination Agent no later than ten Business Days before the expiration of six months after the end of each Fiscal Year, commencing with the Fiscal Year ended September 30, 2022.

(b) For each Fiscal Year, commencing with the Fiscal Year ending September 30, 2022, the Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB (i) not later than six months after the end of the Issuer’s Fiscal Year, its Annual Financial Information and (ii) not later than 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.

(c) 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 (b) of this Section 3; 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.

(d) 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 report 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 Audited Financial Statements for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file, the following:

(a) Within six months after the end of each Fiscal Year the following Annual Financial Information (any or all of which may be unaudited):

- (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 and principal amount remaining Outstanding;
  - (B) The amounts in the funds and accounts securing the Bonds; and
- (ii) The principal and interest paid on the Bonds during the most recent Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

- (iii) The aggregate amount of Contract Assessment Revenues received pursuant to the Funding Agreement.
- (iv) Updates to the information in the Service and Assessment Plan, as most recently amended or supplemented (a “SAP Update”), including any changes to the methodology for levying the Assessments in Improvement Area #1 of the District.
- (v) The aggregate taxable assessed valuation for parcels or lots within Improvement Area #1 of the District based on the most recent certified tax roll available to the Issuer.
- (vi) Listing of any property owners in Improvement Area #1 of the District representing more than 20% of the levy of Assessments, as determined by the most recent certified tax roll available to the Issuer, the amount of the levy of Assessments against such property owners, and the percentage of such Assessments relative to the entire levy of Assessments within Improvement Area #1 of the District, as shown on the Assessment Rolls attached to the SAP Update for such Fiscal Year.
- (vii) Collection and delinquency history of the Assessments within Improvement Area #1 of the District for the past five Fiscal Years, in the following format:

**Collection and Delinquent History of Assessments in Improvement Area #1 of the District**

Collected in Fiscal Year <u>Ending 9/30</u>	Assessment <u>Billed</u>	Parcels <u>Levied</u>	Delinquent Amount <u>as of 2/15</u>	Delinquent Percentage <u>as of 2/15</u>	Delinquent Amount <u>as of 9/1</u>	Delinquent Percentage <u>as of 9/1</u>	Total Assessments Collected <sup>(1)</sup>
20_	\$			—	—		\$

<sup>(1)</sup> Collected as of \_\_\_\_\_, 20\_. Includes \$ \_\_\_\_\_ attributable to Prepayments.

- (viii) Total amount of Prepayments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).
- (ix) The amount of delinquent Assessments by Fiscal Year:
  - (A) which are subject to institution of foreclosure proceedings (but as to which such proceedings have not been instituted);
  - (B) which are currently subject to foreclosure proceedings which have not been concluded;
  - (C) which have been reduced to judgment but not collected;

- (D) which have been reduced to judgment and collected; and
- (E) the result of any foreclosure sales of assessed property within Improvement Area #1 of the District if the assessed property represents more than 5% of the total amount of Assessments.

(x) 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) Within 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 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.

(c) See Exhibit B hereto for a form for submitting the information set forth in Section 4(a). 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.

(d) 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 agreements 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.

The Issuer does not intend for any sale by the Developers of real property within Improvement Area #1 of the District to be considered a Listed Event for the purposes of paragraph (10) above.

For these purposes, “financial obligation” means (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “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. The Issuer intends the words used in paragraphs (15) and (16) and the definition of “financial obligation” to have the meanings ascribed to them in SEC Release No. 34-83885 (August 20, 2018).

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.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice within ten Business Days of the occurrence of such Listed Event upon the receipt of such notice from the Issuer; provided that the Dissemination Agent shall not be liable for the filing of notice of any Listed Event more than ten Business Days after the occurrence of such Listed Event if notice of such Listed Event is received from the Issuer more than ten Business Days after the occurrence of such Listed Event.

Additionally, the Dissemination Agent shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide Audited Financial Statements or unaudited financial statements, as applicable, or Annual Financial Information as required under this Disclosure Agreement. The form for submitting such notice is attached hereto as Exhibit A.

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 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. 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 Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within three Business Days of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative 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 in writing 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 immediately file a notice of such occurrence with the MSRB. The Issuer acknowledges 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 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 subsection (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five Business Days after the 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 and the Administrator 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 and the Administrator may assume that the Issuer is an obligated person with respect to the Bonds until they receive 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 and the Administrator 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 Dissemination Agent agrees to perform the duties set forth in this Disclosure Agreement. 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 with or without appointing a successor Dissemination Agent. 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 is set forth in Section 2. The Issuer agrees to provide written notice to each Developer or any Person that has executed a Subsequent Third Party Owner Acknowledgement (as defined in each Developer Disclosure Agreement) of any change in the identity of the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer, the Administrator 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 or the Administrator in writing), 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, Dissemination Agent or Administrator to comply with any provision of this Disclosure Agreement, any Owner or beneficial owner of the Bonds may, and the Trustee (at the written request of any Participating Underwriter or the Owners of at least 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, Dissemination Agent and/or Administrator, as the case may be, 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, Dissemination Agent or Administrator to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under any of the Developer Disclosure Agreements and a default under any of the Developer Disclosure Agreements shall not be deemed a default under this Disclosure Agreement.

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

The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. 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 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 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 Developers or any other third parties, or the failure of any Developer or other third party to provide information to the Dissemination Agent as and when required under this Disclosure Agreement or any Developer Disclosure Agreement. 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 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.

The Administrator shall not have any responsibility for (1) the accuracy of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, or (2) the untimeliness of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, except where such untimeliness is attributable to the actions or inactions of the Administrator. The Administrator shall have only such duties as are specifically set forth in Sections 3 and 4 of 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 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 resulting from information provided to the Administrator by the Issuer, 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 the Developers or any other third parties, or the failure of any Developer or other third party to provide information to the Administrator as and when required under this Disclosure Agreement or any Developer Disclosure Agreement. 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 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.

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 ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT, 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. NEITHER THE DISSEMINATION AGENT NOR THE ADMINISTRATOR ARE UNDER ANY OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

Section 12. Assessment 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 the Funding Agreement, which is solely intended to illustrate the general procedures expected to generally 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 the 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 the 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 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 Compensation; Administrator Compensation. The fees and expenses incurred by the Dissemination Agent for its 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, 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 its fees and expenses for the Dissemination Agent's services rendered in accordance with this Disclosure Agreement.

The fees and expenses incurred by the Administrator for its 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 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 its fees and expenses for the Administrator's 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.

Section 20. Developer Disclosure Agreements. Concurrently with the execution and delivery of this Disclosure Agreement, the Dissemination Agent and Administrator have entered into the Developer Disclosure Agreements. The Issuer has no obligation to assume any of the duties of the Developers under the terms of any Developer Disclosure Agreement.

[Remainder of page intentionally left blank]

**ISSUER:**  
**Travis County Development Authority**

By: \_\_\_\_\_  
Authorized Officer

**DISSEMINATION AGENT:**  
**Wilmington Trust, National Association**

By: \_\_\_\_\_  
Authorized Officer

**ADMINISTRATOR:**  
**P3Works, LLC**

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

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

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing Public Improvement District Improvement  
Area #1 Project)  
Date of Delivery: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the Travis County Development Authority, has not provided [Annual Financial Information][Audited Financial Statements][unaudited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement dated as of September 1, 2022, between the Issuer, P3Works, LLC, as Administrator, and Wilmington Trust, National Association, as Dissemination Agent. The Issuer anticipates that [the Annual Financial Information][Audited Financial Statements][unaudited financial statements] will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_, as  
Dissemination Agent on behalf of the Travis  
County Development Authority

By: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Travis County Development Authority

## EXHIBIT B

### TRAVIS COUNTY DEVELOPMENT AUTHORITY CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022 (TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

---

#### ANNUAL FINANCIAL INFORMATION\*

---

Delivery Date: \_\_\_\_\_, 20\_\_

CUSIP NOs: [insert CUSIP NOs.]

#### **ITEMS REQUIRED BY SECTIONS 4(a)(i)(A) –(B)\***

#### **BONDS OUTSTANDING**

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

#### **INVESTMENTS**

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

---

\*Excluding Audited Financial Statements of the Issuer

#### **BALANCE OF FUNDS AND ACCOUNTS SECURING THE BONDS**

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
<b>TOTAL ASSETS</b>	_____

**Form of Accounting**   ☐ Cash   ☐ Accrual   ☐ Modified Accrual

**ITEMS REQUIRED BY SECTIONS 4(a)(ii)-(vi)**

[Insert a line item for each applicable listing]

**SECTION 4(a)(vii)**

**COLLECTION AND DELINQUENCY HISTORY OF THE ASSESSMENTS WITHIN IMPROVEMENT AREA #1 OF THE DISTRICT FOR THE PAST FIVE FISCAL YEARS, IN THE FOLLOWING FORMAT:**

**Collection and Delinquent History of Assessments in Improvement Area #1 of the District**

Collected in Fiscal Year <u>Ending 9/30</u>	Assessment <u>Billed</u>	Parcels <u>Levied</u>	Delinquent Amount <u>as of 2/15</u>	Delinquent Percentage <u>as of 2/15</u>	Delinquent Amount <u>as of 9/1</u>	Delinquent Percentage <u>as of 9/1</u>	Total Assessments Collected <sup>(1)</sup>
20_	\$			—	—		\$

<sup>(1)</sup> Collected as of \_\_\_\_\_, 20\_. Includes \$ \_\_\_\_\_ attributable to Prepayments.

**ITEMS REQUIRED BY SECTIONS 4(a)(viii)-(x)**

[Insert a line item for each applicable listing]

**APPENDIX D-2**

**FORM OF MANAGING DEVELOPER DISCLOSURE AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT  
AREA #1 PROJECT)**

**CONTINUING DISCLOSURE AGREEMENT OF MANAGING DEVELOPER**

This Continuing Disclosure Agreement dated as of September 1, 2022 (this "Disclosure Agreement") is executed and delivered by and among Meritage Homes of Texas, LLC (the "Managing Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association, acting solely in its capacity as dissemination agent (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)" (the "Bonds"). The Managing 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 Managing 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 September 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:

"Administrator" shall mean the County or Issuer or the person or independent firm designated by the County or 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 County or the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the initial Administrator.

"Affiliates" shall mean an entity that owns property within Improvement Area #1 and is controlled by, controls, or is under common control of the Managing Developer.

"Annual Collection Costs" shall have the meaning assigned to such term in the Service and Assessment Plan.

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

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

"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.

“Certification Letter” shall mean a certification letter provided by a Reporting Party, pursuant to Section 3, in substantially the form attached as **Exhibit D**.

“Managing Developer” shall mean Meritage Homes of Texas, LLC, an Arizona limited liability company. The term Managing Developer as used herein shall not include the Other Developers.

“Disclosure Agreement of any Other Developer” shall mean a Disclosure Agreement of any Other Developer dated as of September 1, 2022 executed and delivered by and among such Other Developer, the Administrator and the Dissemination Agent

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

“Dissemination Agent” shall mean Wilmington Trust, National Association, 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 Turner’s Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

“Financial Advisor” shall mean PFM Financial Advisors LLC, and its successors.

“Improvement Area #1” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Improvement Area #1 Improvements” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Issuer” shall mean the Travis County Development Authority.

“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.

“Other Developers” shall mean Taylor Morrison of Texas, Inc. and Tri Pointe Homes Texas, Inc. Each of the Other Developers may sometimes be referred to herein individually as an “Other Developer.”

“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.

“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.

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

“Reporting Party” shall mean the Managing Developer and/or any Subsequent Third Party Owners who have acknowledged and assumed reporting obligations in accordance with Section 5 of this Disclosure 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.

“Subsequent Third Party Owner” shall have the meaning assigned to such term in Section 5.

“Trustee” shall mean Wilmington Trust, National Association or any successor trustee pursuant to the Indenture.

### Section 3. Quarterly Reports.

(a) The Managing Developer, and any Subsequent Third Party Owner, with respect to its acquired real property, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten days after each Quarterly Ending Date, beginning with December

31, 2022, the information required for the preparation of the Quarterly Report (with respect to each Reporting Party, the “Quarterly Information”). The Reporting Party shall provide, or cause to be provided to the Administrator, such Quarterly Information until such party’s obligations terminate pursuant to Section 6 of this Disclosure Agreement. For the avoidance of doubt, if the Managing Developer elects, the Managing Developer may, but shall not be obligated to provide any Quarterly Information on behalf of any Subsequent Third Party Owner. The Managing Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 5 of this Disclosure Agreement, at which time Managing Developer shall have no further obligation or liability for Quarterly Report 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 each Reporting Party pursuant to subsection (a) above and (ii) provide to the applicable Reporting Party each Quarterly Report for review no later than 20 days after each Quarterly Ending Date. Each Reporting Party shall review the Quarterly Report and, upon such review, shall promptly, but no later than 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 Dissemination Agent pursuant to subsection (c) below. In all cases, each Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of the Quarterly Information provided by such party contained in the Quarterly Report.

(c) The Administrator shall provide to the Dissemination Agent, no later than 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 each Reporting Party. 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, the Financial Advisor, and the Participating Underwriter within ten 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 any Reporting Party 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, and is hereby directed to, 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 any Reporting Party to the Administrator, the Dissemination Agent shall not be responsible for any failure to submit a complete Quarterly Report to the MSRB in connection with such failure. If each Reporting Party 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 parties required under this Section 3(c) in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

(d) The 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 Table 3(d)(i) in **Exhibit A** attached hereto, for each parcel designated as single-family residential and owned by the Managing Developer in Improvement Area #1, broken down by lot type, on a quarter over quarter basis:

- A. The number of vacant developed lots owned by the Managing Developer;
- B. The number of homes under construction;
- C. The number of completed homes not under contract with end-users;
- D. The number of homes under contract with end-users;
- E. The number of homes closed with end-users; and
- F. The average sales price of homes closed with end-users.

(ii) In a form similar to Table 3(d)(ii) in **Exhibit A** attached hereto, materially adverse changes or determinations to permits/approvals on the land owned by the Managing Developer for the development of Improvement Area #1 that necessitate changes to the land use plans of the Managing Developer; and

(iii) In a form similar to Table 3(d)(iii) in **Exhibit A** attached hereto, the occurrence of any new or modified mortgage debt on the land owned by the Managing Developer, including the amount, interest rate and terms of repayment.

#### Section 4. **Event Reporting Obligations.**

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #1 on a parcel owned by the Managing Developer; provided, however, that the exercise of any right of the Managing 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 Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement; provided that the Managing Developer has complied with all legal requirements relating to the protest of such value, including the posting of a bond, if required;

(ii) Material damage to or destruction of any development or improvements of any Improvement Area #1 Improvements;

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

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

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

(vi) The consummation of a merger, consolidation, or acquisition of the Managing Developer, or the sale of all or substantially all of the assets of the Managing Developer or any of the Managing 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 Managing Developer or any of the Managing 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 Managing Developer or any of the Managing Developer's Affiliates;

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

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

(b) Whenever the Managing Developer obtains knowledge of the occurrence of a Listed Event, the Managing Developer shall promptly notify the Administrator and the Dissemination Agent in writing and the Managing 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 Participating Underwriter. Any such notice is required to be filed within ten Business Days after the Managing Developer becomes aware of the occurrence of such Listed Event. If the Managing Developer timely notifies the Dissemination Agent of the occurrence of a 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 Managing Developer, under this Disclosure Agreement.

Any notice under the preceding paragraph shall be accompanied with the text of the disclosure that the Managing Developer desires to make, the written authorization of the Managing Developer, for the Dissemination Agent to disseminate such information as provided herein, and

the date the Managing Developer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the Managing Developer, becomes aware of the occurrence of the Listed Event).

The Managing Developer and each other Reporting Party, if any, shall only be responsible for reporting the occurrence of a Listed Event applicable to such Reporting Party and shall not be responsible for reporting the occurrence of a Listed Event applicable to any other Reporting Party, or any Other Developer, regardless if such Person is providing Quarterly Information on behalf of any other Subsequent Third Party Owner. In all cases, the applicable Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Managing Developer or other Reporting Party, 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 Business Days after the Managing Developer or other Reporting Party, as applicable, becomes aware of the occurrence of the applicable Listed Event.

(c) The Dissemination Agent shall, promptly, and not more than five Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Managing Developer and each other Reporting Party, 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 Managing Developer or other Reporting Party, 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 Managing Developer or other Reporting Party, 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 Managing Developer and each other Reporting Party, 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 Managing Developer, any other Reporting Party, 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.

(d) If the Dissemination Agent has been notified in writing by the Managing Developer or Subsequent Third Party Owner to report the occurrence of a Listed Event in accordance with subsections (b) or (c) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB within one Business Day after its receipt of such written instructions from the Managing Developer or Subsequent Third Party Owner, as applicable; provided that all such notices must be filed no later than the date specified in subsection (b) of this Section 4 for such Listed Event. The Dissemination Agent shall, within three Business Days of obtaining actual knowledge of the occurrence of any Listed Event, notify the Managing Developer or Subsequent Third Party Owner 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 Managing Developer or Subsequent Third Party Owner 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 Managing Developer or Subsequent Third Party Owner 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 Managing Developer or Subsequent Third Party Owner 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 Managing Developer, Subsequent Third Party Owner, 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.

Section 5. Assignment to Subsequent Third Party Owner. If the Managing Developer sells, assigns or otherwise transfers ownership of real property in Improvement Area #1 of the District to a third party, which results in such third party, including any Affiliate of such third party, owning property representing at least 20% of the total Annual Installments of the Assessments first coming due after such transfer of ownership (a "Subsequent Third Party Owner"), the Managing Developer (i) may require such Subsequent Third Party Owner to agree in writing to comply with the Managing Developer's disclosure obligations hereunder, including such obligations under Section 3 and Section 4, to the same extent as though the Subsequent Third Party Owner were the Managing Developer hereunder, with respect to the real property acquired by such Subsequent Third Party Owner or (ii) elect to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner; provided, however, that if the Managing Developer initially elects to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner, the Managing Developer may elect in the future to cause such Subsequent Third Party Owner to comply with the Managing Developer's disclosure obligations, as described in (i) above. The Managing Developer shall deliver to the Dissemination Agent and the Administrator a written acknowledgement from each Subsequent Third Party Owner in substantially the form attached as **Exhibit E** (the "Subsequent Third Party Owner Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. The Managing Developer or Subsequent Third Party Owner, as applicable, shall direct the Dissemination Agent to file a copy of the Subsequent Third Party Owner Acknowledgment with the MSRB, in accordance with Sections 4(b) and 4(d) above. Upon any such transfer to a Subsequent Third Party Owner, and such Subsequent Third Party Owner's delivery of written acknowledgement of assumption of Managing Developer's obligations under this Disclosure Agreement as to the property transferred, the Managing 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 Managing Developer shall not be liable for the acts or omissions of such Subsequent Third Party Owner arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, any Subsequent Third Party Owner shall be required to comply with obligations of this Section 5 with respect to any subsequent transfers by such Subsequent Third Party Owners to any individual or entity meeting the definition of a "Subsequent Third Party Owner" in the future. The Managing Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered to the Dissemination Agent, Administrator and the MSRB, in accordance with this Section 5.

Section 6. Termination of Reporting Obligations.

(a) The reporting obligations of the Managing Developer or a Subsequent Third Party Owner, 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 the Managing Developer or such Subsequent Third Party Owner, respectively, is no longer responsible for the payment of Annual Installments of Assessments equal to at least 20% of the total Annual Installment of Assessments for any year.

(b) Upon receipt of written notice from a Reporting Party or the Dissemination Agent that the reporting obligations of a Reporting Party have terminated in accordance with subsection (a) of this Section 6, the Administrator shall provide written notice to the applicable Reporting Party, the Participating Underwriter, the Issuer, and the Dissemination Agent in substantially the form attached as Exhibit C, thereby, terminating such Reporting Party's reporting obligations under this Disclosure Agreement (the "Termination Notice"). If such Termination Notice with respect to a Reporting Party 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 applicable Reporting Party and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(c) 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 all Reporting Parties' reporting obligations in accordance with subsection (a) of this Section 6 and any Termination Notice required by subsection (b) of this Section 6 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

Section 7. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be Wilmington Trust, National Association. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Managing Developer, or any other Reporting Party in carrying out their obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time with 60 days' notice to the Issuer, the Managing Developer and the Administrator; provided, further, that if the Issuer is the Dissemination Agent, the Issuer may not resign without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Managing Developer, any Person that has executed any Subsequent Third Party Owner that has executed a Subsequent Third Party Owner Acknowledgment pursuant to Section 5 hereof of any change in the identity of the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Managing 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 Managing Developer or Administrator in writing), 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 Section 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 Managing Developer or any Subsequent Third Party Owner, 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. No amendment which adversely affects the Dissemination Agent or the Issuer may be made without the respective party's prior written consent (which consent will not be unreasonably withheld or delayed).

(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 Managing Developer. The Managing 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 8 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Managing Developer or any Subsequent Third Party Owner 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 Managing Developer or Subsequent Third Party Owner chooses to include any information in any Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Managing Developer or the Subsequent Third Party Owner, 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 Listed Event.

Section 10. Content of Disclosures. In all cases, the Managing Developer or Subsequent Third Party Owner, 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 9 of this Disclosure Agreement.

Section 11. Default. In the event of a failure of the Managing Developer, any Subsequent Third Party Owner, the Dissemination Agent or the Administrator to comply with any provision of this Disclosure Agreement, any Owner or beneficial owner of the Bonds may, and the Trustee (at the written 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 Managing Developer, Subsequent Third Party Owner, Dissemination Agent 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 Managing Developer, Subsequent Third Party Owner, Dissemination Agent or the Administrator to comply

with this Disclosure Agreement shall be an action to mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer, and a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer shall not be deemed a default under this Disclosure Agreement by the Managing Developer, any Subsequent Third Party Owner or the Administrator. Additionally, a default by the Managing Developer of its obligations under this Disclosure Agreement shall not be deemed a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement; and, likewise, a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement shall not be deemed a default of the Managing Developer of the Managing Developer's obligations under this Disclosure Agreement.

Section 12. 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 Managing Developer, Subsequent Third Party Owner 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 Managing Developer agrees to indemnify and 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 Managing 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 Managing 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 Managing 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 OR THE MANAGING DEVELOPER, OR ANY SUBSEQUENT THIRD PARTY OWNER 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 ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT OR A SUBSEQUENT THIRD PARTY OWNER, 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 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Managing Developer, any Subsequent Third Party Owner, 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 Managing Developer, any Subsequent Third Party Owner, 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. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Managing Developer, 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 16. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its 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, 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 its services rendered in accordance with this Disclosure Agreement.

Section 17. Administrator Compensation. The fees and expenses incurred by the Administrator for its 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 Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its 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.

*[Signature pages follow]*

**MANAGING DEVELOPER:**  
**Meritage Homes of Texas, LLC,**  
an Arizona limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**DISSEMINATION AGENT:**  
**Wilmington Trust, National Association**

By: \_\_\_\_\_  
Authorized Officer

**ADMINISTRATOR:**  
**P3Works, LLC**

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #1 PROJECT)**

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

---

Delivery Date: \_\_\_\_\_, 20\_\_

CUSIP Numbers: [Insert CUSIP Numbers]

**DISSEMINATION AGENT**

Name: Wilmington Trust, National

Association Address:

City:

Telephone: (\_\_\_\_\_) - \_\_\_\_

Contact Person: \_\_\_\_\_ Attn: \_\_

[Remainder of page intentionally left blank]

**IMPROVEMENT AREA #1 QUARTERLY  
INFORMATION**

**TABLE 3(d)(i)**

MANAGING DEVELOPER HOME CONSTRUCTION AND SALES STATISTICS FOR SINGLE-FAMILY RESIDENTIAL LOTS IN IMPROVEMENT AREA #1 <sup>(1) (2)</sup>								
	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20
# of vacant developed lots owned by the Managing Developer								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
<b>TOTAL</b>								
# of SF homes under construction:								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
<b>TOTAL</b>								
# of completed SF homes NOT under contract with end-user:								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
<b>TOTAL</b>								
# of SF homes under contract with end-user:								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
<b>TOTAL</b>								
# of SF homes delivered to end-users:								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
<b>TOTAL</b>								
Average home prices of homes delivered to end-users:								
• Lot Type 1								
• Lot Type 2								
• Lot Type 3								
• Average								

<sup>(1)</sup> Additional tables to be added for each Subsequent Third Party Owner.

<sup>(2)</sup> Only contains information relating to lots owned by the Managing Developer

[Remainder of page intentionally left blank]

## IMPROVEMENT AREA #1 QUARTERLY INFORMATION

**TABLE 3(d)(ii)**

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

**TABLE 3(d)(iii)**

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

[Remainder of page intentionally left blank]

**EXHIBIT B**

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

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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 ["Managing Developer<sup>1</sup>"] ["Subsequent Third Party Owner"]) 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 Managing Developer dated as of September 1, 2022, by and among \_\_\_\_\_, a \_\_\_\_\_ (the "Managing Developer"), P3Works, LLC, as the "Administrator" and Wilmington Trust, National Association, as the "Dissemination Agent." The [Managing Developer] ["Subsequent Third Party Owner"] anticipates that the [Quarterly Information][Quarterly Report] will be [provided][filed] by \_\_\_\_\_.

Dated: \_

Wilmington Trust, National  
Association (as Dissemination Agent)

By: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Travis County Development Authority

**EXHIBIT C**  
**TERMINATION NOTICE**  
[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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

Wilmington Trust, National Association  
15950 North Dallas Parkway, Suite 550  
Dallas, Texas 75248

Travis County Development Authority  
Attn: Managing Director  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

[MANAGING  
DEVELOPER][SUBSEQUENT THIRD  
PARTY OWNER]

NOTICE IS HEREBY GIVEN that that \_\_\_\_\_, a \_\_\_\_\_ (the ["Managing Developer"] ["Subsequent Third Party Owner"]) is no longer responsible for providing [any Quarterly Information] [the Quarterly Report] with respect to the Bonds, thereby, terminating such party's reporting obligations under the Continuing Disclosure Agreement of the Managing Developer dated as of September 1, 2022 by and among Meritage Homes of Texas, LLC (the "Managing Developer"), P3Works, LLC, as the "Administrator" and Wilmington Trust, National Association, as the "Dissemination Agent."

Dated: \_\_\_\_\_

P3Works, LLC  
on behalf of the Managing Developer  
(solely in its capacity as Administrator)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT D**  
**CERTIFICATION LETTER**

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing Public Improvement District Improvement Area #1 Project) (the "Bonds")  
CUSIP Numbers. [insert CUSIP Numbers]  
Date of Delivery: \_\_\_\_\_, 20\_\_

Re: Quarterly Report for Turner's Crossing Public Improvement District – Improvement Area #1

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of the Managing Developer dated as of September 1, 2022 by and among Meritage Homes of Texas, LLC (the "Managing Developer"), P3Works, LLC, as the "Administrator", and Wilmington Trust, National Association, as the "Dissemination Agent," this letter constitutes the certificate stating that the Quarterly Information, provided by [Meritage Homes of Texas, LLC][\_\_\_\_\_, as a "Subsequent Third Party Owner"], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Meritage Homes of Texas, LLC][Subsequent Third Party Owner], constitutes the [portion of the] Quarterly Report required to be furnished by the [Meritage Homes of Texas, LLC][Subsequent Third Party Owner]. Any and all Quarterly Information, provided by the [Meritage Homes of Texas, LLC][Subsequent Third Party Owner], 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.

**Meritage Homes of Texas, LLC,**  
an Arizona limited liability company (as Managing Developer)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

OR

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT E**

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT  
OF SUBSEQUENT THIRD PARTY OWNER REPORTING OBLIGATIONS**

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

**Re: Turner's Crossing Public Improvement District Improvement Area #1 – Continuing Disclosure Obligation**

Dear \_\_\_\_\_,

As of \_\_\_\_\_, 20\_\_, you own property within Improvement Area #1 of the Turner's Crossing Public Improvement District (the "District") representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Managing Developer dated as of September 1, 2022, (the "Managing Developer Disclosure Agreement") by and among Meritage Homes of Texas, LLC (the "Managing Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)," any person or entity that owns property representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due is defined as a Subsequent Third Party Owner.

As a Subsequent Third Party Owner, pursuant to Section 5 of the Managing Developer Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3 and 4 of the Managing Developer Disclosure Agreement for the property which is owned as detailed in the Managing Developer Disclosure Agreement, which is included herewith.

Sincerely,

[INSERT ASSIGNOR NAME]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged by:

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_

Title: \_\_\_\_\_

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**APPENDIX D-3**

**FORM OF TAYLOR MORRISON DISCLOSURE AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT  
AREA #1 PROJECT)**

**CONTINUING DISCLOSURE AGREEMENT OF TAYLOR MORRISON OF TEXAS, INC.**

This Continuing Disclosure Agreement dated as of September 1, 2022 (this "Disclosure Agreement") is executed and delivered by and among Taylor Morrison of Texas, Inc. (the "Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association, acting solely in its capacity as dissemination agent (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)" (the "Bonds"). The 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 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 September 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:

"Administrator" shall mean the County or Issuer or the person or independent firm designated by the County or 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 County or the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the initial Administrator.

"Affiliates" shall mean an entity that owns property within Improvement Area #1 and is controlled by, controls, or is under common control of the Developer.

"Annual Collection Costs" shall have the meaning assigned to such term in the Service and Assessment Plan.

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

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

"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.

“Certification Letter” shall mean a certification letter provided by a Reporting Party, pursuant to Section 3, in substantially the form attached as **Exhibit D**.

“Developer” shall mean Taylor Morrison of Texas, Inc., a Texas corporation. The term Developer as used herein shall not include the Other Developers.

“Disclosure Agreement of any Other Developer” shall mean a Disclosure Agreement of any Other Developer dated as of September 1, 2022 executed and delivered by and among such Other Developer, the Administrator and the Dissemination Agent

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

“Dissemination Agent” shall mean Wilmington Trust, National Association, 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 Turner’s Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

“Financial Advisor” shall mean PFM Financial Advisors LLC, and its successors.

“Improvement Area #1” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Improvement Area #1 Improvements” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Issuer” shall mean the Travis County Development Authority.

“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.

“Other Developers” shall mean Meritage Homes of Texas, LLC and Tri Pointe Homes Texas, Inc. Each of the Other Developers may sometimes be referred to herein individually as an “Other Developer.”

“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.

“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.

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

“Reporting Party” shall mean the Developer and/or any Subsequent Third Party Owners who have acknowledged and assumed reporting obligations in accordance with Section 5 of this Disclosure 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.

“Subsequent Third Party Owner” shall have the meaning assigned to such term in Section 5.

“Trustee” shall mean Wilmington Trust, National Association or any successor trustee pursuant to the Indenture.

### Section 3. Quarterly Reports.

(a) The Developer, and any Subsequent Third Party Owner, with respect to its acquired real property, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten days after each Quarterly Ending Date, beginning with December 31, 2022, the information required for the preparation of the Quarterly Report (with respect to each Reporting

Party, the “Quarterly Information”). The Reporting Party shall provide, or cause to be provided to the Administrator, such Quarterly Information until such party’s obligations terminate pursuant to Section 6 of this Disclosure Agreement. For the avoidance of doubt, if the Developer elects, the Developer may, but shall not be obligated to provide any Quarterly Information on behalf of any Subsequent Third Party Owner. The Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 5 of this Disclosure Agreement, at which time Developer shall have no further obligation or liability for Quarterly Report 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 each Reporting Party pursuant to subsection (a) above and (ii) provide to the applicable Reporting Party each Quarterly Report for review no later than 20 days after each Quarterly Ending Date. Each Reporting Party shall review the Quarterly Report and, upon such review, shall promptly, but no later than 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 Dissemination Agent pursuant to subsection (c) below. In all cases, each Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of the Quarterly Information provided by such party contained in the Quarterly Report.

(c) The Administrator shall provide to the Dissemination Agent, no later than 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 each Reporting Party. 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, the Financial Advisor, and the Participating Underwriter within ten 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 any Reporting Party 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, and is hereby directed to, 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 any Reporting Party to the Administrator, the Dissemination Agent shall not be responsible for any failure to submit a complete Quarterly Report to the MSRB in connection with such failure. If each Reporting Party 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 parties required under this Section 3(c) in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

(d) The 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 Table 3(d)(i) in **Exhibit A** attached hereto, for each parcel designated as single-family residential and owned by the Developer in Improvement Area #1, broken down by lot type, on a quarter over quarter basis:

- A. The number of vacant developed lots owned by the Developer;
- B. The number of homes under construction;
- C. The number of completed homes not under contract with end-users;
- D. The number of homes under contract with end-users;
- E. The number of homes closed with end-users; and
- F. The average sales price of homes closed with end-users.

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

(iii) In a form similar to Table 3(d)(iii) in **Exhibit A** attached hereto, the occurrence of any new or modified mortgage debt on the land owned by the Developer, including the amount, interest rate and terms of repayment.

#### Section 4. Event Reporting Obligations.

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #1 on a parcel owned by the Developer; provided, however, that the exercise of any right of the 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 Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement; provided that the Developer has complied with all legal requirements relating to the protest of such value, including the posting of a bond, if required;

(ii) Material damage to or destruction of any development or improvements of any Improvement Area #1 Improvements;

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

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

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

(vi) The consummation of a merger, consolidation, or acquisition of the Developer, or the sale of all or substantially all of the assets of the Developer or any of the 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 Developer or any of the 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 Developer or any of the Developer's Affiliates;

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

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

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall promptly notify the Administrator and the Dissemination Agent in writing and the 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 Participating Underwriter. Any such notice is required to be filed within ten Business Days after the Developer becomes aware of the occurrence of such Listed Event. If the Developer timely notifies the Dissemination Agent of the occurrence of a 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 Developer, under this Disclosure Agreement.

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

The Developer and each other Reporting Party, if any, shall only be responsible for reporting the occurrence of a Listed Event applicable to such Reporting Party and shall not be responsible for reporting the occurrence of a Listed Event applicable to any other Reporting Party, or any Other Developer, regardless if such Person is providing Quarterly Information on behalf of

any other Subsequent Third Party Owner. In all cases, the applicable Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Developer or other Reporting Party, 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 Business Days after the Developer or other Reporting Party, as applicable, becomes aware of the occurrence of the applicable Listed Event.

(c) The Dissemination Agent shall, promptly, and not more than five Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Developer and each other Reporting Party, 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 Developer or other Reporting Party, 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 Developer or other Reporting Party, 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 Developer and each other Reporting Party, 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 Developer, any other Reporting Party, 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.

(d) If the Dissemination Agent has been notified in writing by the Developer or Subsequent Third Party Owner to report the occurrence of a Listed Event in accordance with subsections (b) or (c) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB within one Business Day after its receipt of such written instructions from the Developer or Subsequent Third Party Owner, as applicable; provided that all such notices must be filed no later than the date specified in subsection (b) of this Section 4 for such Listed Event. The Dissemination Agent shall, within three Business Days of obtaining actual knowledge of the occurrence of any Listed Event, notify the Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer, Subsequent Third Party Owner, 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.

Section 5. Assignment to Subsequent Third Party Owner. If the Developer sells, assigns or otherwise transfers ownership of real property in Improvement Area #1 of the District to a third party, which results in such third party, including any Affiliate of such third party, owning property representing at least 20% of the total Annual Installments of the Assessments first coming due after such transfer of ownership (a "Subsequent Third Party Owner"), the Developer (i) may require such Subsequent Third Party Owner to agree in writing to comply with the Developer's disclosure obligations hereunder, including such obligations under Section 3 and Section 4, to the same extent as though the Subsequent Third Party Owner were the Developer hereunder, with respect to the real property acquired by such Subsequent Third Party Owner or (ii) elect to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner; provided, however, that if the Developer initially elects to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner, the Developer may elect in the future to cause such Subsequent Third Party Owner to comply with the Developer's disclosure obligations, as described in (i) above. The Developer shall deliver to the Dissemination Agent and the Administrator a written acknowledgement from each Subsequent Third Party Owner in substantially the form attached as **Exhibit E** (the "Subsequent Third Party Owner Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. The Developer or Subsequent Third Party Owner, as applicable, shall direct the Dissemination Agent to file a copy of the Subsequent Third Party Owner Acknowledgment with the MSRB, in accordance with Sections 4(b) and 4(d) above. Upon any such transfer to a Subsequent Third Party Owner, and such Subsequent Third Party Owner's delivery of written acknowledgement of assumption of Developer's obligations under this Disclosure Agreement as to the property transferred, the 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 Developer shall not be liable for the acts or omissions of such Subsequent Third Party Owner arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, any Subsequent Third Party Owner shall be required to comply with obligations of this Section 5 with respect to any subsequent transfers by such Subsequent Third Party Owners to any individual or entity meeting the definition of a "Subsequent Third Party Owner" in the future. The Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered to the Dissemination Agent, Administrator and the MSRB, in accordance with this Section 5.

Section 6. Termination of Reporting Obligations.

(a) The reporting obligations of the Developer or a Subsequent Third Party Owner, 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 the Developer or such Subsequent Third Party Owner, respectively, is no longer responsible for the payment of Annual Installments of Assessments equal to at least 20% of the total Annual Installment of Assessments for any year.

(b) Upon receipt of written notice from a Reporting Party or the Dissemination Agent that the reporting obligations of a Reporting Party have terminated in accordance with subsection (a) of this Section 6, the Administrator shall provide written notice to the applicable Reporting Party, the Participating Underwriter, the Issuer, and the Dissemination Agent in substantially the form attached as **Exhibit C**, thereby, terminating such Reporting Party's reporting obligations

under this Disclosure Agreement (the “Termination Notice”). If such Termination Notice with respect to a Reporting Party 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 applicable Reporting Party and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(c) 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 all Reporting Parties’ reporting obligations in accordance with subsection (a) of this Section 6 and any Termination Notice required by subsection (b) of this Section 6 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

Section 7. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be Wilmington Trust, National Association. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Developer, or any other Reporting Party in carrying out their obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time with 60 days’ notice to the Issuer, the Developer and the Administrator; provided, further, that if the Issuer is the Dissemination Agent, the Issuer may not resign without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Developer, any Person that has executed any Subsequent Third Party Owner that has executed a Subsequent Third Party Owner Acknowledgment pursuant to Section 5 hereof of any change in the identity of the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the 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 Developer or Administrator in writing), 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 Section 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 Developer or any Subsequent Third Party Owner, 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. No amendment which adversely affects the Dissemination Agent or the Issuer may be made without the respective party’s prior written consent (which consent will not be unreasonably withheld or delayed).

(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 Developer. The 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 8 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Developer or any Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner chooses to include any information in any Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Developer or the Subsequent Third Party Owner, 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 Listed Event.

Section 10. Content of Disclosures. In all cases, the Developer or Subsequent Third Party Owner, 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 9 of this Disclosure Agreement.

Section 11. Default. In the event of a failure of the Developer, any Subsequent Third Party Owner, the Dissemination Agent or the Administrator to comply with any provision of this Disclosure Agreement, any Owner or beneficial owner of the Bonds may, and the Trustee (at the written 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 Developer, Subsequent Third Party Owner, Dissemination Agent 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 Developer, Subsequent Third Party Owner, Dissemination Agent or the Administrator to comply with this Disclosure Agreement shall be an action to mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer, and a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer shall not be deemed a default under this Disclosure Agreement by the Developer, any Subsequent Third Party Owner or the Administrator. Additionally, a default by the Developer of its obligations under this Disclosure Agreement shall not be deemed a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement; and, likewise, a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement shall not be deemed a default of the Developer of the Developer's obligations under this Disclosure Agreement.

Section 12. 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 Developer, Subsequent Third Party Owner 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 Developer agrees to indemnify and 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 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 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 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 OR THE DEVELOPER, OR ANY SUBSEQUENT THIRD PARTY OWNER 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 ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT OR A SUBSEQUENT THIRD PARTY OWNER, 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 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Developer, any Subsequent Third Party Owner, 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 Developer, any Subsequent Third Party Owner, 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. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Developer, 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 16. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its 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, 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 its services rendered in accordance with this Disclosure Agreement.

Section 17. Administrator Compensation. The fees and expenses incurred by the Administrator for its 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 Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its 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.

*[Signature pages follow]*

**DEVELOPER:**  
**Taylor Morrison of Texas, Inc.,**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**DISSEMINATION AGENT:**  
**Wilmington Trust, National Association**

By: \_\_\_\_\_  
Authorized Officer

**ADMINISTRATOR:**  
**P3Works, LLC**

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #1 PROJECT)**

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

---

Delivery Date: \_\_\_\_\_, 20\_\_

CUSIP Numbers: [Insert CUSIP Numbers]

**DISSEMINATION AGENT**

Name: Wilmington Trust, National

Association Address:

City:

Telephone: (\_\_\_\_\_) - \_\_\_\_

Contact Person: \_\_\_\_\_ Attn: \_\_

[Remainder of page intentionally left blank]

**IMPROVEMENT AREA #1 QUARTERLY  
INFORMATION**

**TABLE 3(d)(i)**

TAYLOR MORRISON OF TEXAS, INC. HOME CONSTRUCTION AND SALES STATISTICS FOR SINGLE-FAMILY RESIDENTIAL LOTS IN IMPROVEMENT AREA #1 <sup>(1) (2)</sup>								
	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20
# of vacant developed lots owned by the Developer								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes under construction:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of completed SF homes NOT under contract with end-user:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes under contract with end-user:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes delivered to end-users:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
Average home prices of homes delivered to end-users:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> <li>• Average</li> </ul>								

<sup>(1)</sup> Additional tables to be added for each Subsequent Third Party Owner.

<sup>(2)</sup> Only contains information relating to lots owned by the Developer

[Remainder of page intentionally left blank]

## IMPROVEMENT AREA #1 QUARTERLY INFORMATION

**TABLE 3(d)(ii)**

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

**TABLE 3(d)(iii)**

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

[Remainder of page intentionally left blank]

**EXHIBIT B**

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

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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  
["Developer"] ["Subsequent Third Party Owner"]) 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 Developer dated  
as of September 1, 2022, by and among Taylor Morrison of Texas, Inc., a Texas corporation (the  
"Developer"), P3Works, LLC, as the "Administrator" and Wilmington Trust, National  
Association, as the "Dissemination Agent." The Taylor Morrison of Texas, Inc. ["Subsequent  
Third Party Owner"] anticipates that the [Quarterly Information][Quarterly Report] will be  
[provided][filed] by \_\_\_\_\_.

Dated: \_

Wilmington Trust, National  
Association (as Dissemination Agent)

By: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Travis County Development Authority

**EXHIBIT C**  
**TERMINATION NOTICE**  
[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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

Wilmington Trust, National Association  
15950 North Dallas Parkway, Suite 550  
Dallas, Texas 75248

Travis County Development Authority  
Attn: Managing Director  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

[TAYLOR MORRISON OF TEXAS,  
INC.][SUBSEQUENT THIRD PARTY  
OWNER]

NOTICE IS HEREBY GIVEN that that \_\_\_\_\_, a \_\_\_\_\_ (the  
["Developer"] ["Subsequent Third Party Owner"]) is no longer responsible for providing [any  
Quarterly Information] [the Quarterly Report] with respect to the Bonds, thereby, terminating such  
party's reporting obligations under the Continuing Disclosure Agreement of the Developer dated  
as of September 1, 2022 by and among Taylor Morrison of Texas, Inc. (the "Developer"), P3Works,  
LLC, as the "Administrator" and Wilmington Trust, National Association, as the "Dissemination  
Agent."

Dated: \_\_\_\_\_

P3Works, LLC  
on behalf of the Developer (solely in its  
capacity as Administrator)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT D**  
**CERTIFICATION LETTER**

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing Public Improvement District Improvement Area #1 Project) (the "Bonds")  
CUSIP Numbers. [insert CUSIP Numbers]  
Date of Delivery: \_\_\_\_\_, 20\_

Re: Quarterly Report for Turner's Crossing Public Improvement District – Improvement Area #1

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of the Developer dated as of September 1, 2022 by and among Taylor Morrison of Texas, Inc. (the "Developer"), P3Works, LLC, as the "Administrator", and Wilmington Trust, National Association, as the "Dissemination Agent," this letter constitutes the certificate stating that the Quarterly Information, provided by [Taylor Morrison of Texas, Inc.][\_\_\_\_\_, as a "Subsequent Third Party Owner"], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Taylor Morrison of Texas, Inc.][Subsequent Third Party Owner], constitutes the [portion of the] Quarterly Report required to be furnished by the [Taylor Morrison of Texas, Inc.][Subsequent Third Party Owner]. Any and all Quarterly Information, provided by the [Taylor Morrison of Texas, Inc.][Subsequent Third Party Owner], 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.

Taylor Morrison Of Texas, Inc.,  
a Texas corporation (as Developer)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT E**

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT  
OF SUBSEQUENT THIRD PARTY OWNER REPORTING OBLIGATIONS**

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

**Re: Turner's Crossing Public Improvement District Improvement Area #1 – Continuing Disclosure Obligation**

Dear \_\_\_\_\_,

As of \_\_\_\_\_, 20\_\_, you own property within Improvement Area #1 of the Turner's Crossing Public Improvement District (the "District") representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Developer dated as of September 1, 2022, (the "Developer Disclosure Agreement") by and among Taylor Morrison of Texas, Inc. (the "Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)," any person or entity that owns property representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due is defined as a Subsequent Third Party Owner.

As a Subsequent Third Party Owner, pursuant to Section 5 of the Developer Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3 and 4 of the Developer Disclosure Agreement for the property which is owned as detailed in the Developer Disclosure Agreement, which is included herewith.

Sincerely,

[INSERT ASSIGNOR NAME]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged by:

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_

Title: \_\_\_\_\_

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**APPENDIX D-4**

**FORM OF TRI POINTE DISCLOSURE AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT  
AREA #1 PROJECT)**

**CONTINUING DISCLOSURE AGREEMENT OF TRI POINTE HOMES TEXAS, INC.**

This Continuing Disclosure Agreement dated as of September 1, 2022 (this "Disclosure Agreement") is executed and delivered by and among Tri Pointe Homes Texas, Inc. (the "Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association, acting solely in its capacity as dissemination agent (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)" (the "Bonds"). The 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 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 September 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:

"Administrator" shall mean the County or Issuer or the person or independent firm designated by the County or 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 County or the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the initial Administrator.

"Affiliates" shall mean an entity that owns property within Improvement Area #1 and is controlled by, controls, or is under common control of the Developer.

"Annual Collection Costs" shall have the meaning assigned to such term in the Service and Assessment Plan.

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

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

"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.

“Certification Letter” shall mean a certification letter provided by a Reporting Party, pursuant to Section 3, in substantially the form attached as **Exhibit D**.

“Developer” shall mean Tri Pointe Homes Texas, Inc., a Texas corporation. The term Developer as used herein shall not include the Other Developers.

“Disclosure Agreement of any Other Developer” shall mean a Disclosure Agreement of any Other Developer dated as of September 1, 2022 executed and delivered by and among such Other Developer, the Administrator and the Dissemination Agent

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

“Dissemination Agent” shall mean Wilmington Trust, National Association, 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 Turner’s Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

“Financial Advisor” shall mean PFM Financial Advisors LLC, and its successors.

“Improvement Area #1” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Improvement Area #1 Improvements” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Issuer” shall mean the Travis County Development Authority.

“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.

“Other Developers” shall mean Meritage Homes of Texas, LLC and Taylor Morrison of Texas, Inc. Each of the Other Developers may sometimes be referred to herein individually as an “Other Developer.”

“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.

“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.

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

“Reporting Party” shall mean the Developer and/or any Subsequent Third Party Owners who have acknowledged and assumed reporting obligations in accordance with Section 5 of this Disclosure 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.

“Subsequent Third Party Owner” shall have the meaning assigned to such term in Section 5.

“Trustee” shall mean Wilmington Trust, National Association or any successor trustee pursuant to the Indenture.

### Section 3. Quarterly Reports.

(a) The Developer, and any Subsequent Third Party Owner, with respect to its acquired real property, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten days after each Quarterly Ending Date, beginning with December 31, 2022, the information required for the preparation of the Quarterly Report (with respect to each Reporting

Party, the “Quarterly Information”). The Reporting Party shall provide, or cause to be provided to the Administrator, such Quarterly Information until such party’s obligations terminate pursuant to Section 6 of this Disclosure Agreement. For the avoidance of doubt, if the Developer elects, the Developer may, but shall not be obligated to provide any Quarterly Information on behalf of any Subsequent Third Party Owner. The Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 5 of this Disclosure Agreement, at which time Developer shall have no further obligation or liability for Quarterly Report 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 each Reporting Party pursuant to subsection (a) above and (ii) provide to the applicable Reporting Party each Quarterly Report for review no later than 20 days after each Quarterly Ending Date. Each Reporting Party shall review the Quarterly Report and, upon such review, shall promptly, but no later than 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 Dissemination Agent pursuant to subsection (c) below. In all cases, each Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of the Quarterly Information provided by such party contained in the Quarterly Report.

(c) The Administrator shall provide to the Dissemination Agent, no later than 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 each Reporting Party. 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, the Financial Advisor, and the Participating Underwriter within ten 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 any Reporting Party 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, and is hereby directed to, 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 any Reporting Party to the Administrator, the Dissemination Agent shall not be responsible for any failure to submit a complete Quarterly Report to the MSRB in connection with such failure. If each Reporting Party 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 parties required under this Section 3(c) in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

(d) The 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 Table 3(d)(i) in **Exhibit A** attached hereto, for each parcel designated as single-family residential and owned by the Developer in Improvement Area #1, broken down by lot type, on a quarter over quarter basis:

- A. The number of vacant developed lots owned by the Developer;
- B. The number of homes under construction ;
- C. The number of completed homes not under contract with end-users;
- D. The number of homes under contract with end-users;
- E. The number of homes closed with end-users; and
- F. The average sales price of homes closed with end-users.

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

(iii) In a form similar to Table 3(d)(iii) in **Exhibit A** attached hereto, the occurrence of any new or modified mortgage debt on the land owned by the Developer, including the amount, interest rate and terms of repayment.

#### Section 4. Event Reporting Obligations.

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #1 on a parcel owned by the Developer; provided, however, that the exercise of any right of the 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 Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement; provided that the Developer has complied with all legal requirements relating to the protest of such value, including the posting of a bond, if required;

(ii) Material damage to or destruction of any development or improvements of any Improvement Area #1 Improvements;

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

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

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

(vi) The consummation of a merger, consolidation, or acquisition of the Developer, or the sale of all or substantially all of the assets of the Developer or any of the 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 Developer or any of the 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 Developer or any of the Developer's Affiliates;

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

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

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall promptly notify the Administrator and the Dissemination Agent in writing and the 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 Participating Underwriter. Any such notice is required to be filed within ten Business Days after the Developer becomes aware of the occurrence of such Listed Event. If the Developer timely notifies the Dissemination Agent of the occurrence of a 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 Developer, under this Disclosure Agreement.

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

The Developer and each other Reporting Party, if any, shall only be responsible for reporting the occurrence of a Listed Event applicable to such Reporting Party and shall not be responsible for reporting the occurrence of a Listed Event applicable to any other Reporting Party, or any Other Developer, regardless if such Person is providing Quarterly Information on behalf of

any other Subsequent Third Party Owner. In all cases, the applicable Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Developer or other Reporting Party, 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 Business Days after the Developer or other Reporting Party, as applicable, becomes aware of the occurrence of the applicable Listed Event.

(c) The Dissemination Agent shall, promptly, and not more than five Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Developer and each other Reporting Party, 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 Developer or other Reporting Party, 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 Developer or other Reporting Party, 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 Developer and each other Reporting Party, 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 Developer, any other Reporting Party, 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.

(d) If the Dissemination Agent has been notified in writing by the Developer or Subsequent Third Party Owner to report the occurrence of a Listed Event in accordance with subsections (b) or (c) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB within one Business Day after its receipt of such written instructions from the Developer or Subsequent Third Party Owner, as applicable; provided that all such notices must be filed no later than the date specified in subsection (b) of this Section 4 for such Listed Event. The Dissemination Agent shall, within three Business Days of obtaining actual knowledge of the occurrence of any Listed Event, notify the Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner 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 Developer, Subsequent Third Party Owner, 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.

Section 5. Assignment to Subsequent Third Party Owner. If the Developer sells, assigns or otherwise transfers ownership of real property in Improvement Area #1 of the District to a third party, which results in such third party, including any Affiliate of such third party, owning property representing at least 20% of the total Annual Installments of the Assessments first coming due after such transfer of ownership (a "Subsequent Third Party Owner"), the Developer (i) may require such Subsequent Third Party Owner to agree in writing to comply with the Developer's disclosure obligations hereunder, including such obligations under Section 3 and Section 4, to the same extent as though the Subsequent Third Party Owner were the Developer hereunder, with respect to the real property acquired by such Subsequent Third Party Owner or (ii) elect to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner; provided, however, that if the Developer initially elects to provide any or all Quarterly Information on behalf of such Subsequent Third Party Owner, the Developer may elect in the future to cause such Subsequent Third Party Owner to comply with the Developer's disclosure obligations, as described in (i) above. The Developer shall deliver to the Dissemination Agent and the Administrator a written acknowledgement from each Subsequent Third Party Owner in substantially the form attached as **Exhibit E** (the "Subsequent Third Party Owner Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. The Developer or Subsequent Third Party Owner, as applicable, shall direct the Dissemination Agent to file a copy of the Subsequent Third Party Owner Acknowledgment with the MSRB, in accordance with Sections 4(b) and 4(d) above. Upon any such transfer to a Subsequent Third Party Owner, and such Subsequent Third Party Owner's delivery of written acknowledgement of assumption of Developer's obligations under this Disclosure Agreement as to the property transferred, the 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 Developer shall not be liable for the acts or omissions of such Subsequent Third Party Owner arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, any Subsequent Third Party Owner shall be required to comply with obligations of this Section 5 with respect to any subsequent transfers by such Subsequent Third Party Owners to any individual or entity meeting the definition of a "Subsequent Third Party Owner" in the future. The Developer shall remain obligated with respect to any real property acquired by a Subsequent Third Party Owner until an acknowledgment of assignment with respect to such real property is delivered to the Dissemination Agent, Administrator and the MSRB, in accordance with this Section 5.

Section 6. Termination of Reporting Obligations.

(a) The reporting obligations of the Developer or a Subsequent Third Party Owner, 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 the Developer or such Subsequent Third Party Owner, respectively, is no longer responsible for the payment of Annual Installments of Assessments equal to at least 20% of the total Annual Installment of Assessments for any year.

(b) Upon receipt of written notice from a Reporting Party or the Dissemination Agent that the reporting obligations of a Reporting Party have terminated in accordance with subsection (a) of this Section 6, the Administrator shall provide written notice to the applicable Reporting Party, the Participating Underwriter, the Issuer, and the Dissemination Agent in substantially the form attached as **Exhibit C**, thereby, terminating such Reporting Party's reporting obligations

under this Disclosure Agreement (the “Termination Notice”). If such Termination Notice with respect to a Reporting Party 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 applicable Reporting Party and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(c) 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 all Reporting Parties’ reporting obligations in accordance with subsection (a) of this Section 6 and any Termination Notice required by subsection (b) of this Section 6 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

Section 7. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be Wilmington Trust, National Association. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Developer, or any other Reporting Party in carrying out their obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time with 60 days’ notice to the Issuer, the Developer and the Administrator; provided, further, that if the Issuer is the Dissemination Agent, the Issuer may not resign without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Developer, any Person that has executed any Subsequent Third Party Owner that has executed a Subsequent Third Party Owner Acknowledgment pursuant to Section 5 hereof of any change in the identity of the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the 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 Developer or Administrator in writing), 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 Section 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 Developer or any Subsequent Third Party Owner, 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. No amendment which adversely affects the Dissemination Agent or the Issuer may be made without the respective party’s prior written consent (which consent will not be unreasonably withheld or delayed).

(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 Developer. The 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 8 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Developer or any Subsequent Third Party Owner 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 Developer or Subsequent Third Party Owner chooses to include any information in any Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Developer or the Subsequent Third Party Owner, 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 Listed Event.

Section 10. Content of Disclosures. In all cases, the Developer or Subsequent Third Party Owner, 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 9 of this Disclosure Agreement.

Section 11. Default. In the event of a failure of the Developer, any Subsequent Third Party Owner, the Dissemination Agent or the Administrator to comply with any provision of this Disclosure Agreement, any Owner or beneficial owner of the Bonds may, and the Trustee (at the written 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 Developer, Subsequent Third Party Owner, Dissemination Agent 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 Developer, Subsequent Third Party Owner, Dissemination Agent or the Administrator to comply with this Disclosure Agreement shall be an action to mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer, and a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of any Other Developer shall not be deemed a default under this Disclosure Agreement by the Developer, any Subsequent Third Party Owner or the Administrator. Additionally, a default by the Developer of its obligations under this Disclosure Agreement shall not be deemed a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement; and, likewise, a default by any Subsequent Third Party Owner of such Subsequent Third Party Owner's obligations under this Disclosure Agreement shall not be deemed a default of the Developer of the Developer's obligations under this Disclosure Agreement.

Section 12. 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 Developer, Subsequent Third Party Owner 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 Developer agrees to indemnify and 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 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 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 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 OR THE DEVELOPER, OR ANY SUBSEQUENT THIRD PARTY OWNER 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 ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT OR A SUBSEQUENT THIRD PARTY OWNER, 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 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Developer, any Subsequent Third Party Owner, 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 Developer, any Subsequent Third Party Owner, 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. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Developer, 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 16. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its 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, 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 its services rendered in accordance with this Disclosure Agreement.

Section 17. Administrator Compensation. The fees and expenses incurred by the Administrator for its 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 Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its 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.

*[Signature pages follow]*

**DEVELOPER:**  
**Tri Pointe Homes Texas, Inc.,**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**DISSEMINATION AGENT:**  
**Wilmington Trust, National Association**

By: \_\_\_\_\_  
Authorized Officer

**ADMINISTRATOR:**  
**P3Works, LLC**

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**TRAVIS COUNTY DEVELOPMENT AUTHORITY,  
CONTRACT ASSESSMENT REVENUE BONDS, SERIES 2022  
(TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #1 PROJECT)**

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

---

Delivery Date: \_\_\_\_\_, 20\_

CUSIP Numbers: [Insert CUSIP Numbers]

**DISSEMINATION AGENT**

Name: Wilmington Trust, National

Association Address:

City:

Telephone: (\_\_\_\_\_) - \_\_\_\_

Contact Person: \_\_\_\_\_ Attn: \_\_

[Remainder of page intentionally left blank]

**IMPROVEMENT AREA #1 QUARTERLY  
INFORMATION**

**TABLE 3(d)(i)**

TRI POINTE HOMES TEXAS, INC. HOME CONSTRUCTION AND SALES STATISTICS FOR SINGLE-FAMILY RESIDENTIAL LOTS IN IMPROVEMENT AREA #1 <sup>(1) (2)</sup>								
	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20	Q 20
# of vacant developed lots owned by the Developer								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes under construction:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of completed SF homes NOT under contract with end-user:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes under contract with end-user:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
# of SF homes delivered to end-users:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> </ul>								
<b>TOTAL</b>								
Average home prices of homes delivered to end-users:								
<ul style="list-style-type: none"> <li>• Lot Type 1</li> <li>• Lot Type 2</li> <li>• Lot Type 3</li> <li>• Average</li> </ul>								

<sup>(1)</sup> Additional tables to be added for each Subsequent Third Party Owner.

<sup>(2)</sup> Only contains information relating to lots owned by the Developer

[Remainder of page intentionally left blank]

## IMPROVEMENT AREA #1 QUARTERLY INFORMATION

**TABLE 3(d)(ii)**

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

**TABLE 3(d)(iii)**

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

[Remainder of page intentionally left blank]

**EXHIBIT B**

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

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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  
["Developer"] ["Subsequent Third Party Owner"]) 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 Developer dated  
as of September 1, 2022, by and among Tri Pointe Homes Texas, Inc., a Texas corporation (the  
"Developer"), P3Works, LLC, as the "Administrator" and Wilmington Trust, National  
Association, as the "Dissemination Agent." The Tri Pointe Homes Texas, Inc. ["Subsequent Third  
Party Owner"] anticipates that the [Quarterly Information] [Quarterly Report] will be  
[provided] [filed] by \_\_\_\_\_.

Dated: \_

Wilmington Trust, National  
Association (as Dissemination Agent)

By: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Travis County Development Authority

**EXHIBIT C**  
**TERMINATION NOTICE**  
[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing 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

Wilmington Trust, National Association  
15950 North Dallas Parkway, Suite 550  
Dallas, Texas 75248

Travis County Development Authority  
Attn: Managing Director  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

[TRI POINTE HOMES TEXAS,  
INC.][SUBSEQUENT THIRD PARTY  
OWNER]

NOTICE IS HEREBY GIVEN that that \_\_\_\_\_, a \_\_\_\_\_ (the  
["Developer"] ["Subsequent Third Party Owner"]) is no longer responsible for providing [any  
Quarterly Information] [the Quarterly Report] with respect to the Bonds, thereby, terminating such  
party's reporting obligations under the Continuing Disclosure Agreement of the Developer dated  
as of September 1, 2022 by and among Tri Pointe Homes Texas, Inc. (the "Developer"), P3Works,  
LLC, as the "Administrator" and Wilmington Trust, National Association, as the "Dissemination  
Agent."

Dated: \_\_\_\_\_

P3Works, LLC  
on behalf of the Developer (solely in its  
capacity as Administrator)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT D**  
**CERTIFICATION LETTER**

[DATE]

Name of Issuer: Travis County Development Authority  
Name of Bond Issue: Contract Assessment Revenue Bonds, Series 2022  
(Turner's Crossing Public Improvement District Improvement Area #1 Project) (the "Bonds")  
CUSIP Numbers. [insert CUSIP Numbers]  
Date of Delivery: \_\_\_\_\_, 20\_

Re: Quarterly Report for Turner's Crossing Public Improvement District – Improvement Area #1

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of the Developer dated as of September 1, 2022 by and among Tri Pointe Homes Texas, Inc. (the "Developer"), P3Works, LLC, as the "Administrator", and Wilmington Trust, National Association, as the "Dissemination Agent," this letter constitutes the certificate stating that the Quarterly Information, provided by [Tri Pointe Homes Texas, Inc.][\_\_\_\_\_, as a "Subsequent Third Party Owner"], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Tri Pointe Homes Texas, Inc.][Subsequent Third Party Owner], constitutes the [portion of the] Quarterly Report required to be furnished by the [Tri Pointe Homes Texas, Inc.][Subsequent Third Party Owner]. Any and all Quarterly Information, provided by the [Tri Pointe Homes Texas, Inc.][Subsequent Third Party Owner], 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.

Tri Pointe Homes Texas, Inc.,  
a Texas corporation (as Developer)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT E**

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT  
OF SUBSEQUENT THIRD PARTY OWNER REPORTING OBLIGATIONS**

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

**Re: Turner's Crossing Public Improvement District Improvement Area #1 – Continuing Disclosure Obligation**

Dear \_\_\_\_\_,

As of \_\_\_\_\_, 20\_\_, you own property within Improvement Area #1 of the Turner's Crossing Public Improvement District (the "District") representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Developer dated as of September 1, 2022, (the "Developer Disclosure Agreement") by and among Tri Pointe Homes Texas, Inc. (the "Developer"), P3Works, LLC (the "Administrator"), and Wilmington Trust, National Association (the "Dissemination Agent") with respect to the "Travis County Development Authority, Contract Assessment Revenue Bonds, Series 2022 (Turner's Crossing Public Improvement District Improvement Area #1 Project)," any person or entity that owns property representing at least 20% of the total Annual Installments of the Assessments within Improvement Area #1 of the District next coming due is defined as a Subsequent Third Party Owner.

As a Subsequent Third Party Owner, pursuant to Section 5 of the Developer Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3 and 4 of the Developer Disclosure Agreement for the property which is owned as detailed in the Developer Disclosure Agreement, which is included herewith.

Sincerely,

[INSERT ASSIGNOR NAME]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged by:

[SUBSEQUENT THIRD PARTY OWNER]

(as Subsequent Third Party Owner)

By: \_\_\_\_\_

Title: \_\_\_\_\_

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**APPENDIX E**

**APPRAISAL OF IMPROVEMENT AREA #1 OF THE DISTRICT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

**Integra Realty Resources**  
**Dallas**

**Appraisal of Real Property**

**Turner's Crossing Public Improvement District - Improvement Area #1**

Northeast corner of TX-45 and Turnersville Road  
Austin ETJ, Travis County, Texas 78610

**Prepared For:**

Travis County Development Authority and FMSbonds, Inc.

**Date of the Report:**

August 4, 2022

**Report Format:**

Appraisal Report

**IRR - Dallas**

File Number: 191-2022-0736



## Subject Photographs



**Turner's Crossing Public Improvement District - Improvement Area #1**  
Northeast corner of TX-45 and Turnersville Road  
Austin ETJ, Texas

## Aerial Photograph





August 4, 2022

Ms. Andrea Shields  
Managing Director  
Travis County Development Authority  
700 Lavaca  
Austin, TX 78701

Mr. R.R. "Tripp" Davenport, III  
Director  
FMSbonds, Inc.  
5 Cowboys Way, Suite 300-V  
Frisco, TX 75034

SUBJECT: Market Value Appraisal  
Turner's Crossing Public Improvement District - Improvement Area #1  
Northeast corner of TX-45 and Turnersville Road  
Austin ETJ, Travis County, Texas 78610  
IRR - Dallas File No. 191-2022-0736

Dear Ms. Shields and Mr. Davenport:

Integra Realty Resources – Dallas is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal. The following opinions of value are provided:

- The retail market value, as is, of the fee simple interest in 241 developed single family lots within Improvement Area #1, as of the effective date of the appraisal, April 1, 2022
- The prospective market value as completed of the fee simple interest in 73 single family homes within Improvement Area #1, as of May 31, 2022

The clients for the assignment are the Travis County Development Authority and FMSbonds, Inc. and the intended use is for the underwriting of a proposed public improvement district ("PID") bond transaction. This appraisal is not for purposes of determining the amount of any assessments to be levied by the County nor is it the basis upon which a determination of the benefit any constructed or installed public improvements will have on properties within the "PID".

The subject of this appraisal represents Turner's Crossing Public Improvement District Improvement Area #1 (IA#1). IA#1 which is part of the approximately 446-acre PID and contains approximately 118.861 gross acres (85.38 developable acres). IA#1 has been developed with 314 single family lots (3.7 units per acre). It is also noted that home construction has begun on a large number of lots with 73 of the lots anticipated to be completed with home construction in the near term. As such, at your request we have valued the 241 remaining lots as if vacant as of April 1, 2022, and the 73 single family homes, as if complete, as of May 31, 2022.

The unit mix for the 241 developed lots follows:

Turner's Crossing PID, Improvement Area #1						
Phase	Acres	Typical Lot Dimensions			Total Lots	Projected Completion Date
		40' x 120'	45' x 120'	50' x 120'		
1	85.38	77	63	101	241	Completed

The unit mix for the 73 single family homes follows:

Turner's Crossing							
Floor Plan Name	Front Footage	# of Plan	Typical Home Summary			Living Area/SF	Projected Completion Date
			Bedroom	Bath	# Stories		
Reynolds	45'	5	5	3	2	2,812	May 31, 2022
Winedale	45'	5	4	2.5	2	2,585	May 31, 2022
Matadoor	45'	4	4	2.5	2	2,334	May 31, 2022
Bryce	40'	7	4	2.5	2	2,024	May 31, 2022
Hughes	45'	7	4	3	1	2,014	May 31, 2022
Olympic	40'	8	4	2.5	2	1,981	May 31, 2022
Lassen	40	4	3	2.5	2	1,872	May 31, 2022
Callaghan	45'	4	4	2	1	1,688	May 31, 2022
Saguaro	40'	4	3	2.5	2	1,589	May 31, 2022
Conaree	40'	9	3	2	1	1,498	May 31, 2022
Briscoe	45'	4	3	2	1	1,477	May 31, 2022
Cascade	40'	7	3	2	1	1,440	May 31, 2022
Teton	40'	5	3	2	2	1,242	May 31, 2022

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations.

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:



---

#### Value Conclusions

Parcel	Interest Appraised	Date of Value	Value Conclusion
40' Lots	Fee Simple	April 1, 2022	\$5,775,000
45' Lots	Fee Simple	April 1, 2022	\$5,315,625
50' Lots	Fee Simple	April 1, 2022	\$8,963,750
73 Completed Homes in IA #1	Fee Simple	May 31, 2022	\$32,124,000

**Please note the aggregate of the appraised values noted above is not the market value of the appraised properties in bulk. As defined by The Dictionary of Real Estate Appraisal, an aggregate value is the "total of multiple market value conclusions."**

---

#### Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, home sizes/plans, and other pertinent data that was provided by Kimley Horn (engineering/surveyors), Meritage Homes (developer/owner) and the Travis Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinion of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date.
3. Our opinion of prospective market value at completion assumes that the 73 homes under construction are completed in accordance with plans and specifications as of May 31, 2022, the effective appraisal date.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. It is noted that home construction has started on some of the 241 lots valued herein. However, at your specific request, we have valued the 241 lots as if vacant.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

---

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.

The opinions of value expressed in this report are based on estimates and forecasts which are prospective in nature and subject to considerable risk and uncertainty. Events may occur which could cause the performance of the property to differ materially from the estimates contained herein, such as changes in the economy, interest rates, capitalization rates, and behavior of investors, lenders, and consumers. Additionally, the concluded opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, IRR is not responsible for the effects of future, unforeseen occurrences.



Ms. Andrea Shields and Mr. R.R. "Trip" Davenport  
Travis County Development Authority and FMSbonds, Inc.  
August 4, 2022  
Page 4

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

**Integra Realty Resources - Dallas**



Ernest Gatewood  
Senior Director  
Certified General Real Estate Appraiser  
Texas Certificate #TX 1324355 G  
Telephone: (972) 725-7755  
Email: [egatewood@irr.com](mailto:egatewood@irr.com)



Stephen T. Crosson, MAI, SRA  
Executive Director  
Certified General Real Estate Appraiser  
Texas Certificate #TX 1325815 G  
Telephone: (972) 881-8191  
Email: [scrosson@irr.com](mailto:scrosson@irr.com)



# Table of Contents

<b>Quality Assurance</b>	<b>1</b>	<b>Highest and Best Use</b>	<b>66</b>
<b>Executive Summary</b>	<b>2</b>	<b>Valuation</b>	<b>68</b>
<b>Identification of the Appraisal Problem</b>	<b>5</b>	Valuation Methodology	68
Subject Description	5	40' Lots (40' x 120'; 4,800 SF)	70
Sale History	5	45' Lots (45' x 120'; 5,400 SF)	77
Pending Transactions	5	50' Lots (50' x 120'; 6,000 SF)	83
<b>Error! Bookmark not defined.</b>	<b>not</b>	Cumulative Retail Lot Value – IA #1	88
Appraisal Purpose	6	Market Value (73 Single Family Homes)	89
Value Type Definitions	6	Reconciliation of Sales Comparison Approach (Completed Single Family Homes)	116
Appraisal Premise Definitions	6	Reconciliation and Conclusion of Value	117
Property Rights Definitions	7	Exposure Time	118
Client and Intended User(s)	7	Marketing Time	118
Intended Use	7	<b>Addenda</b>	
Applicable Requirements	7	A. Appraiser Qualifications	
Report Format	8	B. IRR Quality Assurance Survey	
Prior Services	8	C. Definitions	
Appraiser Competency	8	D. Property Information	
<b>Scope of Work</b>	<b>9</b>	E. Land Sales – 40' Lots	
<b>Economic Analysis</b>	<b>11</b>	Land Sales - 45' Lots	
Travis County Area Analysis	11	Land Sales - 50' Lots	
Surrounding Area Analysis	20		
Surrounding Area Map	24		
Residential Analysis	25		
COVID-19 Impact on Current Valuations	29		
<b>Property Analysis</b>	<b>32</b>		
Land Description and Analysis	32		
General Description - Turner's Crossing	39		
General Description – Single Family Homes	40		
Allocation of Authorized Improvements	63		
Real Estate Taxes	65		

## Quality Assurance

### IRR Quality Assurance Program

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

### Designated IRR Certified Reviewer

The IRR Certified Reviewer who provided the quality assurance assessment for this assignment is Stephen T. Crosson, MAI, SRA.

## Executive Summary

Property Name	Turner's Crossing Public Improvement District - Improvement Area #1		
Address/Location	Northeast corner of TX-45 and Turnersville Road Austin ETJ, Travis County, Texas 78610		
School District	Hays Consolidated ISD		
Property Type	Land - Residential Subdivision		
Owner of Record	Meritage Homes of Texas, LLC, Taylor Morrison of Texas, Inc., and TriPointe Homes Texas, Inc.		
Tax ID	Misc.		
<b>Land Area</b>			
40' Lots	0.37 acres; 16,200 SF		
45' Lots	0.12 acres; 5,400 SF		
50' Lots	0.14 acres; 6,000 SF		
Zoning Designation	None (Development Agreement)		
Highest and Best Use	Single family homes		
Highest and Best Use - As Improved	As Proposed		
Exposure Time; Marketing Period	3-6 months; 3-6 months		
Effective Date of the Appraisal	April 1, 2022		
Date of the Report	August 4, 2022		
Property Interest Appraised	Fee Simple		
<b>Value Conclusions</b>			
Type Value	Interest Appraised	Date of Value	Value Conclusion
40' Lots	Fee Simple	April 1, 2022	\$5,775,000
45' Lots	Fee Simple	April 1, 2022	\$5,315,625
50' Lots	Fee Simple	April 1, 2022	\$8,963,750
73 Completed Homes in IA #1	Fee Simple	May 31, 2022	\$32,124,000
<b>*It should be clearly understood that the summation of lot/home values does not represent our opinion of value, as if the lots and homes are all sold in bulk in a single transaction.</b>			
The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than Travis County Development Authority and FMSbonds, Inc. may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.			

---

**Extraordinary Assumptions and Hypothetical Conditions**

---

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, home sizes/plans, and other pertinent data that was provided by Kimley Horn (engineering/surveyors), Meritage Homes (developer/owner) and the Travis Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinion of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date.
3. Our opinion of prospective market value at completion assumes that the 73 homes under construction are completed in accordance with plans and specifications as of May 31, 2022, the effective appraisal date.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. It is noted that home construction has started on some of the 241 lots valued herein. However, at your specific request, we have valued the 241 lots as if vacant.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

---

---

### **Strengths, Weaknesses, Opportunities, Threats (SWOT Analysis)**

The analyses presented in this report consider the internal strengths and weaknesses of the subject property, as well as opportunities and external threats. The overall valuation influences are summarized in the following table.

---

#### **Valuation Influences**

---

##### **Strengths**

- Limited amount of available developed lots in market area
- High demand for residential lots in market area
- The property is located in a fast-growing area
- Easy access to major thoroughfares

##### **Weaknesses**

- Lack of support facilities in close proximity

##### **Opportunities**

- Profit from homebuilding
- Demand for new housing continues to grow

##### **Threats**

- The housing market continues to be affected by supply, labor, and lot shortages
  - Possible economic downturn
-

## Identification of the Appraisal Problem

### Subject Description

The subject of this appraisal represents Turner's Crossing Public Improvement District Improvement Area #1 (IA#1). IA#1 which is part of the approximately 446-acre PID and contains approximately 118.861 gross acres (85.38 developable acres). IA#1 has been developed with 314 single family lots (3.7 units per acre). It is also noted that home construction has begun on a large number of lots with 73 of the lots anticipated to be completed with home construction in the near term. As such, at your request we have valued the 241 remaining lots as if vacant as of April 1, 2022, and the 73 single family homes, as if complete, as of May 31, 2022.

A legal description of the property is provided in the addenda.

#### Property Identification

Property Name	Turner's Crossing Public Improvement District - Improvement Area #1
Address	Northeast corner of TX-45 and Turnersville Road Austin ETJ, Texas 78610
Tax ID	Misc.
Owner of Record	Meritage Homes of Texas, LLC, Taylor Morrison of Texas, Inc., and TriPointe Homes Texas, Inc.

### Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	July 3, 2019
Seller	Estate of Harriet Heep Shaffer
Buyer	Meritage Homes of Texas, LLC, Taylor Morrison of Texas, Inc., and TriPointe
Sale Price	\$12,000,000
Recording Instrument Number	2019099239 and 2019099240
Comments	Price was for 423.159 acres of vacant land

Other than the preceding, no known sales or transfers of ownership for the overall project has taken place within a three-year period prior to the effective appraisal date. However, it is noted that all three owners of the undeveloped lots are owner/users who are actively building and selling homes in the development and several completed homes have been sold.

## Appraisal Purpose

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal. The following opinions of value are provided:

- The retail market value, as is, of the fee simple interest in 241 developed single family lots within Improvement Area #1, as of the effective date of the appraisal, April 1, 2022
- The prospective market value as completed of the fee simple interest in 73 single family homes within Improvement Area #1, as of May 31, 2022

The date of the report is August 4, 2022. The appraisal is valid only as of the stated effective date or dates.

## Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

### Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

## Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

### As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.<sup>2</sup>

---

<sup>1</sup> Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472

<sup>2</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

**Prospective Opinion of Value**

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

(Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. [Chicago: Appraisal Institute, 2022])

**Prospective Market Value As Completed**

The market value of a property as of a future date when all construction is expected to be completed. It is based on market conditions forecasted to exist as of the completion date. This value premise assumes the project is complete and ready to sale to individuals/builders.<sup>3</sup>

**Property Rights Definitions**

The property rights appraised which are applicable to this assignment are defined as follows.

**Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>4</sup>

**Client and Intended User(s)**

The client and intended users are the Travis County Development Authority and Stifel, Nicolaus & Company, Incorporated. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

**Intended Use**

The intended use of the appraisal is for the underwriting of a proposed public improvement district bond transaction. The appraisal is not intended for any other use.

**Applicable Requirements**

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute;
- Applicable state appraisal regulations

---

<sup>3</sup> Compiled and summarized from several industry sources

<sup>4</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

## **Report Format**

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

## **Prior Services**

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have prepared two appraisals of the subject property for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

## **Appraiser Competency**

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

# Scope of Work

## Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

## Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

## Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

## Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

Property Inspection		
Party	Inspection Type	Inspection Date
Ernest Gatewood	None	April 2, 2022
Stephen T. Crosson, MAI, SRA	None	N/A



## Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

<b>Approaches to Value</b>		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized
Subdivision Development Approach	Not Applicable	Not Utilized

The Sales Comparison Approach involves research, verification, and comparison of sales of other vacant lots. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file.

The Cost Approach involves research, verification, and comparison of sales of other vacant land with the subject land. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file. Cost figures were obtained from the developer and compared to cost figures on competing developments. The cost figures are based on actual costs provided by the developer. Developer's profit is based on profit expectations reported by developers as well as actual profit on similar developments.

In the Income Capitalization Approach, the retail value of the lots has been estimated. The individual lot values are based on lot sales in competing developments. The absorption rates, expenses, and discount rates are also based on competing developments. The indicated value by the Income Capitalization Approach is based on the sellout of the lots with deductions for holding costs and discounted to a net present value.

In the Subdivision Development Approach, the retail value of the lots has been estimated. The individual lot values are based on lot sales in competing developments. The absorption rates, expenses, and discount rates are also based on competing developments. The indicated value by the Income Capitalization Approach is based on the sellout of the lots with deductions for holding costs and discounted to a net present value.

## Economic Analysis

### Travis County Area Analysis

Travis County is located in Texas approximately 990 square miles in size and has a population density of 1,344 persons per square mile.

#### Population

Travis County has an estimated 2022 population of 1,330,492, which represents an average annual 2.2% increase over the 2010 census of 1,024,266. Travis County added an average of 25,519 residents per year over the 2010-2022 period, but its annual growth rate lagged the Austin MSA rate of 2.7%.

Looking forward, Travis County's population is projected to increase at a 1.3% annual rate from 2022-2027, equivalent to the addition of an average of 18,398 residents per year. The Travis County growth rate is expected to be similar to that of the Austin MSA.

#### Population Trends

	Population			Compound Ann. % Chng	
	2010 Census	2022 Estimate	2027 Projection	2010 - 2022	2022 - 2027
Travis County, TX	1,024,266	1,330,492	1,422,481	2.2%	1.3%
Austin-Round Rock, TX Metro	1,716,289	2,361,566	2,523,832	2.7%	1.3%
Texas	25,145,561	29,801,205	31,381,561	1.4%	1.0%
USA	308,745,538	334,279,739	344,999,336	0.7%	0.6%

Source: Claritas

#### Employment

Total employment in Travis County was estimated at 805,856 jobs as of June 2021. Between year-end 2011 and 2021, employment rose by 214,063 jobs, equivalent to a 36.2% increase over the entire period. There were gains in employment in nine out of the past ten years. Consistent with national trends, there were losses in 2020, with the onset of the COVID-19 pandemic, followed by a return to positive growth in 2021. Although Travis County's employment rose over the last decade, it underperformed the Austin MSA, which experienced an increase in employment of 38.9% or 309,402 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Travis County unemployment rate has been slightly lower than that of the Austin MSA, with an average unemployment rate of 4.3% in comparison to a 4.4% rate for the Austin MSA. A lower unemployment rate is a positive indicator.

Recent data shows that the Travis County unemployment rate is 3.1% in comparison to a 3.2% rate for the Austin MSA, a positive sign for the Travis County economy but one that must be tempered by the fact that Travis County has underperformed the Austin MSA in the rate of job growth over the past two years.

#### Employment Trends

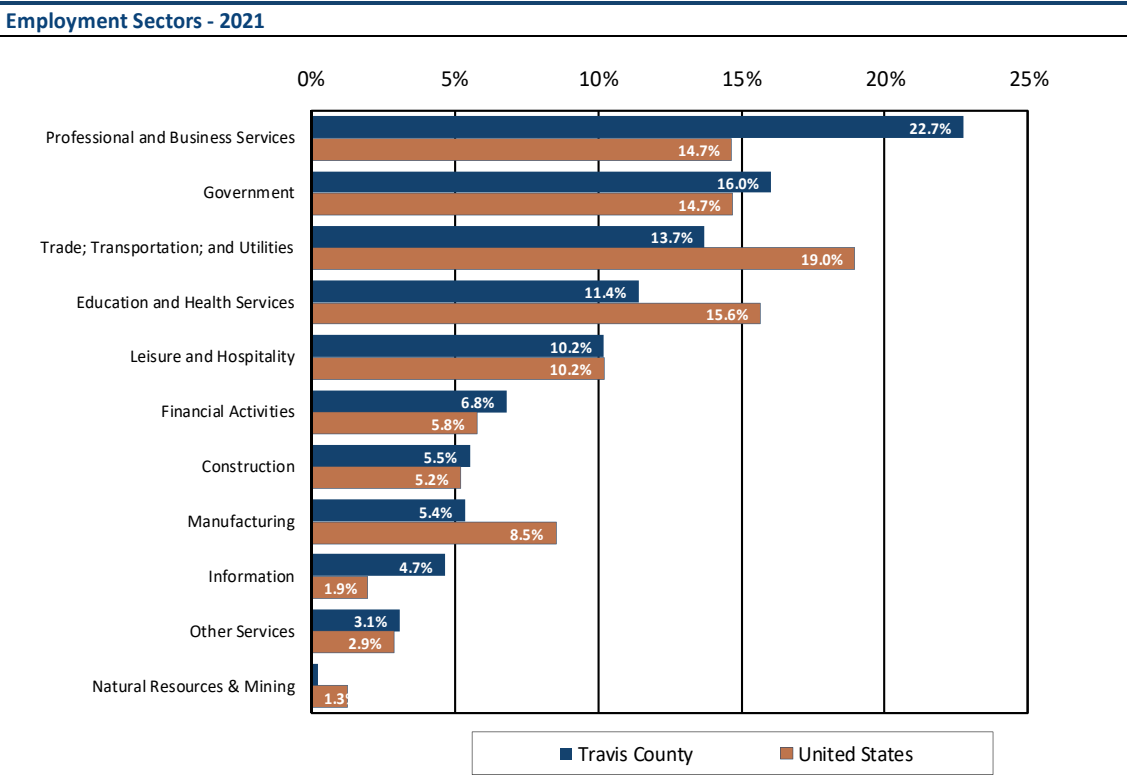
Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Travis County	% Change	Austin MSA	% Change	Travis County	Austin MSA
2011	591,793		795,792		6.6%	6.8%
2012	620,486	4.8%	834,378	4.8%	5.5%	5.7%
2013	642,045	3.5%	866,722	3.9%	5.1%	5.2%
2014	670,691	4.5%	903,316	4.2%	4.1%	4.3%
2015	703,627	4.9%	946,637	4.8%	3.3%	3.4%
2016	717,740	2.0%	972,798	2.8%	3.2%	3.3%
2017	738,571	2.9%	1,005,342	3.3%	3.1%	3.2%
2018	764,818	3.6%	1,043,198	3.8%	2.9%	3.0%
2019	797,903	4.3%	1,088,482	4.3%	2.6%	2.7%
2020	771,513	-3.3%	1,061,574	-2.5%	6.3%	6.2%
2021*	805,856	4.5%	1,105,194	4.1%	4.2%	4.3%
Overall Change 2011-2021	214,063	36.2%	309,402	38.9%		
Avg Unemp. Rate 2011-2021					4.3%	4.4%
Unemployment Rate - November 2021					3.1%	3.2%

\*Total employment data is as of June 2021; unemployment rate data reflects the average of 12 months of 2021.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Travis County job market is depicted in the chart below. A complete data set is not available for the Austin MSA, so Travis County will be compared to the United States. Total employment for the two areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Travis County jobs in each category.



Source: U.S. Bureau of Labor Statistics and Moody's Analytics



Travis County has greater concentrations than the United States in the following employment sectors:

1. Professional and Business Services, representing 22.7% of Travis County payroll employment compared to 14.7% for the nation overall. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
2. Government, representing 16.0% of Travis County payroll employment compared to 14.7% for the nation overall. This sector includes employment in local, state, and federal government agencies.
3. Financial Activities, representing 6.8% of Travis County payroll employment compared to 5.8% for the nation overall. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
4. Construction, representing 5.5% of Travis County payroll employment compared to 5.2% for the nation overall. This sector includes construction of buildings, roads, and utility systems.

Travis County is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 13.7% of Travis County payroll employment compared to 19.0% for the nation overall. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Education and Health Services, representing 11.4% of Travis County payroll employment compared to 15.6% for the nation overall. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Manufacturing, representing 5.4% of Travis County payroll employment compared to 8.5% for the nation overall. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
4. Natural Resources & Mining, representing 0.3% of Travis County payroll employment compared to 1.3% for the nation overall. Agriculture, mining, quarrying, and oil and gas extraction are included in this sector.

## Major Employers

Major employers in Travis County are shown in the following table.

### Major Employers - Travis County

	Name	Number of Employees
1	State of Texas	63,900
2	University of Texas at Austin	23,925
3	H-E-B	18,035
4	Dell technologies	14,030
5	City of Austin	13,531
6	Federal Government	13,199
7	Ascension Seton	11,227
8	Austin ISD	11,101
9	St. David's Healthcare Partnership	10,836
10	Samsung Austin Semiconductor	8,935

Source: Public Records 9/2021

## Major Employers

Major employers in the Austin Metro area are shown in the following table.

### Major Employers - Austin Metro

	Name	Number of Employees
1	State of Texas	63,900
2	University of Texas at Austin	23,925
3	H-E-B	18,035
4	Dell technologies	14,030
5	City of Austin	13,531
6	Federal Government	13,199
7	Ascension Seton	11,227
8	Austin ISD	11,101
9	St. David's Healthcare Partnership	10,836
10	Samsung Austin Semiconductor	8,935

Source: Public Records 9/2021

### Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been somewhat higher in Travis County than the Austin MSA overall during the past ten years. Travis County has grown at a 5.2% average annual rate while the Austin MSA has grown at a 4.8% rate. Travis County has felt the effects of the recent downturn to a greater extent than the Austin MSA. The area's GDP rose by 1.0% in 2020 while the Austin MSA's GDP rose by 1.2%. GDP figures for 2021 are not yet available at the local level, but GDP on a national level increased 5.7% in 2021, in contrast to the pandemic-related decrease of 3.4% in 2020.

Travis County has a per capita GDP of \$89,036, which is 37% greater than the Austin MSA's GDP of \$64,865. This means that Travis County industries and employers are adding relatively more value to the economy than their counterparts in the Austin MSA.

#### Gross Domestic Product

Year	(\$,000s) Travis County	% Change	(\$,000s) Austin MSA	% Change
2011	73,532,045		97,420,914	
2012	75,200,822	2.3%	100,427,386	3.1%
2013	80,133,366	6.6%	105,495,060	5.0%
2014	85,533,548	6.7%	111,176,129	5.4%
2015	93,518,354	9.3%	120,013,418	7.9%
2016	98,959,529	5.8%	126,238,282	5.2%
2017	103,827,155	4.9%	132,420,725	4.9%
2018	109,829,318	5.8%	140,208,570	5.9%
2019	114,678,235	4.4%	147,053,821	4.9%
2020	115,792,021	1.0%	148,884,107	1.2%
Compound % Chg (2011-2020)		5.2%		4.8%
GDP Per Capita 2020	\$89,036		\$64,865	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2021. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted real GDP stated in 2012 dollars.

## Household Income

Travis County has a slightly higher level of household income than the Austin MSA. Median household income for Travis County is \$90,688, which is 0.2% greater than the corresponding figure for the Austin MSA.

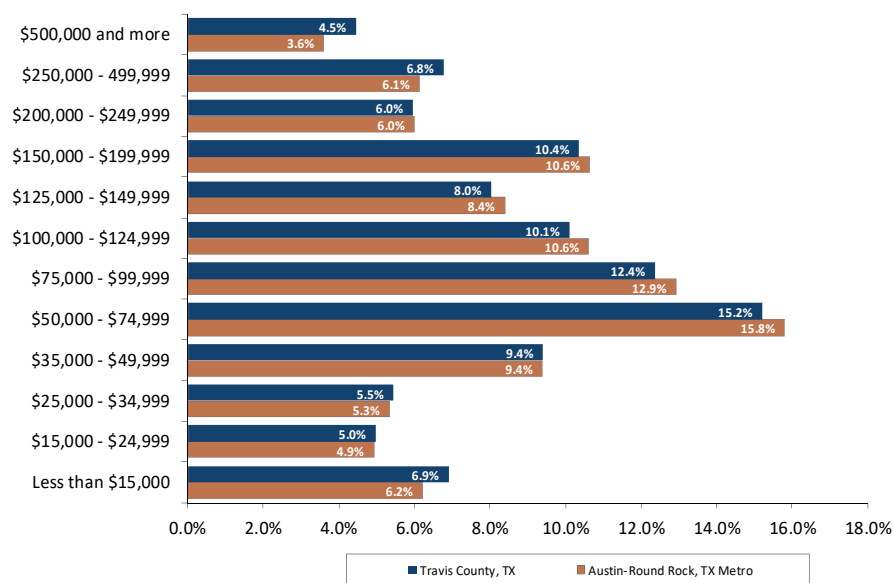
### Median Household Income - 2022

	Median
Travis County, TX	\$90,688
Austin-Round Rock, TX Metro	\$90,523
Comparison of Travis County, TX to Austin-Round Rock, TX Metro	+ 0.2%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. There do not appear to be any significant differences between Travis County and the Austin MSA in the distribution of households within the broad categories of upper, middle, and lower income. The percentage of Travis County households in the upper income ranges (\$75,000 or greater), is similar to that of the Austin MSA. The percentages of households in the middle (\$35,000 - \$75,000) and lower (under \$35,000) income ranges are similar as well.

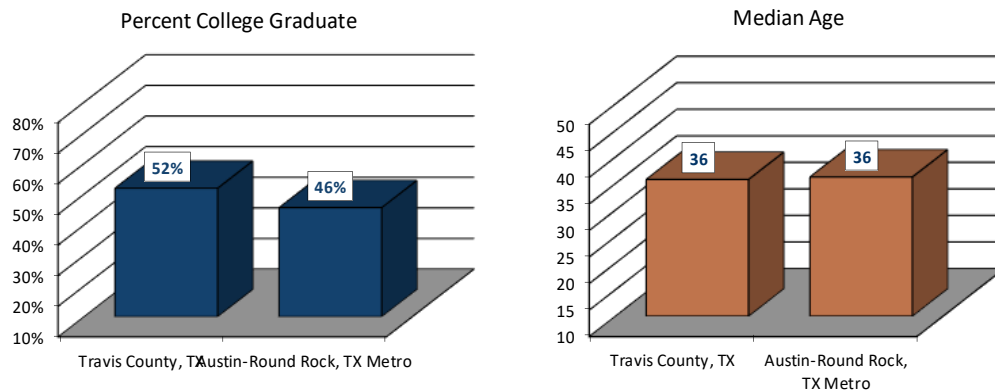
### Household Income Distribution - 2022



## Education and Age

Residents of Travis County have a higher level of educational attainment than those of the Austin MSA. An estimated 52% of Travis County residents are college graduates with four-year degrees, versus 46% of Austin MSA residents. People in Travis County are similar in age to their Austin MSA counterparts. The median age of both Travis County and the Austin MSA is 36 years.

### Education & Age - 2022

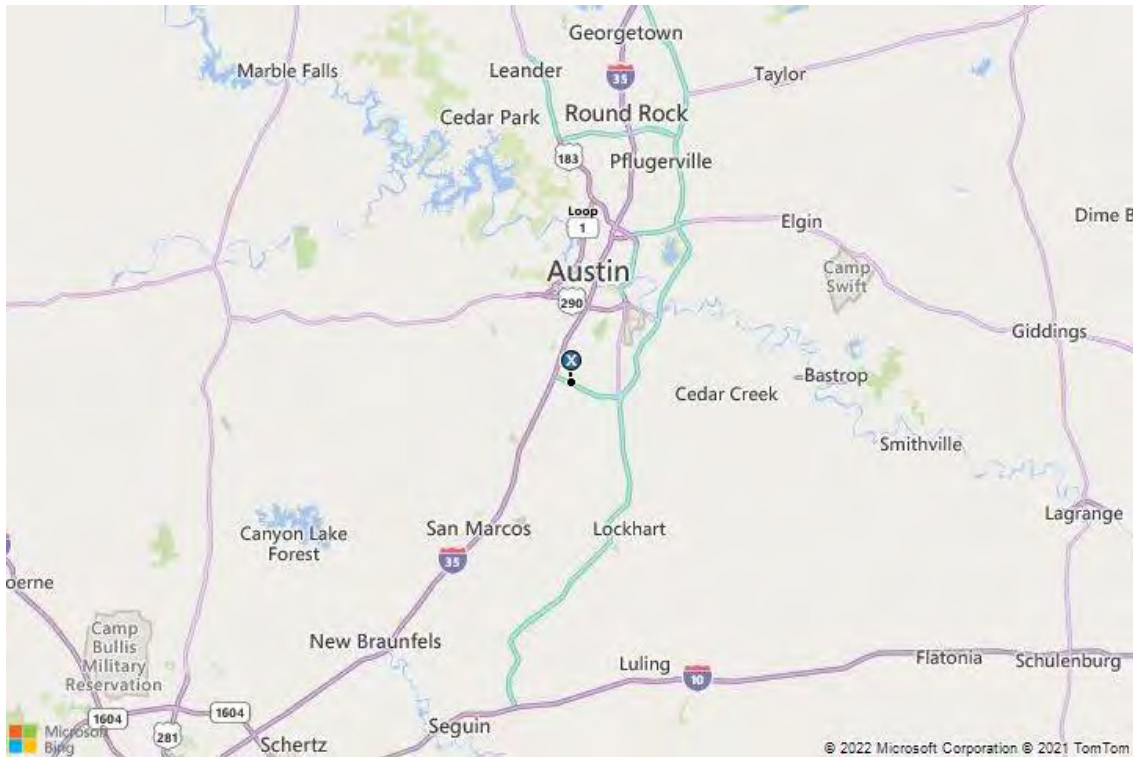


Source: Claritas

## Conclusion

The Travis County economy will benefit from a growing population base and higher income and education levels. Travis County experienced growth in the number of jobs and has maintained a slightly lower unemployment rate than the Austin MSA over the past decade. It is anticipated that the Travis County economy will improve, and employment will grow, strengthening the demand for real estate.

## Area Map



## Surrounding Area Analysis

### Boundaries

The subject is located in the southern sector of Travis County. This area is generally delineated as follows:

#### Boundaries & Delineation

##### Boundaries

Market Area	Austin, TX
Submarket	Southeast
Area Type	Suburban

##### Delineation

North	TX-71
South	Travis County Line
East	Travis County Line
West	IH-35

A map identifying the location of the property follows this section.

### Access and Linkages

#### Access & Linkages

##### Vehicular Access

Major Highways	IH-35, TX-130
Primary Corridors	IH-35
Vehicular Access Rating	Average

##### Public Transit

Providers	Capital Metro Bus System
Transit Access Rating	Average

##### Airport(s)

Distance	13 Miles
Driving Time	20 Minutes

Primary Transportation Mode	Automobile
-----------------------------	------------

## Demographic Factors

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2022 Estimates	3-Mile Radius	5-Mile Radius	10-Mile Radius	Travis County, TX	Austin-Round Rock, TX Metro
Population 2010	3,541	9,651	121,073	1,024,266	1,716,289
Population 2022	4,657	13,175	182,259	1,330,492	2,361,566
Population 2027	5,010	14,167	195,273	1,422,481	2,523,832
Compound % Change 2010-2022	2.3%	2.6%	3.5%	2.2%	2.7%
Compound % Change 2022-2027	1.5%	1.5%	1.4%	1.3%	1.3%
Households 2010	1,065	2,810	37,068	404,467	650,459
Households 2022	1,427	3,874	56,993	527,076	900,847
Households 2027	1,542	4,175	61,153	564,529	965,994
Compound % Change 2010-2022	2.5%	2.7%	3.6%	2.2%	2.8%
Compound % Change 2022-2027	1.6%	1.5%	1.4%	1.4%	1.4%
Median Household Income 2022	\$63,645	\$63,554	\$75,552	\$90,688	\$90,523
Average Household Size	3.3	3.4	3.2	2.5	2.6
College Graduate %	8%	10%	24%	52%	46%
Median Age	34	34	33	36	36
Owner Occupied %	79%	80%	68%	53%	60%
Renter Occupied %	21%	20%	32%	47%	40%
Median Owner Occupied Housing Value	\$259,955	\$218,941	\$255,675	\$432,603	\$379,310
Median Year Structure Built	2000	2000	2006	1997	2001
Average Travel Time to Work in Minutes	37	37	36	29	30

Source: Claritas

As shown above, the current population within a 5-mile radius of the subject is 13,175, and the average household size is 3.4. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to Travis County overall, the population within a 5-mile radius is projected to grow at a faster rate.

Median household income is \$63,554, which is lower than the household income for Travis County. Residents within a 5-mile radius have a considerably lower level of educational attainment than those of Travis County, while median owner-occupied home values are considerably lower.

## Land Use

In the immediate vicinity of the subject, predominant land uses are currently vacant land and rural homesites. Other land use characteristics are summarized as follows:

Immediate Surroundings	
North	Vacant Land
South	Highway/Vacant Land
East	Vacant Land
West	Vacant Land

### Development Activity and Trends

During the last five years, development has predominantly been a mix of single-family residential with supportive commercial along major thoroughfares. The pace of development has generally accelerated over this time. The city/neighborhood has several high-profile developments. The most important are discussed as follows:

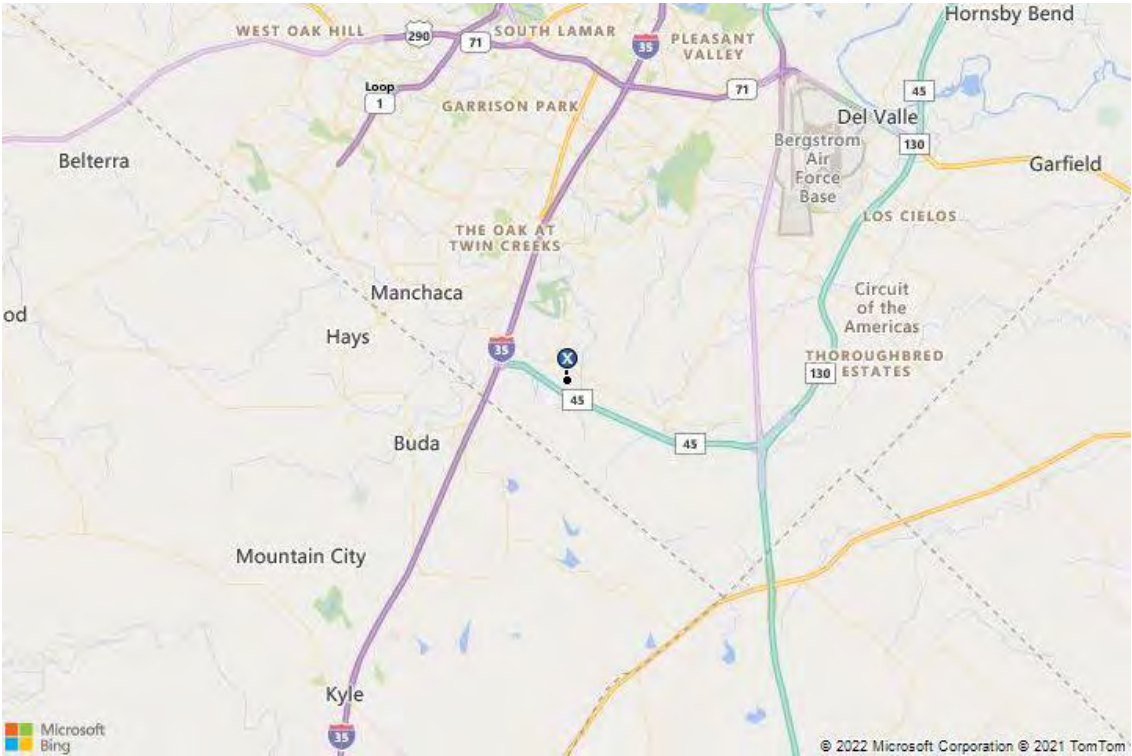
- **Austin-Bergstrom International Airport** is a Class C international airport located in Austin, Texas, United States (the capital of Texas), and serving the Greater Austin metropolitan area, the 31st-largest metropolitan area in the United States. Located about five miles southeast of downtown Austin, it covers 4,242 acres and has two runways and three helipads. It is on the site of what was Bergstrom Air Force Base. Currently, there are over 250 daily arrivals and 260 daily departures on the typical weekday to 76 destinations in the U.S., Canada, Mexico, the Caribbean, and Europe. In the coming years, AUS will be undergoing a major expansion with the goal of supporting 31 million passengers by 2040 (vs 11 million when opened in 1999). To accommodate this growth, AUS will optimize the current Barbara Jordan Terminal while building out a new midfield concourse. Additionally, two new taxiways will be constructed to accommodate the resulting increase in aircraft movements. The AUS 2040 Master Plan was finalized in 2019, however work was halted due to the COVID-19 pandemic and a new plan was launched in July 2021, which adapted the 2040 Master Plan to account for the effects of the pandemic.
- **Southeast Austin** encompasses a fairly large area including subdivisions such as East Riverside and rural towns just outside the city limits like Del Valle and Creedmoor. Home prices in Southeast Austin are generally more affordable than other areas due to the age of the homes. However, significant growth in Austin has caused a recent boom in Southeast Austin and much of the area has undergone major development. Brand-new condo communities and local businesses have emerged in Southeast Austin due to the affordable property and have turned the area into a very desirable place to live. Points of interest in the area include the Colorado River Greenbelt, McKinney Falls State Park and the Austin-Bergstrom International Airport.
- **Onion Creek Club** is Austin's most historic golf club. Founded in 1974 by three-time Masters Champion, Jimmy Demaret and golf legend, Jimmie Connolly. Onion Creek Club is one of the most historic clubs in the Central Texas area. In the mid 90's Ben Crenshaw and Bill Coore lent a hand in shaping an additional nine to complete the twenty-seven-hole layout as we know it today. Onion Creek Club is known for the "Birthplace of the Senior Tour." In 1979, the first "Legends of Golf" was held at Onion Creek Club. Onion Creek Club also hosted three LPGA Tour Events in 1999, 2000, and 2001. Today Onion Creek is a host site for the UIL State Championships, numerous junior competitions, and a qualifying site for the Men's U.S. Open.

- **State Highway 45** is a highway loop around Austin, Texas, that exists in two open segments. The official designation of SH-45 is such to form a complete loop around Austin, a distance of roughly 80 miles. One segment is in southwest Austin and runs roughly southeast from Ranch to Market Road 1826 to the southern terminus of Loop 1 (Mopac Expressway). The roadway is a divided, four-lane facility with a wide median intended to accommodate a future freeway, after which the current lanes would serve as frontage roads. The other segment is a toll road that forms a backwards C-shape along the boundary of Travis and Williamson County before bending down along the eastern edge of the Austin metropolitan area where it shares its route with SH-130.
- **Texas State Highway 130** (SH-130), also known as the Pickle Parkway, is a highway from Interstate 35 (IH-35) in San Antonio along I-410 and I-10 to east of Seguin, then north as tollway from there to IH-35 north of Georgetown. SH-130 runs in a 131-mile corridor east and south of Austin. The route parallels IH-35 and is intended to relieve the Interstate's traffic volume through the San Antonio–Austin corridor by serving as an alternate route. The highway was developed in response to the tremendous surge in truck traffic on the IH-35 corridor brought on by the North American Free Trade Agreement during the late 1990s, especially truck traffic originating from Laredo. The highway is noted for having a speed limit of at least 80 mph along its tolled section. The 41-mile section of the toll road between SH 45 and I-10 has a posted speed limit of 85 mph, the highest posted speed limit in the United States.
- **Gigafactory Texas** (also Tesla Gigafactory 5 or Giga Texas) is an automotive manufacturing facility in Austin, Texas, under construction by Tesla, Inc. since July 2020. Tesla began production in early 2022. It is on a 2,100-acre site bordering Harold Green Road (now Tesla Road) and Texas State Highway 130. The factory is planned to be the main factory for the Tesla Cybertruck and the Tesla Semi. It will also produce Model 3 and Model Y cars for the eastern United States. It also serves as the site of Tesla's corporate headquarters. The Austin-based automaker is also planning to build a nearly 1.6-million-square-foot industrial facility that would produce cathodes for battery manufacturing on a 32-acre site adjacent the auto manufacturing plant.

## Outlook and Conclusions

The area is in the growth stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will increase in the near future.

Surrounding Area Map

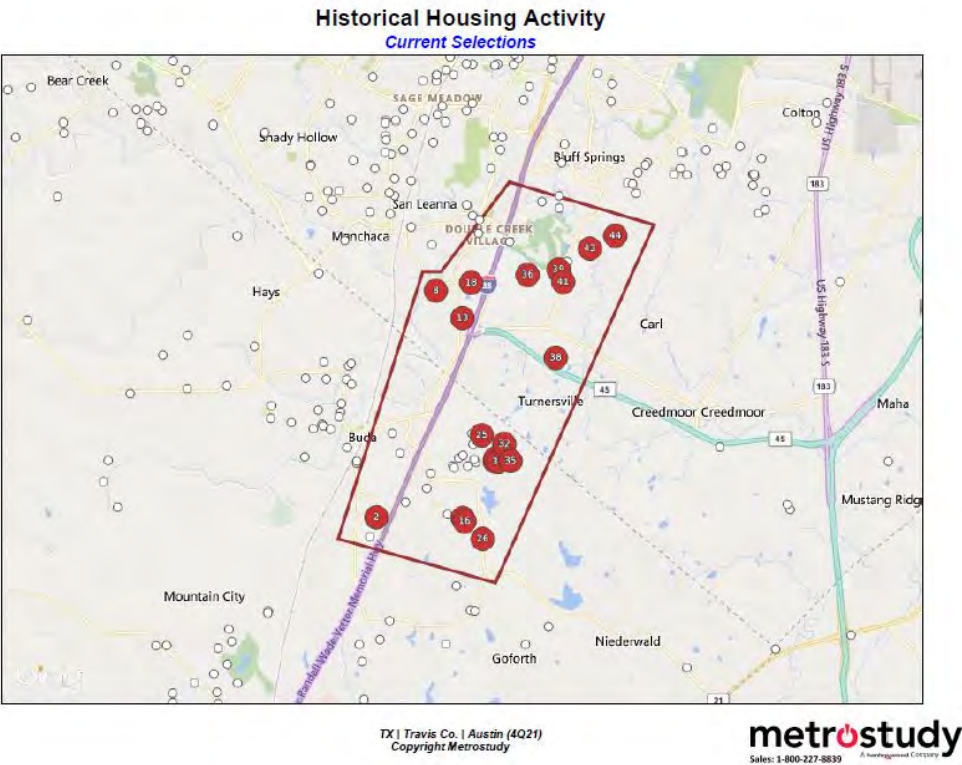


## Residential Analysis

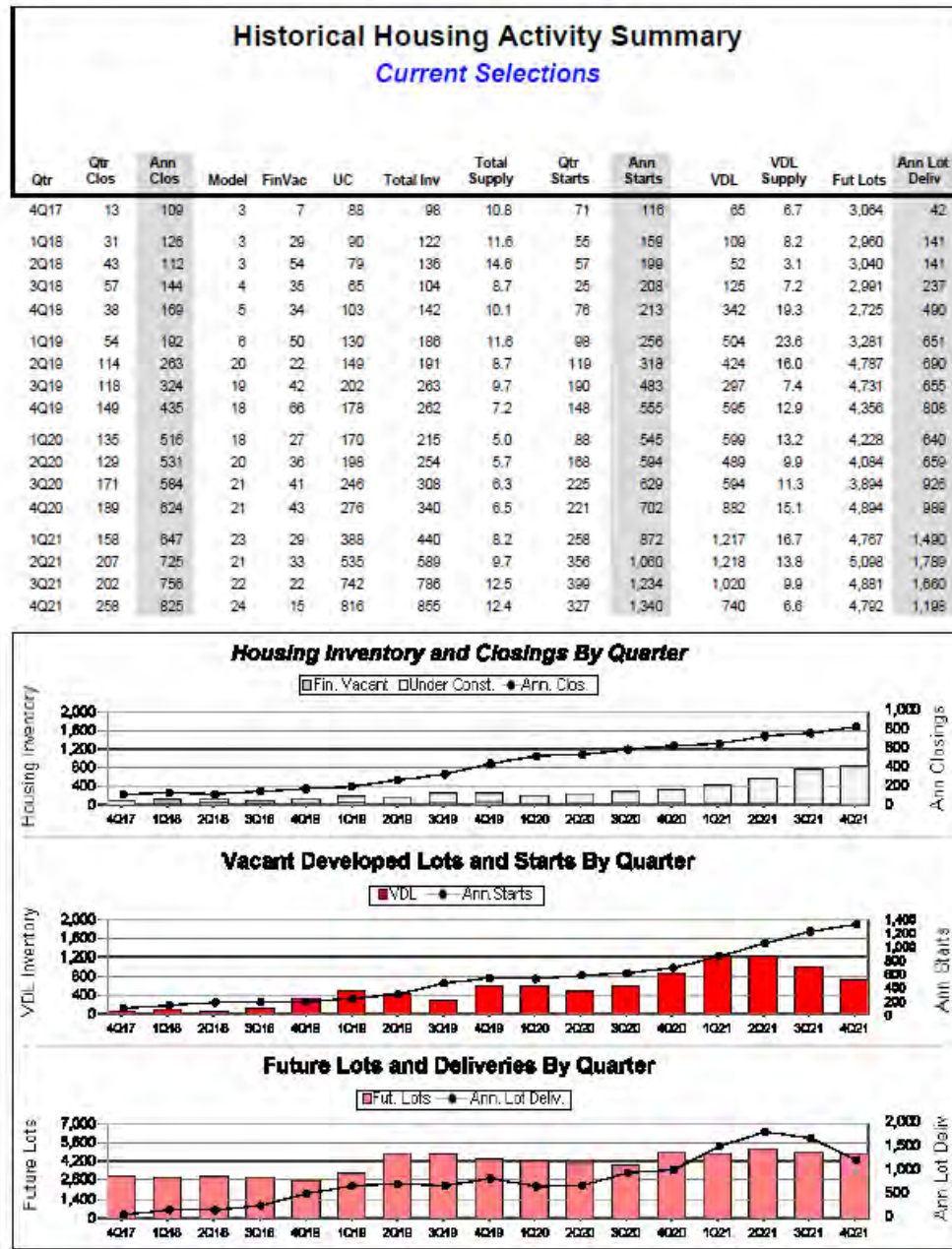
When analyzing the financially feasible and maximally productive use of the site, all of the uses that are both physically possible and legally permissible must be considered. For the subject, the primary potential use is considered to be single-family residential development. As mentioned, the subject is proposed to be developed with single-family lots. Thus, an important factor affecting development of the subject is the surrounding land usage. The neighborhood is predominantly vacant land that is being developed into single-family residential uses. The immediate area surrounding the subject is residential in nature.

During the past decade, the residential real estate market has seen many positive changes. With the steady increase in multifamily residential rental rates, coupled with the low interest rates and the large numbers pertaining to job growth, there has been a trend of individuals choosing to purchase homes rather than to rent apartments and multifamily housing. Furthermore, with the decline in the availability of vacant developable land, population growth has quickly expanded into the suburban areas of the Austin/Round Rock MSA. As such, the proposed absorption of single-family home lots in the subject's neighborhood will be analyzed using historical absorption data provided by Metrostudy/Zonda, a nationally recognized information provider, as well as information obtained from area market participants and developers. It is important to note that our absorption data is based on historical trends. Inasmuch as we are forecasting an economy for this area that is at least equal to recent trends, using these historical trends is felt to be quite justifiable. The subject development is physically located within an unincorporated area of Travis County and is within the Hays Consolidated Independent School District and within the Austin ETJ. As such, we have surveyed the approximately 20± active subdivisions in the immediate vicinity for comparison. Therefore, data obtained from Metrostudy as of Fourth Quarter 2021 for this defined area, as shown in the following map, will be analyzed with a summary of the details following.

Defined Submarket Map Area



Following is a chart provided by Metrostudy summarizing the historical home/lot absorption from the past several years for the defined submarket area:



Austin Residential Survey (4Q21)  
Copyright Metrostudy

**metrostudy**  
Sales: 1-800-227-8839  
A Fairway Group Company

### Defined Submarket Area

As shown in the chart on the previous page, the absorption of homes/lots within the immediate market area has been increasing dramatically the past five years. According to Metrostudy, the submarket area absorbed the following total homes/lots from 2017 to Fourth Quarter 2021:

<b>MetroStudy Analysis</b>	<b>Historical Absorption</b>	
	<b>Annual</b>	
Year 1 (2017)	116	
Year 2 (2018)	213	
Year 3 (2019)	555	
Year 4 (2020)	702	
Year 5 (Past 4 Qtrs)	1,340	
<b>Historical Annual Average</b>	<b>585</b>	
<b>Existing VDL</b>	<b>740</b>	
<b>Historical Absorption Average</b>	<b>585</b>	
<b>Past 12 Month Average</b>	<b>1,340</b>	
<b>Lot Supply (5± Year Historical)</b>	<b>1.3</b>	<b>Years Supply</b>
<b>Lot Supply (12 Months)</b>	<b>0.6</b>	<b>Years Supply</b>

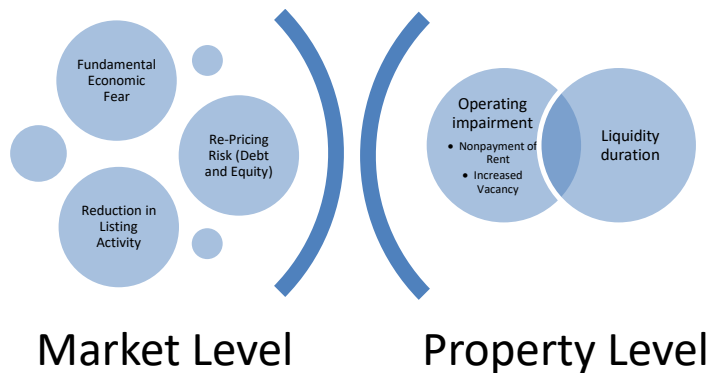
As can be seen, since 2017 (5.0 years), the annual average of homes/lots absorbed was 585 homes/lots. Utilizing the more recent 12-month absorption of homes/lots, the annual average of homes/lots absorbed significantly increases to 1,340 homes/lots in the submarket. According to Metrostudy, the existing supply of available housing is currently well below ideal levels in the submarket. The number of vacant developed lots in the submarket has substantially decreased in 2021 due to increasing demand levels from a low of 1,218 in Second Quarter 2021 to its current level of 740 lots in Fourth Quarter 2021.

Based upon the Metrostudy absorption figures of the past 5.0 years, there is currently only a 1.3±-year (740 lots ÷ 585 lots = 1.3±-years) total supply of existing lots available in the submarket. This total supply is considered to be well below the optimum lot supply levels of 2.0 to 2.5 years per Metrostudy. Also, when utilizing the more current 12-month absorption average of 1,340 home/lots, the total supply of existing lots available in the subject's defined submarket decreases further to only 0.6±-years supply (740 lots ÷ 1,340 lots/year = 0.6±-years), which is substantially below the low end of optimum lot supply levels in the submarket.

Thus, the total lot supply within the subject's submarket is estimated to be between 0.6±-years± to 1.3± years. Currently, this total lot supply is considered to be well below the optimum supply levels. Also, taking into consideration that new developments require a typical nine to 12-month construction period, with increasing demand and dwindling lot supply, it appears that additional lot product in the submarket is feasible at the current time.

## COVID-19 Impact on Current Valuations

Transaction indicators are the best measure of any impact on values due to COVID-19. At the beginning of the pandemic, many transactions were tabled, and market data was scarce. After an initial lull in activity, price discovery has occurred in many markets across different property types and transactions are getting done. Market instability remains a factor on various levels:



Based on discussions and interviews with a wide range of market participants including brokers, lenders, asset managers, owners, property managers and others, a variety of concerns, and opportunities, are apparent.

### The Virus

A surge in COVID-19 cases throughout the country began in 4Q20. Infection rates are exploding with many state and local governments restricting movement and social gatherings. The stock market rose to new highs in 4Q20 on the news of multiple promising vaccine options expected to first become widely available to health care workers and then the general public by mid-2021. In the interim, volatility will remain with starts and stops in economic activity. A widely distributed vaccine is critical for bringing workers back to the office; for allowing public schools to remain open with consistency; and for perceived safe use of public transportation in getting people to work.

### Macro-Economic Impacts

Not surprisingly, 3Q20 GDP was up significantly but varies considerably by segment. Consumption of goods is up while consumption of services remains off, due in large part to households remaining in various levels of lockdown in many parts of the country. Warehouses and manufacturing are winners. Hotels, retail, and restaurants remain weak.

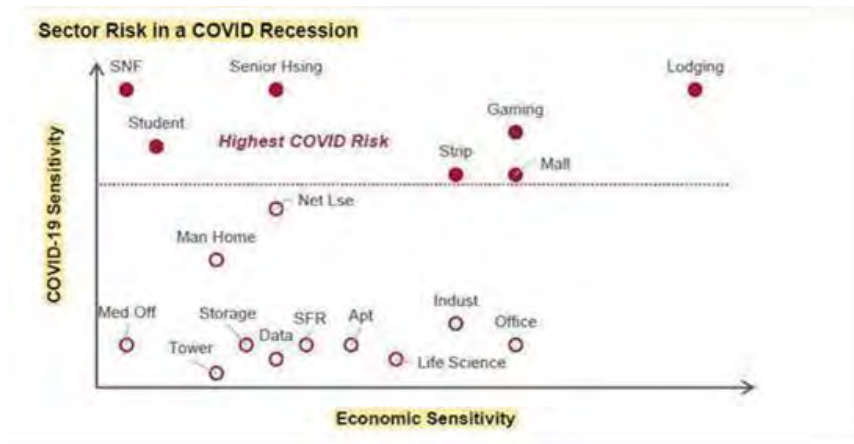
State and local finances are troubling not to mention the outlook for employers and workers, particularly in the service sector, who remain on the downside of a K shaped recovery.

After initially ramping up cash reserves to cover bad loans, many larger lending institutions have begun reducing those set-asides as the expectation of losses is on the decline. Many smaller to mid-size banks,

which have typically been the primary capital source to local, service-oriented businesses, may not be so fortunate.

### Impact by Property Type, Class & Location

Below is a graph prepared by Greenstreet Advisors plotting the sensitivity (and risk) associated with various property types with the negative impact on value being greater for those assets with greater sensitivity. Those assets relating to essential business operations (grocery, medical, distribution) have been less affected than for example lodging and malls where social distancing is more difficult.



### Rates of Return and Valuation Methodology

Offsetting the increased risk due to uncertainty in the property markets is the Fed's monetary policy of holding rates down to enhance liquidity in the debt markets. While many financial institutions have lowered their loan to value ratios as a risk management tool, the cost of borrowing is at historic lows for assets with sustainable cash flow and solid sponsors. The result is downward pressure on rates of return where leverage is attainable but offset to some extent by a rise in equity return requirements. As transactions continue to occur, the overall impact on rates of return, and how they are responding differently by property type and location, is becoming apparent.

Some market participants believe the answer to market value lies in capitalization rates while others believe rates are not moving. Instead, the value impact is limited to cash flow loss plus profit until re-stabilization occurs. Once again, the answers vary by property type and location.

The following valuation tempers the various inputs given the wide range of data in the market. Care must be taken not to "double hit" the analysis by modeling lower net income via lower performance projections and at the same time raising the return requirements, particularly in light of a low interest rate environment.

### Market Sentiment/Participant Interviews

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

### Risk Assessment

This heightened uncertainty forms the basis of defined risk. Considering the subject's relative sensitivity to the COVID-19 risks as of the effective date of the valuation, Integra rates the relative risks of the subject property as of the effective date as follows:

<b>Risk Analysis</b>	
Property Type Sensitivity to Risk	Non-speculative single-family development type is low risk
Property Location Sensitivity to Risk	Non-speculative single-family development location is low risk
Cost of Capital Impact/Risk	Non-speculative single-family development cost of capital impact risk is low
Property Operations Risk	Non-speculative single-family development operations risk is low

### Conclusion

Considering the subject's relative sensitivity to COVID-19 risks as of the effective date of the valuation, the following valuation considerations were developed:

<b>Valuation Approach Implications from COVID-19</b>		<b>Comment</b>
<b>Cost Approach</b>		
Changes in cost of construction?	No	Sales continue to support cost
<b>Sales Comparison Approach</b>		
Market conditions adjustment?	No	Demand for residential lots remains high
Transaction evidence?	No	All sales are post COVID
<b>Marketing Time</b>		
Has marketing time been adjusted?	No	

## Property Analysis

### Land Description and Analysis

#### Land Description

Land Area	85.38 acres; 3,719,153 SF
Source of Land Area	Engineering Report
Primary Street Frontage	SH 45 and Turnersville Road
Shape	Irregular
Corner	No
Topography	Rolling
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed

Flood Area Panel Number	48453C0685H
Date	September 26, 2008
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No

#### Zoning; Other Regulations

Zoning Jurisdiction	Travis County
Zoning Designation	None (Development Agreement)
Description	None (Development Agreement)

#### Utilities

Service	Provider
Water	City of Austin
Sewer	City of Austin

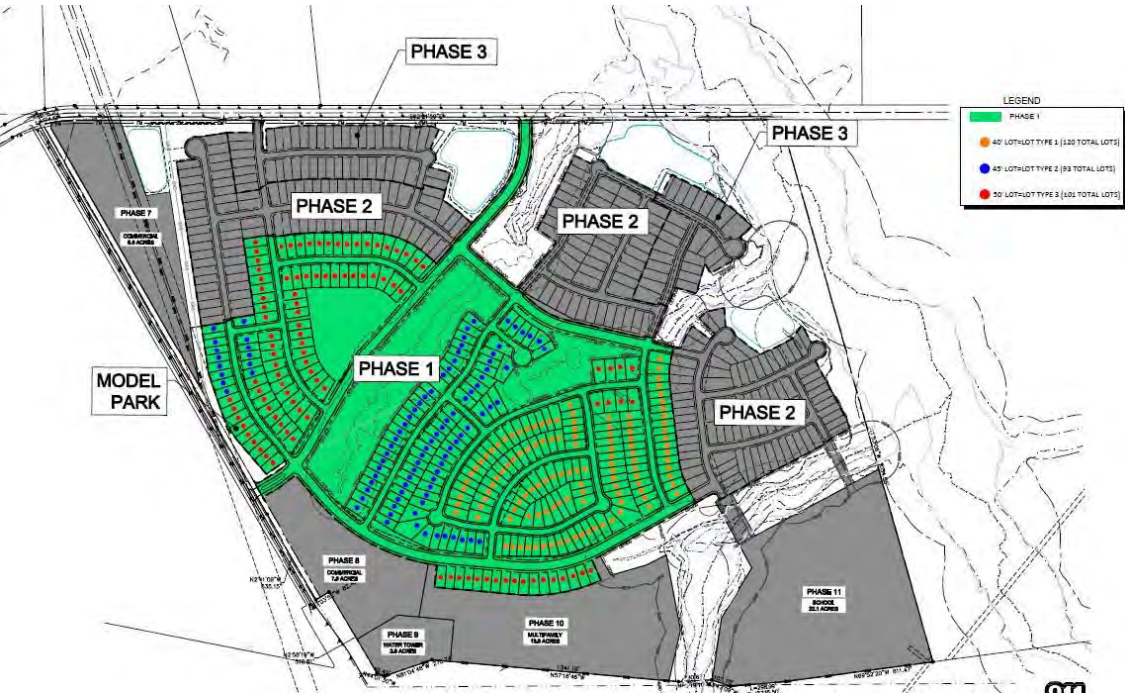




## Aerial Photograph



Plat Map Exhibit



**LEGEND**

- Highway
- Major Road
- Minor Road
- Water
- Railway
- Utility
- Boundary
- Property Line
- Lot
- Block
- Neighborhood
- City
- Province
- Country

**811**  
 Turn over to the  
 City of North York  
 BENCHMARKS

**TURNER'S CROSSING**  
 NORTH YORK, ONTARIO

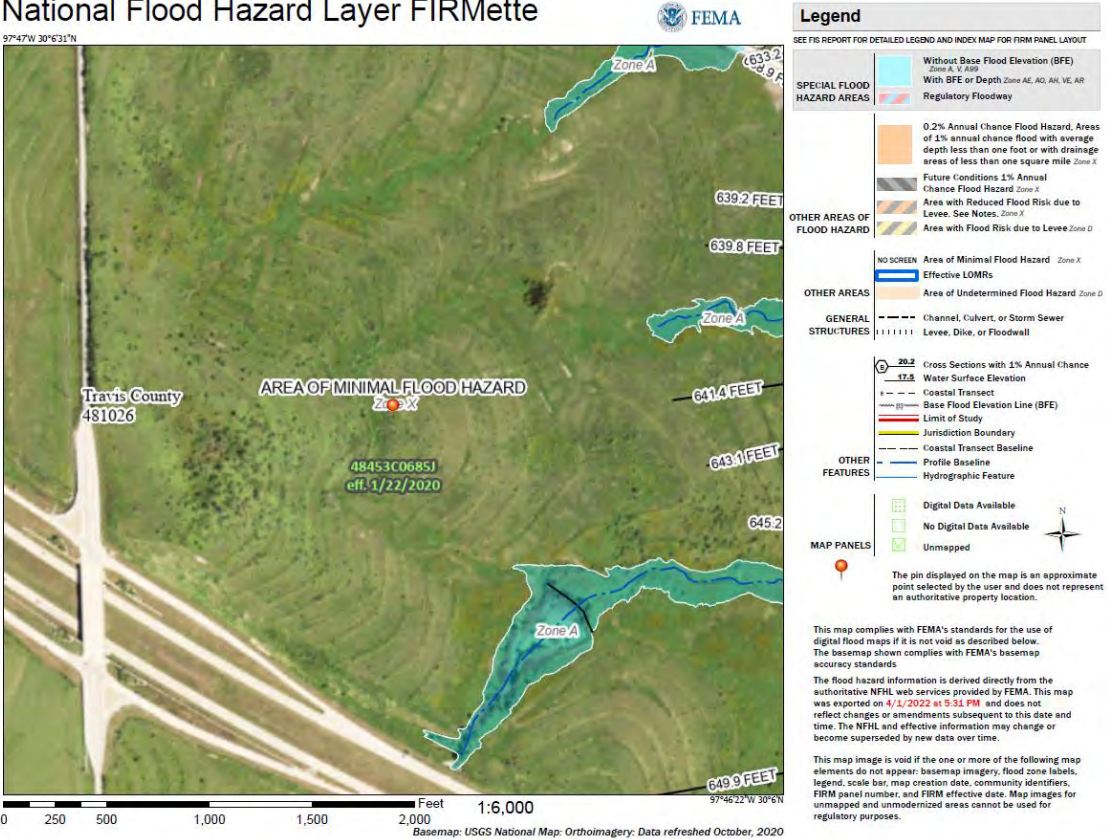
**IMPROVEMENT AREA #1 EXHIBIT**

**Kimley-Horn**

**CBJ-2018-005**

Flood Hazard Map

National Flood Hazard Layer FIRMette



### General Description - Turner's Crossing

Turner’s Crossing (the “Project”) is a 468.5-acre master-planned community in Travis County, Texas to be developed within six phases of residential development and one phase of commercial development. The Project is slated for the eventual development of 1,328 single-family homes (185 acres), 331 multi-family units (18.4 acres) and 21 acres of commercial retail. The Turner’s Crossing Public Improvement District (the “District”) comprises 445.39 acres of the Project (the entire project excluding the multi-family units). Improvement Area #1 contains 118.561 gross acres.

### Improvement Area #1

Improvement Area #1 of the District represents a portion of the first phase of development within the Project. Improvement Area #1 contains approximately 118.561 gross acres (85.38 developable acres) which have been developed with 314 single-family lots (3.7 units per acre). However, as discussed, we are only valuing 241 of the lots with the lot mix described in the following table. The remaining lots will be valued as part of the completed homes.

Turner's Crossing PID, Improvement Area #1						
Phase	Acres	Typical Lot Dimensions			Total Lots	Projected Completion Date
		40' x 120'	45' x 120'	50' x 120'		
1	85.38	77	63	101	241	Completed




## General Description – Single Family Homes

As discussed, we will provide a “not less than” value for the 73 homes within IA #1 that are currently under various stages of construction. The interior quality for each is considered to be average and the upgrades, if any, are unknown. Thus, we assume the homes are similar to that of competing product existing in the neighborhood. The 73 homes consist of 13 different floor plans within two collections. A list of the home addresses and floor plan for each can be found in the addenda. A summary of the 13 floor plans follows:

Turner's Crossing							
Typical Home Summary						Projected	
Floor Plan Name	Front Footage	# of Plan	Bedroom	Bath	# Stories	Living Area/SF	Completion Date
Reynolds	45'	5	5	3	2	2,812	May 31, 2022
Winedale	45'	5	4	2.5	2	2,585	May 31, 2022
Matadoor	45'	4	4	2.5	2	2,334	May 31, 2022
Bryce	40'	7	4	2.5	2	2,024	May 31, 2022
Hughes	45'	7	4	3	1	2,014	May 31, 2022
Olympic	40'	8	4	2.5	2	1,981	May 31, 2022
Lassen	40'	4	3	2.5	2	1,872	May 31, 2022
Callaghan	45'	4	4	2	1	1,688	May 31, 2022
Saguaro	40'	4	3	2.5	2	1,589	May 31, 2022
Conaree	40'	9	3	2	1	1,498	May 31, 2022
Briscoe	45'	4	3	2	1	1,477	May 31, 2022
Cascade	40'	7	3	2	1	1,440	May 31, 2022
Teton	40'	5	3	2	2	1,242	May 31, 2022

A presentation of the floor home types/collections and a summary of the base specifications follows:



**LIFE. BUILT. BETTER.®**

**Turner's Crossing | A LIVE.NOW.® Community**  
Reserve Collection Included Features

**Exterior Design**

- Beautiful front elevations with stone and stucco (per plan & elevation)
- Smartcode Z-Wave front door deadbolt with SmartKey™
- Thermo-Tru fiberglass front door with glass inserts (height per plan, typically 6' 8")
- Thermo-Tru 6' 8" full light rear door
- 3-tab roof shingles
- Bermuda sodded front, side and rear yards with irrigation
- 6 ft. cedar privacy fence
- Covered back patio (per plan)
- Front gutters

**Interior Design**

- 2" faux wood blinds - full house
- Sherwin-Williams® paint (per interior package); "white chip" enamel trim
- Textured "Monterey Drag" wall finish
- Squared sheetrock corners (per plan)
- 3 1/4" base boards at first and second floor
- Kwikset® satin nickel "Polo" door hardware
- Elegant 6' 8" square 2-panel interior doors
- Square 2-panel flat top double doors at home office (per plan)
- Quality Shaw® carpet in great/family room, bedrooms, second floor common areas, formal dining, flex rooms and study (per plan and interior package)
- Luxury vinyl plank floors in entry, kitchen, casual dining, utility and bathrooms (per plan and interior package)
- Ceiling fans in great/family room and primary suite; all bedrooms and game rooms blocked and wired (per plan)
- Privacy locks on all baths and primary suite
- LED disc lighting standard (per plan locations)
- 1 CAT6 and 1 RG6 included in media room (per plan)
- ProFlo® pedestal sink with Moen® Gibson chrome faucet in powder bath (per plan)

**Plush Primary Suites**

- Timberlake® cabinets in primary and hall baths (per interior package)
- Oversized walk-in shower in primary bath
- 12" x 12" or 12" x 24" ceramic tile shower surround (per interior package)
- Decorative chrome bath hardware and accessories
- Engineered marble countertops with Gerber Maxwell drop-in sinks and Moen® Gibson chrome faucets in primary and hall baths
- ProFlo® dual flush toilets in all baths; elongated toilet in primary bath

6511 Purple Prairie Lane  
Buda, TX 78610

**Gourmet Kitchens**

- 42" Timberlake® cabinets with 2" crown (per interior package)
- Granite or quartz countertops in kitchen (per interior package)
- Decorative backsplash (per interior package)
- Whirlpool® 30" slide-in gas range in stainless steel
- Whirlpool® dishwasher in stainless steel
- Built-in micro-hood
- 9" deep stainless steel undermount sink with 50/50 bowls and Moen® Sleek chrome faucet
- Moen® Garbage Disposal

**Superior Construction**

- High efficiency Rinnai® Tankless Water Heater
- 2 RG6 cable jacks & 1 CAT6 phone outlet
- Wi-Fi Hub with 2 RG6, 2 CAT6 and 1 Duplex Outlet
- C/O and smoke detectors standard
- Hose bibs – 1 front and 1 rear
- Borate Subterranean Termite Preventative Treatment on wood, applied and warranted by HomeTeam Pest Defense
- Tytek® Weatherization System


**Health, Comfort and Energy Savings**

- Advanced Framing
- ASHRAE 62.2 Mechanical Fresh-Air Management System
- ENERGY STAR® Dishwasher and Appliance options
- Flow-Smart Showerheads
- High Performance Air Filtration
- High Performance Toilets
- Indoor airPLUS Qualification
- Led Lighting
- Low-E Windows
- Low-to-Zero VOC Materials, Paints, Stains & Adhesives
- MERV 13
- Multispeed HVAC
- Sealed Insulated Ducts
- Spray Foam Insulation
- Spray Foam Insulation in the Attic
- Tankless Hot Water Heaters
- Water-Efficient Faucets

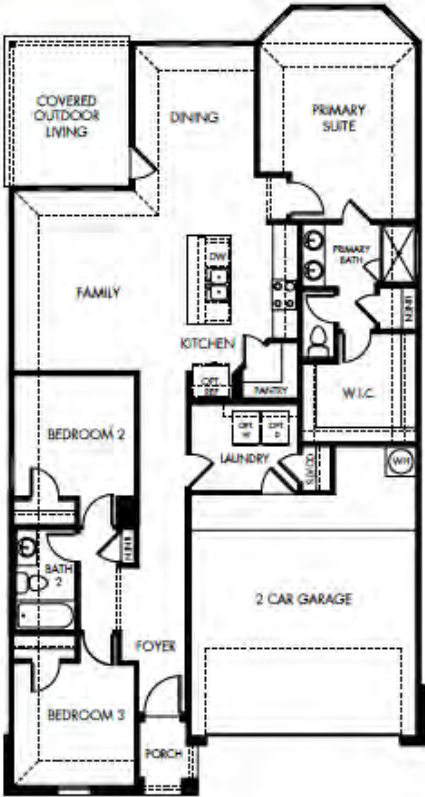
**M.Connected Home™ Automation Suite\***

- Advanced Thermostat
- Door Sensors
- Motion Detector
- Smart Door Lock
- Smart Garage Door
- Smart Home Hub & App
- USB Outlets
- Video Doorbell

\*See <https://www.meritagehomes.com/reconnected> for important details and information. Home, features, and community information subject to change, and homes to prior sale, at any time without notice or obligation. Inclusion of certain features may be dependent upon data building permit for the home is obtained and/or the data home construction commences. Further, deviations and variations may exist in any constructed home, including, without limitation: (i) substitution of materials and equipment of substantially equal or better quality; (ii) minor style, lot orientation, and color changes; (iii) minor variances in square footage and in room and space dimensions; and in window, door, utility outlet, and other improvement locations; (iv) changes as may be required by any state, federal, county or local governmental authority in order to accommodate required selections and/or options; and (v) value engineering and field changes. Actual features included in any home are limited in all events to the specific terms set forth in the contract for such home. Any square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. All promotional, marketing, and advertising materials and claims related to energy savings or performance are created exclusively by third party suppliers, listing services, utility companies, private certified auditors, based on U.S. Department of Energy methodology and average energy use and scores. Actual energy savings and performance of any home or any of its features may vary widely, and may be more or less than indicated savings and performance, depending on the personal energy consumption choices of the occupants and changes in energy provider rates and programs. See sales counselor for additional details. Meritage Homes® is a registered trademark of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved. REMS01 08/11/2021



844.812.6178  
meritagehomes.com



**Turner's Crossing | The Briscoe/Plan 820**  
**Approx. 1,509 sq. ft. | 3 Bed | 2 Bath | 2 Garage | 1 Story**

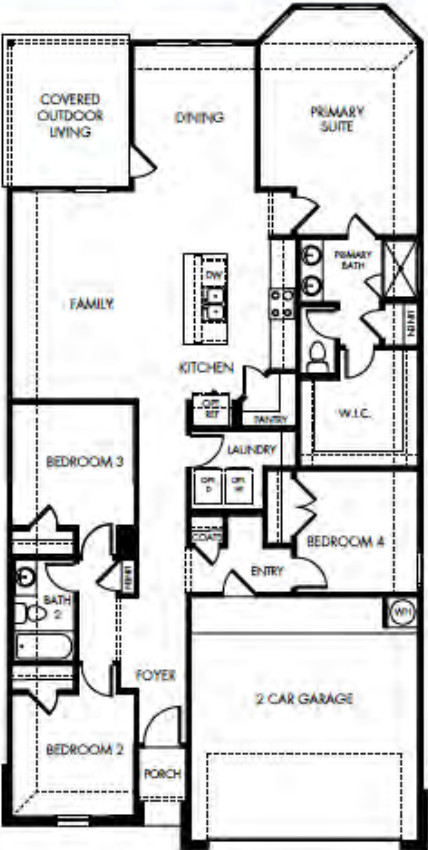
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/finish features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Callaghan/Plan 830**  
**Approx. 1,720 sq. ft. | 4 Bed | 2 Bath | 2 Garage | 1 Story**

REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under any and may be available for all lots under in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home under any and may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Hughes/Plan 841**  
**Approx. 2,043 sq. ft. | 4 Bed | 3 Bath | 2 Garage | 1 Story**

REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be shown to scale. Square footage and dimensions are approximate and may vary in construction and depending on the density of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes for sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designed/ decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and LIFE. BUILT. BETTER.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Matador/Plan 870 | First Floor**  
**Approx. 2,372 sq. ft. | 4 Bed | 2.5 Bath | 2 Garage | 2 Story**

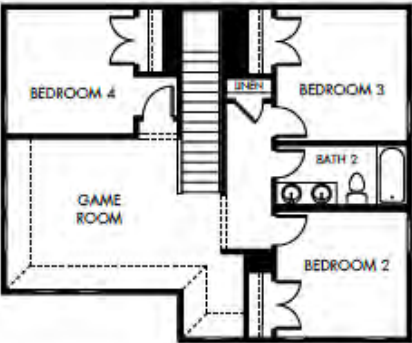
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be shown to scale. Square footage and dimensions are approximate and may vary in construction and depending on the density of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes for sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designed/inspired features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Matador/Plan 870 | Second Floor**  
**Approx. 2,372 sq. ft. | 4 Bed | 2.5 Bath | 2 Garage | 2 Story**

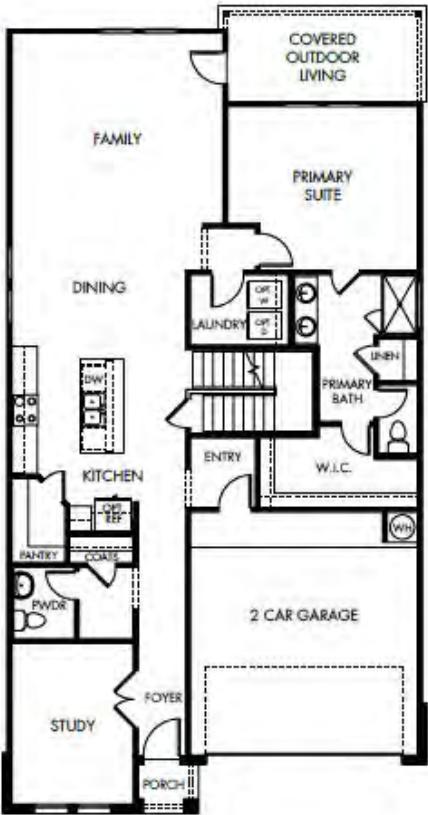
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Winedale/Plan 880 | First Floor**  
**Approx. 2,585 sq. ft. | 4 Bed | 2.5 Bath | 2 Garage | 2 Story**

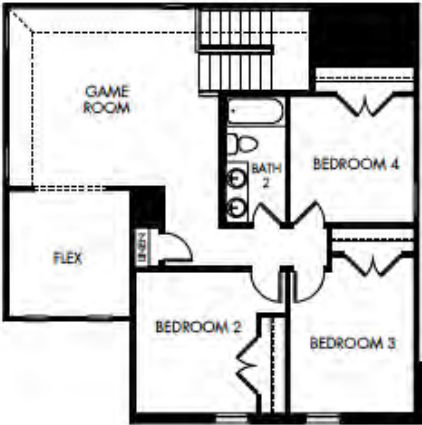
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be shown to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designer/decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Winedale/Plan 880 | Second Floor**  
**Approx. 2,585 sq. ft. | 4 Bed | 2.5 Bath | 2 Garage | 2 Story**

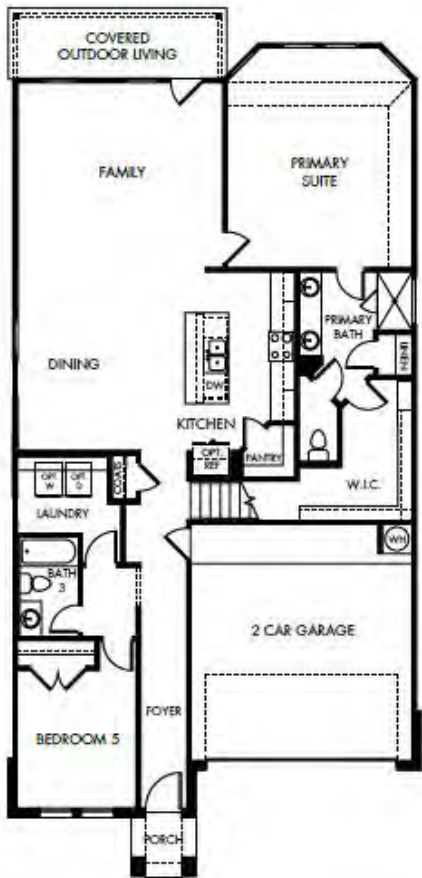
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under any and all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home under any and all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Reynolds/Plan 890 | First Floor**  
**Approx. 2,832 sq. ft. | 5 Bed | 3 Bath | 2 Garage | 2 Story**

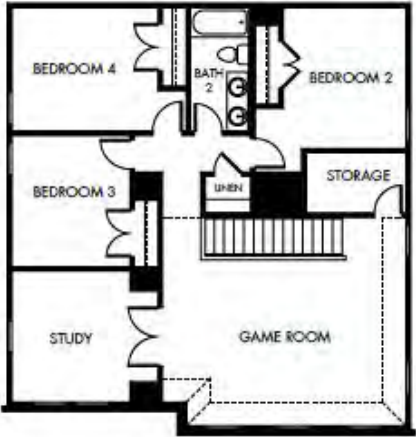
REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be shown to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designed/inspired features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life, Built, Better® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Reynolds/Plan 890 | Second Floor**  
**Approx. 2,852 sq. ft. | 5 Bed | 3 Bath | 2 Garage | 2 Story**


REV 01/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designs/decorative features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and LIFE. BUILT. BETTER.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com




**LIFE. BUILT. BETTER.®**

**Turner's Crossing | A LIVE.NOW.® Community**  
**Americana Collection Included Features**

**Exterior Design**

- Beautiful "craftsman" style front elevations
- Smartcode Z-Wave front door deadbolt with SmartKey™
- Thermo-Tru fiberglass front door with glass inserts (height per plan, typically 6' 8")
- Thermo-Tru 6' 8" full light rear door
- 3-tab roof shingles
- Bermuda sodded front, side and rear yards with irrigation
- 6 ft. cedar privacy fence
- Covered back patio (per plan)

**Interior Design**

- 2" faux wood blinds - front house (non-operable windows above 9' are not included)
- Sherwin-Williams® paint (per interior package); "white chip" enamel trim
- Textured "Monterey Drag" wall finish
- Squared sheetrock corners (per plan)
- 3 1/4" base boards at first and second floor
- Kwikset® satin nickel "Polo" door hardware
- Elegant 6' 8" square 2-panel interior doors
- Square 2-panel flat top double doors at home office (per plan)
- Quality Shaw® carpet in great/family room, bedrooms, second floor common areas, formal dining, flex rooms and study (per plan and interior package)
- Tile or luxury vinyl plank floors in entry, kitchen, casual dining, utility and bathrooms (per plan and interior package)
- Ceiling fans in great/family room and primary suite; all bedrooms and game rooms blocked and wired (per plan)
- Privacy locks on all baths and primary suite
- LED disc lighting standard (per plan locations)
- 1 CAT6 and 1 RG6 included in media room (per plan)
- ProFlo® pedestal sink with Moen® Gibson chrome faucet in powder bath (per plan)

**Plush Primary Suites**

- Timberlake® cabinets in primary and hall baths (per interior package)
- Oversized walk-in shower in primary bath
- 12" x 12" or 12" x 24" ceramic tile shower surround (per interior package)
- Decorative chrome bath hardware and accessories
- Engineered marble countertops with Gerber Maxwell drop-in sinks and Moen® Gibson chrome faucets in primary and hall baths
- ProFlo® dual flush toilets in all baths; elongated toilet in primary bath

6511 Purple Prairie Lane  
Buda, TX 78610

**Gourmet Kitchens**

- 42" Timberlake® cabinets with 2" crown (per interior package)
- Granite or quartz countertops in kitchen (per interior package)
- Decorative backsplash (per interior package)
- Whirlpool® 30" slide-in gas range in stainless steel
- Whirlpool® dishwasher in stainless steel
- Built-in micro-hood
- 9" deep stainless steel undermount sink with 50/50 bowls and Moen® Sleek chrome faucet
- Moen® Garbage Disposal

**Superior Construction**

- High efficiency Rinnai® Tankless Water Heater
- 2 RG6 cable jacks & 1 CAT6 phone outlet
- Wi-Fi Hub with 2 RG6, 2 CAT6 and 1 Duplex Outlet
- C/O and smoke detectors standard
- Hose bibs – 1 front and 1 rear
- Borate Subterranean Termite Preventative Treatment on wood, applied and warranted by HomeTeam Pest Defense
- Tytek® Weatherization System


**Health, Comfort and Energy Savings**

- Advanced Framing
- ASHRAE 62.2 Mechanical Fresh-Air Management System
- ENERGY STAR® Dishwasher and Appliance options
- Flow-Smart Showerheads
- High Performance Air Filtration
- High Performance Toilets
- Indoor airPLUS Qualification
- Led Lighting
- Low-E Windows
- Low-to-Zero VOC Materials, Paints, Stains & Adhesives
- MERV 13
- Multispeed HVAC
- Sealed Insulated Ducts
- Spray Foam Insulation
- Spray Foam Insulation in the Attic
- Tankless Hot Water Heaters
- Water-Efficient Faucets


**M.Connected Home™ Automation Suite\***

- Advanced Thermostat
- Door Sensors
- Motion Detector
- Smart Door Lock
- Smart Garage Door
- Smart Home Hub & App
- USB Outlets
- Video Doorbell

\*See <https://www.meritagehomes.com/reconnected> for important details and information. Home, features, and community information subject to change, and homes to prior sale, at any time without notice or obligation. Inclusion of certain features may be dependent upon data building permit for the home is obtained and/or the data home construction commences. Further, deviations and variations may exist in any constructed home, including, without limitation: (i) substitution of materials and equipment of substantially equal or better quality; (ii) minor style, lot orientation, and color changes; (iii) minor variances in square footage and in room and space dimensions; and in window, door, utility outlet, and other improvement locations; (iv) changes as may be required by any state, federal, county, or local governmental authority in order to accommodate required selections and/or options; and (v) value engineering and field changes. Actual features included in any home are limited in all events to the specific terms set forth in the contract for each home. Any square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. All promotional, marketing, and advertising materials and claims related to energy savings or performance are created exclusively by third party suppliers, listing services, utility companies, private certified auditors, based on U.S. Department of Energy methodology and average energy use and scores. Actual energy savings and performance of any home or any of its features may vary widely, and may be more or less than indicated savings and performance, depending on the personal energy consumption choices of the occupants and changes in energy provider rates and programs. See sales counselor for additional details. Meritage Homes® is a registered trademark of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved. REMS0108/11/2021

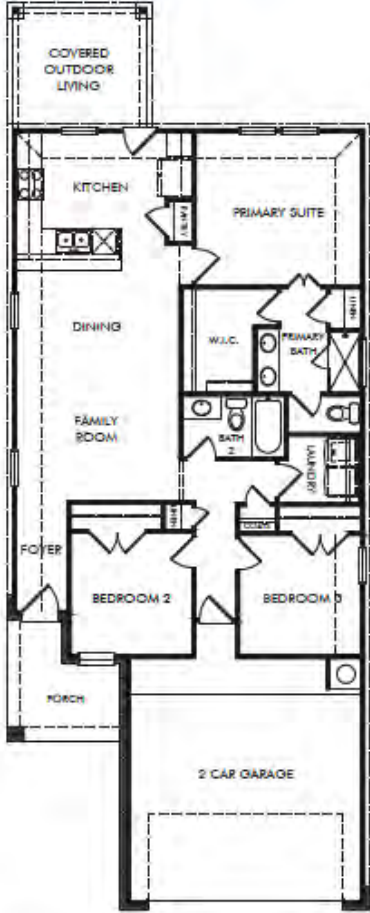


844.812.6178  
meritagehomes.com



Setting the standard for energy-efficient homes.



LIFE. BUILT. BETTER.



**Turner's Crossing | The Teton | Plan 320**  
**Approx. 1,242 sq. ft. | 3 Bed | 2 Bath | 2 Car Garage | 1 Story**


REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pa, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



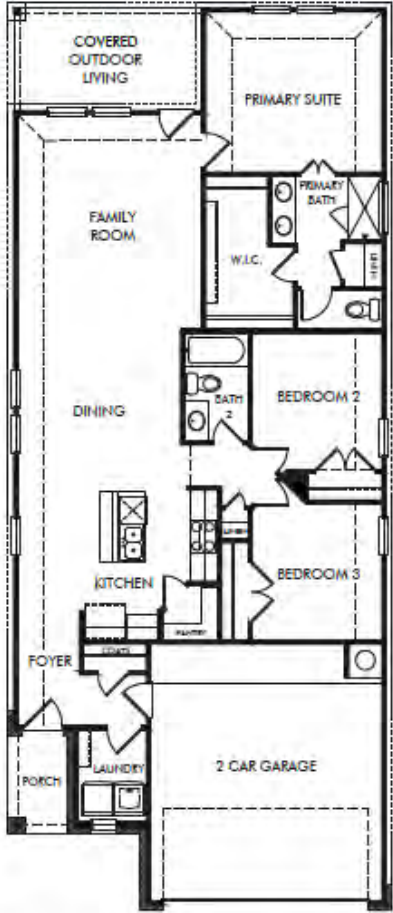
844.812.6178  
meritagehomes.com





Setting the standard for energy-efficient homes.



LIFE. BUILT. BETTER.



**Turner's Crossing | The Cascade | Plan 330**  
**Approx. 1,440 sq. ft. | 3 Bed | 2 Bath | 2 Car Garage | 1 Story**

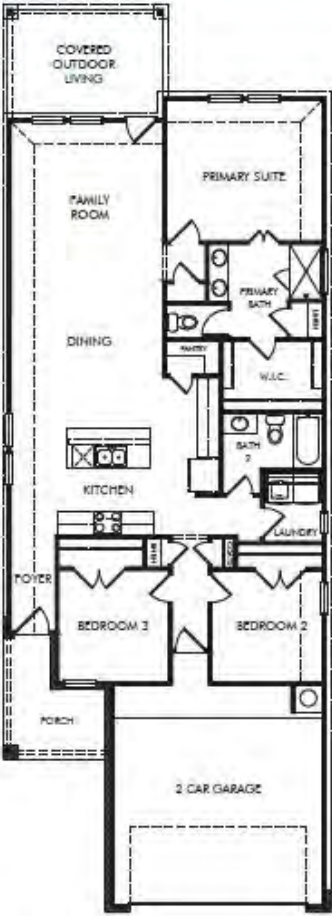
REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pa, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Congaree | Plan 340**  
**Approx. 1,498 sq. ft. | 3 Bed | 2 Bath | 2 Car Garage | 1 Story**

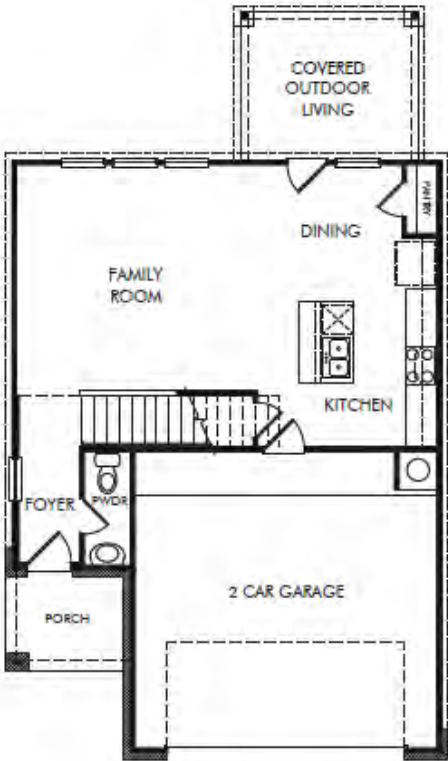
REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage Homes and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designed/selected features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Saguaro | Plan 360 | First Floor**  
**Approx. 1,589 sq. ft. | 3 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

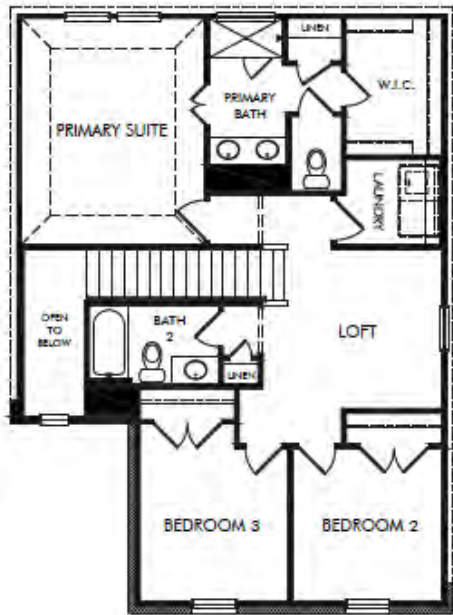
REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under model and are available for all lots under in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home under model and are available for all lots under in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com






**Turner's Crossing | The Saguaro | Plan 360 | Second Floor**  
**Approx. 1,589 sq. ft. | 3 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under any set of plans and/or in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/interior features and amenities that are not included as part of the home under any set of plans and/or in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



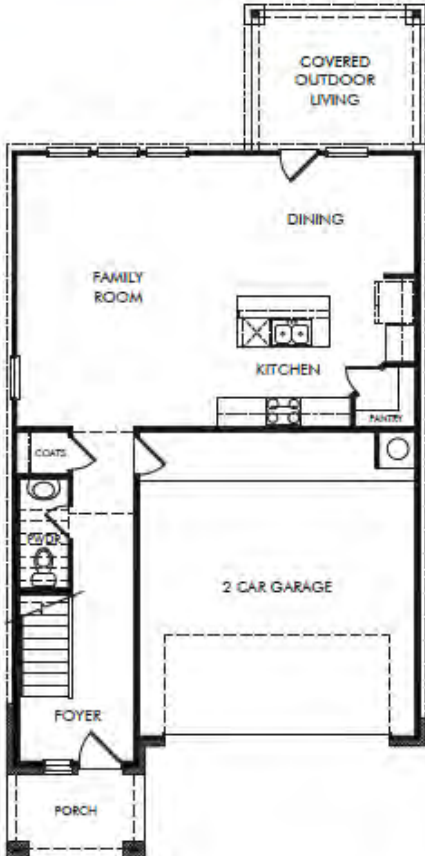
844.812.6178  
meritagehomes.com





Setting the standard for energy-efficient homes®



LIFE. BUILT. BETTER.®



**Turner's Crossing | The Lassen | Plan 370 | First Floor**  
**Approx. 1,872 sq. ft. | 3 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

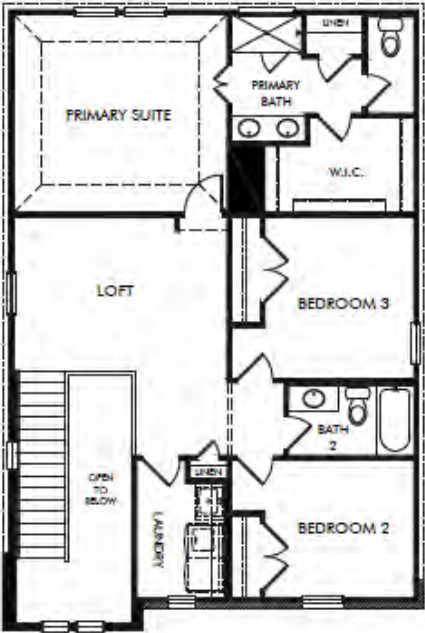
REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under offer and may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage Homes and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/interior features and amenities that are not included as part of the home under offer and may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





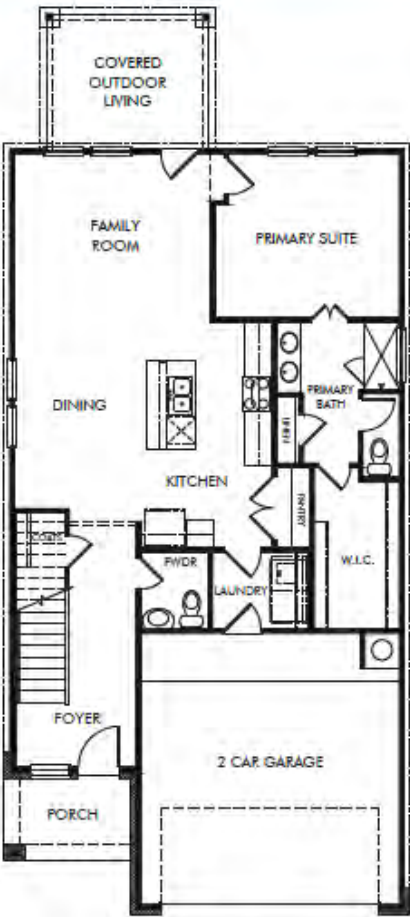
**Turner's Crossing | The Lassen | Plan 370 | Second Floor**  
**Approx. 1,872 sq. ft. | 3 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under review and may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/interior features and amenities that are not included as part of the home under review and may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Olympic | Plan 380 | First Floor**  
**Approx. 1,981 sq. ft. | 4 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com






**Turner's Crossing | The Olympic | Plan 380 | Second Floor**  
**Approx. 1,981 sq. ft. | 4 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes and/or may not be available for all lots and/or in all communities. Renderings may not be shown to scale. Square footage and dimensions are approximate and may vary in construction and depending on the method of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage Homes and others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and designs/depictor features and amenities that are not included as part of the home and/or may not be available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and LIFE. BUILT. BETTER.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



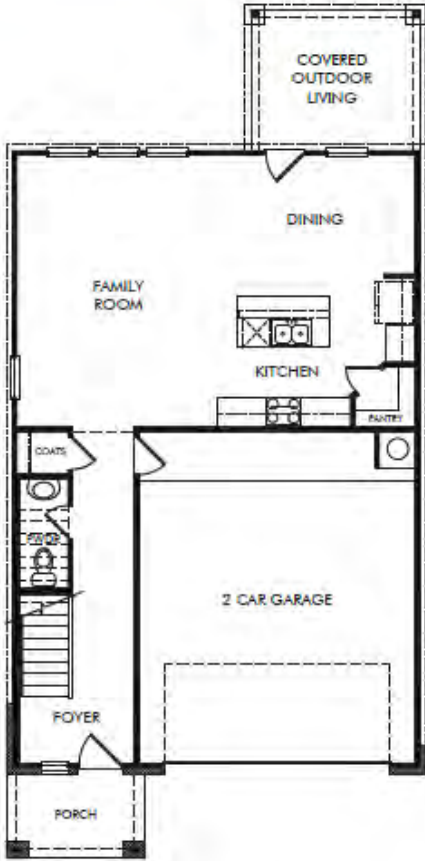
844.812.6178  
meritagehomes.com





Setting the standard for energy-efficient homes®



LIFE. BUILT. BETTER.™



**Turner's Crossing | The Bryce | Plan 375 | First Floor**  
**Approx. 2,029 sq. ft. | 4 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

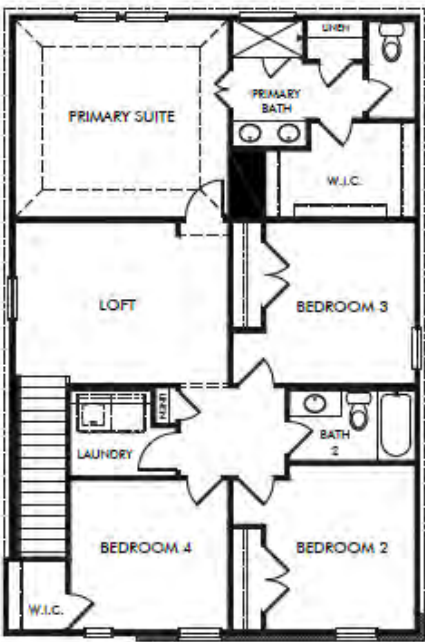
REV 02/21

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under model and are available for all lots under in all communities. Renderings may not be drawn to scale. Square footage and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pa, furnishings, appliances, and design/ decorator features and amenities that are not included as part of the home under model and are available in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted if the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.™ are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com





**Turner's Crossing | The Bryce | Plan 375 | Second Floor**  
**Approx. 2,029 sq. ft. | 4 Bed | 2.5 Bath | 2 Car Garage | 2 Story**

Any floorplan and/or elevation rendering is an artist's conceptual rendering intended to provide a general overview, but any such rendering does not constitute actual plans and specifications for any home. Renderings and pictures are representative and may depict floorplans, elevations, options, upgrades, landscaping, and other features and amenities that are not included as part of all homes under review and are available for all lots under review in all communities. Renderings may not be drawn to scale. Square footages and dimensions are approximate and may vary in construction and depending on the standard of measurement used, engineering and municipal requirements, or other site-specific conditions. Homes may be constructed with a floorplan that is the reverse of the floorplan rendering. Plans are copyrighted and/or otherwise subject to intellectual property rights of Meritage and/or others and cannot be reproduced or copied without Meritage's prior written consent. Plans and specifications, home features, and community information are subject to change, and homes to prior sale, at any time without notice or obligation. Pictures and other promotional materials are representative and may depict or contain floor plans, square footages, elevations, options, upgrades, landscaping, pools/pools, furnishings, appliances, and design/interior features and amenities that are not included as part of the home under review and are available for all lots under review in all communities. Not an offer or solicitation to sell real property. Offers to sell real property may only be made and accepted at the sales center for individual Meritage Homes communities. See sales associate for details. Meritage Homes®. Setting the standard for energy-efficient homes®, and Life. Built. Better.® are registered trademarks of Meritage Homes Corporation. ©2021 Meritage Homes Corporation. All rights reserved.



844.812.6178  
meritagehomes.com



## **Allocation of Authorized Improvements**

The Commissioners Court, based on information provided by the Managing Developer (Meritage Homes of Texas, LLC.) and its engineer and after review by the County staff and third-party consultants retained by the County and TCDA, has determined that the costs described below are costs of Authorized Improvements, as defined by the PID Act, that confer a special benefit on the Assessed Property. The budget for the Improvement Area #1 Improvements is shown on **Exhibit C**.

### **A. Improvement Area #1 Improvements**

#### **Water**

Improvements including trench excavation and embedment, trench safety, piping, valves, fire hydrant assemblies, service connections, testing, related earthwork, excavation, and erosion control and all other necessary appurtenances required to provide water service to each Lot within Improvement Area #1. The water improvements will be owned and operated by the City.

#### **Wastewater**

Improvements including trench excavation and embedment, trench safety, piping, manholes, lift station improvements and modifications, force mains, service connections, testing, related earthwork, excavation, and erosion control and all other necessary appurtenances required to provide wastewater service to each Lot within Improvement Area #1. The wastewater improvements will be owned and operated by the City.

#### **Storm Drainage**

Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for Improvement Area #1. The storm drain facilities will be owned and operated by the County.

#### **Roadway and Sidewalks**

Improvements including subgrade stabilization (including soil treatment and compaction), testing, handicapped ramps, streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting, other materials or work that would be necessary to complete a roadway project, and re-vegetation of all disturbed areas within the right-of-way are included. The roadway improvements will provide vehicular and pedestrian access to each Lot within Improvement Area #1. The roadway and sidewalk improvements will be owned and operated by the County.

#### **Soft Costs and Project Management**

All Improvement Area #1 Improvements include 10.00% soft costs for design, engineering, and other fees relating to constructing the Improvement Area #1 Improvements and a 4.00% Construction Management Fee.

EXHIBIT C – ALLOCATION OF IMPROVEMENT AREA #1 IMPROVEMENTS
--

	Total Costs	Improvement Area #1	
		% Allocable	Cost
<i>Improvement Area #1 Improvements [a]</i>			
Water	\$ 1,653,085	100.00%	\$ 1,653,085
Onsite Sanitary Sewer	\$ 1,341,575	100.00%	\$ 1,341,575
Storm Drainage	\$ 2,878,953	100.00%	\$ 2,878,953
Roadway/Sidewalks	\$ 3,290,613	100.00%	\$ 3,290,613
Soft Costs (10.00%)	\$ 916,422	100.00%	\$ 916,422
Project Management (4.00%)	\$ 366,569	100.00%	\$ 366,569
	<b>\$ 10,447,216</b>		<b>\$ 10,447,216</b>

## Notes:

[a] Per the "Application and Certificate for Payment/DNT Construction #13", dated 7/31/21.

## Real Estate Taxes

Real estate tax assessments are administered by the Travis Central Appraisal District and are estimated by jurisdiction on a county basis for the subject. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The tax rates are certified in October.

The subject lots/homes have not yet been assessed for 2022.

Texas is a non-disclosure State with a mandate to assess property at 100% of market value. Some Texas County Assessors are more successful at achieving the mandate than others. In Texas Counties with little or no transaction activity, values can lag the market. However, there is no limit on increases in the event of a re-assessment.

Property owners in Texas may protest ad valorem assessments using the one of two tests, 1) Market Value or 2) "Equal Appraisal". Market Value is self-explanatory. "Equal Appraisal" means there is a burden on the District's Assessor to ensure mass appraisal methods produce consistent results from property to property. To measure equality, the Appraisal Review Board will consider the assessed values of competing properties in the District. The process involves generation of "ratio study" in which, after appropriate adjustments, the "median value" is the conclusion of "Equal Appraisal".

## Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

### Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as though vacant, and as improved or proposed. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

### As Though Vacant

First, the property is evaluated as though vacant, with no improvements.

#### Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

#### Legally Permissible

The subject lots/homes are in an unincorporated area of Travis County and are not zoned. However, as part of the Turner's Crossing Public Improvement District, the subject is site plan approved, by the County, as currently developed. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only single family homes is given further consideration in determining highest and best use of the site, as though vacant.

#### Financially Feasible

Based on the accompanying analysis of the market, there is currently adequate demand for single family homes in the subject's area. It appears a newly developed single family homes on the site would have a value commensurate with its cost. Therefore, single family homes is considered to be financially feasible.

#### Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than single family homes. Accordingly, single family homes, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

**Conclusion**

Development of the site for single family homes is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as though vacant.

**Most Probable Buyer**

Taking into account the characteristics of the site, as well as area development trends, the probable buyer is a homebuilder.

# Valuation

## Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized
Subdivision Development Approach	Not Applicable	Not Utilized

To develop an opinion of the subject's lot values within Improvement Area #1, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

As discussed previously, the property is divided for valuation purposes relative to the three lot types being 40-feet, 45-feet, and 50-feet in lot width. The Sales Comparison Approach will be utilized to determine lot values for the individual lot types which are summarized as follows:

---

**Land Parcels**

---

Name	SF	Acres	Units	Unit of Comparison
40' Lots	16,200	0.37	40	Front Feet
45' Lots	5,400	0.12	45	Front Feet
50' Lots	6,000	0.14	50	Front Feet

---

### 40' Lots (40' x 120'; 16,200 SF)

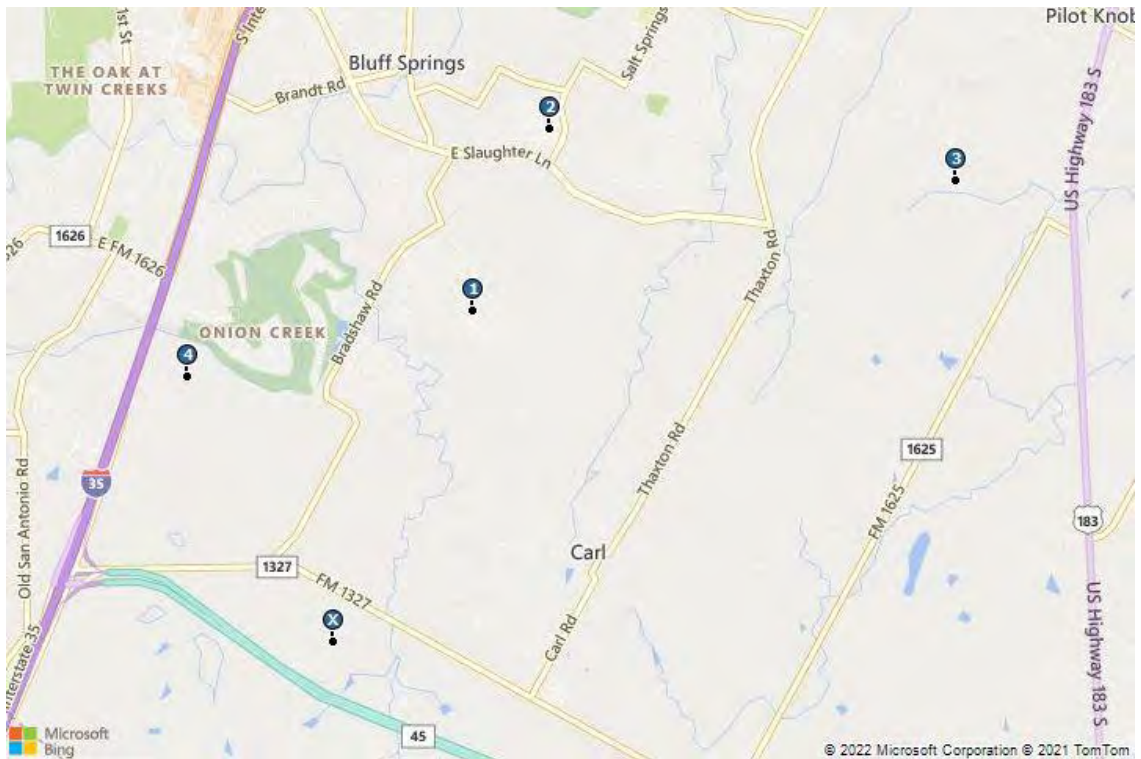
To apply the sales comparison approach to the 40' Lots, the research focused on transactions within the following parameters:

- Location: Immediate Market Area
- Size: 40' to 50'
- Use: Single Family Homes
- Transaction Date: Past 12 Months

For this analysis, price per front foot is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

Summary of Comparable Land Sales - 40' Lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	Vistas of Austin Section 5 (40' Lots) East side of Laurie Lane, south of Moncrieff Drive Austin Travis County TX Comments: Project is in Austin ISD. Home prices range from \$300,000 to \$400,000. Subdivision is located in the Austin ISD.	Dec-21 Closed	\$70,000	4,560 0.10	40	I-SF-4A	\$1,750	\$15.35
2	Goodnight Ranch Future Phase 2 (40' Baythorne Drive Austin Travis County TX Comments: Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17 lots.	Apr-22 In-Contract	\$84,500	5,000 0.11	38	PUD	\$2,224	\$16.90
3	Easton Park/Phase 3A, 45' Lots South of William Cannon Drive at Hillock Terrace Austin Travis County TX Comments: Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.	Nov-21 Closed	\$81,000	5,400 0.12	45	Pilot Knob PUD	\$1,800	\$15.00
4	Cascades at Onion Creek 50' lot East side of IH-35, north of Heatherly Drive Austin Travis County TX Comments: This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.	Jun-21 Closed	\$88,000	6,000 0.14	50	SF	\$1,760	\$14.67
Subject				16,200	40	None (Development Agreement)		
Turner's Crossing Public Improvement District - Improvement Area #1 Austin ETJ, TX				0.37				

### Comparable Land Sales Map – 40' Lots





Sale 1  
Vistas of Austin Section 5 (40' Lots)



Sale 2  
Goodnight Ranch Future Phase 2 (40' Lot)



Sale 3  
Easton Park/Phase 3A, 45' Lots



Sale 4  
Cascades at Onion Creek 50' lot

### Adjustment Factors

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factors	
Effective Sale Price	Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale, related-parties transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.
Location	Market or submarket area influences on sale price; surrounding land use influences.
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts.
Size	Inverse relationship that often exists between parcel size and unit value.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.
Amenities	Quality and/or quantity of amenities will contribute a premium

### Analysis and Adjustment of Sales

Adjustments are based on a rating of each comparable sale in relation to the subject. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of both analyses. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales analysis.

While percentage adjustments are presented in the adjustment grid, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market activity and perception. With the exception of market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-5% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

The sales took place from June 2021 to April 2022. Market conditions through the introduction of the COVID-19 environment have generally been strengthening. The adjustment grid accounts for this trend with upward adjustments over this period.

#### **Analysis and Adjustment of Sales**

The analysis of the comparable sales is described in the following paragraphs.

**Land Sale 1** is a 4,560 square foot lot located in the Vistas of Austin, Section 5, Austin, Travis County, TX, with a typical lot having a 40-foot frontage. The lot sold in December 2021 for \$70,000, or \$1,750 per front foot. An upward adjustment of 2% is indicated for market conditions.

**Land Sale 2** is a 5,000 square foot lot located in Goodnight Ranch, Phase 2, Austin, Travis County, TX, with a typical lot having a 38-foot frontage. The lots are in the final stage of development and are expected to close in April 2022 for \$84,500, or \$2,224 per front foot. A downward adjustment of 10% is indicated for amenities.

**Land Sale 3** is a 5,400 square foot lot located in Easton Park, Austin, Travis County, TX, with a typical lot having a 45-foot frontage. The lot sold in November 2021 for \$81,000, or \$1,800 per front foot. An upward adjustment of 2% is indicated for market conditions.

**Land Sale 4** is a 6,000 square foot lot located in Cascades of Onion Creek, Austin, Travis County, TX, with a typical lot having a 50-foot frontage. The lot sold in June 2021 for \$88,000, or \$1,760 per front foot. An upward adjustment of 5% is indicated for market conditions.

The following table summarizes the adjustments we make to each sale.

<b>Land Sales Adjustment Grid - 40' Lots</b>					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Turner's Crossing Public Improvement District - Improvement Area #1	Vistas of Austin Section 5 (40' Lots)	Goodnight Ranch Future Phase 2 (40' Lot)	Easton Park/Phase 3A, 45' Lots	Cascades at Onion Creek 50' lot
Address	Northeast corner of TX-45 and Turnersville Road	East side of Laurie Lane, south of Moncrieff Drive	Baythorne Drive	South of William Cannon Drive at Hillock Terrace	East side of IH-35, north of Heatherly Drive
City	Austin ETJ	Austin	Austin	Austin	Austin
County	Travis	Travis	Travis	Travis	Travis
State	Texas	TX	TX	TX	TX
Sale Date		Dec-21	Apr-22	Nov-21	Jun-21
Sale Status		Closed	In-Contract	Closed	Closed
Sale Price		\$70,000	\$84,500	\$81,000	\$88,000
Square Feet	16,200	4,560	5,000	5,400	6,000
Number of Front Feet	40	40	38	45	50
<b>Price per Front Foot</b>		<b>\$1,750</b>	<b>\$2,224</b>	<b>\$1,800</b>	<b>\$1,760</b>
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—
Conditions of Sale		—	—	—	—
% Adjustment		—	—	—	—
Market Conditions	4/1/2022	Dec-21	Apr-22	Nov-21	Jun-21
Annual % Adjustment	6%	2%	—	2%	5%
<b>Cumulative Adjusted Price</b>		<b>\$1,785</b>	<b>\$2,224</b>	<b>\$1,836</b>	<b>\$1,848</b>
Location		—	—	—	—
Access/Exposure		—	—	—	—
Size		—	—	—	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Amenities		—	-10%	—	—
Net \$ Adjustment		\$0	-\$222	\$0	\$0
Net % Adjustment		0%	-10%	0%	0%
<b>Final Adjusted Price</b>		<b>\$1,785</b>	<b>\$2,001</b>	<b>\$1,836</b>	<b>\$1,848</b>
Overall Adjustment		2%	-10%	2%	5%
<b>Range of Adjusted Prices</b>		<b>\$1,785 - \$2,001</b>			
<b>Average</b>		<b>\$1,868</b>			
<b>Indicated Value</b>		<b>\$1,875</b>			

**Land Value Conclusion – 40' Lots**

Prior to adjustments, the sales reflect a range of \$1,750 - \$2,224 per front foot. After adjustment, the range is narrowed to \$1,785 - \$2,001 per front foot, with an average of \$1,868 per front foot. To arrive at an indication of value, we place equal emphasis on all sales.

Based on the preceding analysis, we reach a land value conclusion as follows:

Land Value Conclusion	
40' Lots	
Indicated Value per Front Foot	\$1,875
Subject Front Feet	40
Indicated Value	\$75,000
Rounded	\$75,000



### 45' Lots (45' x 120'; 5,400 SF)

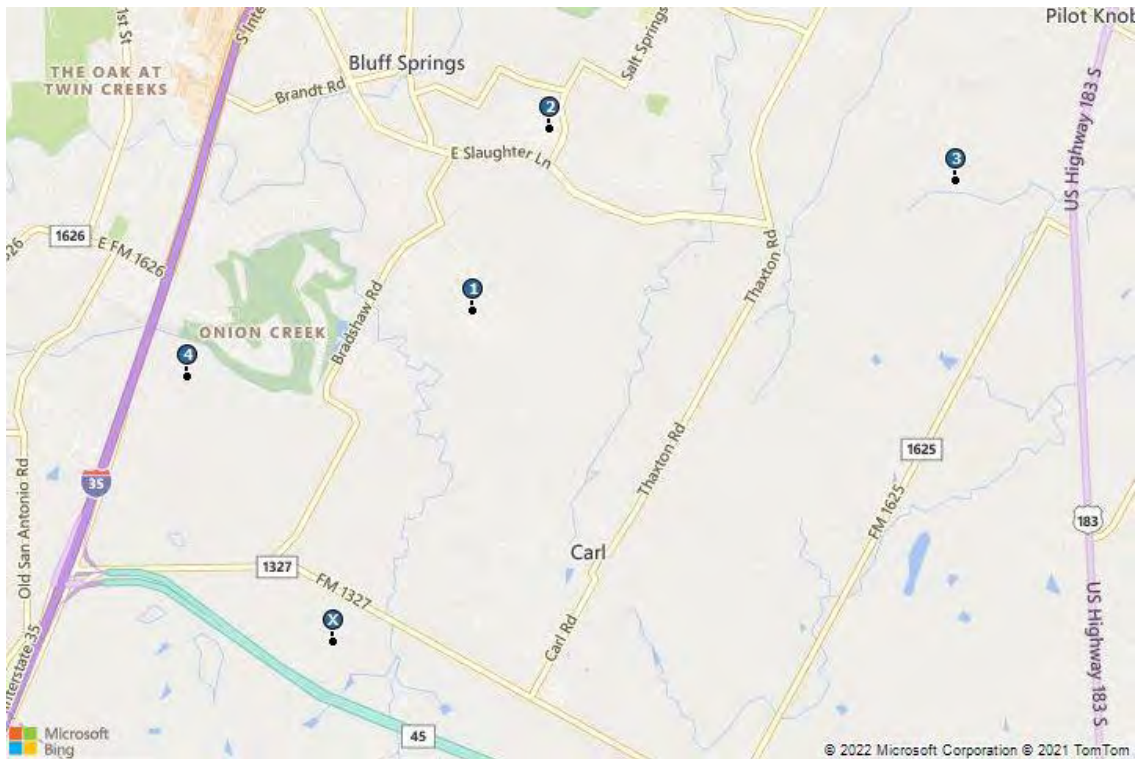
To apply the sales comparison approach to the 45' Lots, the research focused on transactions within the following parameters:

- Location: Immediate Market Area
- Size: 40' to 50'
- Use: Single Family Homes
- Transaction Date: Past 12 Months

For this analysis, price per front foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - 45' Lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	Vistas of Austin Section 5 (40' Lots) East side of Laurie Lane, south of Moncrieff Drive Austin Travis County TX	Dec-21 Closed	\$70,000	4,560 0.10	40	I-SF-4A	\$1,750	\$15.35
Comments: Project is in Austin ISD. Home prices range from \$300,000 to \$400,000. Subdivision is located in the Austin ISD.								
2	Goodnight Ranch Future Phase 2 Baythorne Drive Austin Travis County TX	Apr-22 In-Contract	\$84,500	5,000 0.11	38	PUD	\$2,224	\$16.90
Comments: Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17 lots.								
3	Easton Park/Phase 3A, 45' Lots South of William Cannon Drive at Hillock Terrace Austin Travis County TX	Nov-21 Closed	\$81,000	5,400 0.12	45	Pilot Knob PUD	\$1,800	\$15.00
Comments: Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.								
4	Cascades at Onion Creek 50' lot East side of IH-35, north of Heatherly Drive Austin Travis County TX	Jun-21 Closed	\$88,000	6,000 0.14	50	SF	\$1,760	\$14.67
Comments: This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.								
Subject				5,400	45	None		
Turner's Crossing Public				0.12				
Austin ETJ, TX								

## Comparable Land Sales Map – 45' Lots





Sale 1  
Vistas of Austin Section 5 (40' Lots)



Sale 2  
Goodnight Ranch Future Phase 2 (40' Lot)



Sale 3  
Easton Park/Phase 3A, 45' Lots



Sale 4  
Cascades at Onion Creek 50' lot

**Analysis and Adjustment of Sales**

The analysis of the comparable sales is described in the following paragraphs.

**Land Sale 1** is a 4,560 square foot lot located in Vistas of Austin, Austin, Travis County, TX, with a typical lot having a 40-foot frontage. The property sold in December 2021 for \$70,000, or \$1,750 per front foot. An upward adjustment of 2% is indicated for market conditions.

**Land Sale 2** is a 5,000 square foot lot located in Goodnight Ranch, Austin, Travis County, TX, with a typical lot having a 38-foot frontage. The lots are in the final stage of completion and are expected to close in April 2022 for \$84,500, or \$2,224 per front foot. A downward adjustment of 10% is indicated for amenities.

**Land Sale 3** is a 5,400 square foot lot located in Easton Park, Austin, Travis County, TX, with a typical lot having a 45-foot frontage. The lot sold in November 2021 for \$81,000, or \$1,800 per front foot. An upward adjustment of 2% is indicated for market conditions.

**Land Sale 4** is a 6,000 square foot lot located in Cascades of Onion Creek, Austin, Travis County, TX, with a typical lot having a 50-foot frontage. The lot sold in June 2021 for \$88,000, or \$1,760 per front foot. An upward adjustment of 5% is indicated for market conditions.

### Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

#### Land Sales Adjustment Grid - 45' Lots

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Turner's Crossing Public Improvement District - Improvement Area #1	Vistas of Austin Section 5 (40' Lots)	Goodnight Ranch Future Phase 2 (40' Lot)	Easton Park/Phase 3A, 45' Lots	Cascades at Onion Creek 50' lot
Address	Northeast corner of TX-45 and Turnersville Road	East side of Laurie Lane, south of Moncrieff Drive	Baythorne Drive	South of William Cannon Drive at Hillock Terrace	East side of IH-35, north of Heatherly Drive
City	Austin ETJ	Austin	Austin	Austin	Austin
County	Travis	Travis	Travis	Travis	Travis
State	Texas	TX	TX	TX	TX
Sale Date		Dec-21	Apr-22	Nov-21	Jun-21
Sale Status		Closed	In-Contract	Closed	Closed
Sale Price		\$70,000	\$84,500	\$81,000	\$88,000
Square Feet	5,400	4,560	5,000	5,400	6,000
Number of Front Feet	45	40	38	45	50
<b>Price per Front Foot</b>		<b>\$1,750</b>	<b>\$2,224</b>	<b>\$1,800</b>	<b>\$1,760</b>
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—
Conditions of Sale		—	—	—	—
% Adjustment		—	—	—	—
Market Conditions	4/1/2022	Dec-21	Apr-22	Nov-21	Jun-21
Annual % Adjustment	6%	2%	—	2%	5%
<b>Cumulative Adjusted Price</b>		<b>\$1,785</b>	<b>\$2,224</b>	<b>\$1,836</b>	<b>\$1,848</b>
Location		—	—	—	—
Access/Exposure		—	—	—	—
Size		—	—	—	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Amenities		—	-10%	—	—
Net \$ Adjustment		\$0	-\$222	\$0	\$0
Net % Adjustment		0%	-10%	0%	0%
<b>Final Adjusted Price</b>		<b>\$1,785</b>	<b>\$2,001</b>	<b>\$1,836</b>	<b>\$1,848</b>
Overall Adjustment		2%	-10%	2%	5%
<b>Range of Adjusted Prices</b>		<b>\$1,785 - \$2,001</b>			
<b>Average</b>		<b>\$1,868</b>			
<b>Indicated Value</b>		<b>\$1,875</b>			

**Land Value Conclusion – 45' Lots**

Prior to adjustments, the sales reflect a range of \$1,750 - \$2,224 per front foot. After adjustment, the range is narrowed to \$1,785 - \$2,001 per front foot, with an average of \$1,868 per front foot. To arrive at an indication of value, we place equal emphasis on all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Front Foot	\$1,875
Subject Front Feet	45
Indicated Value	\$84,375
Rounded	\$84,375



### 50' Lots (50' x 120'; 6,000 SF)

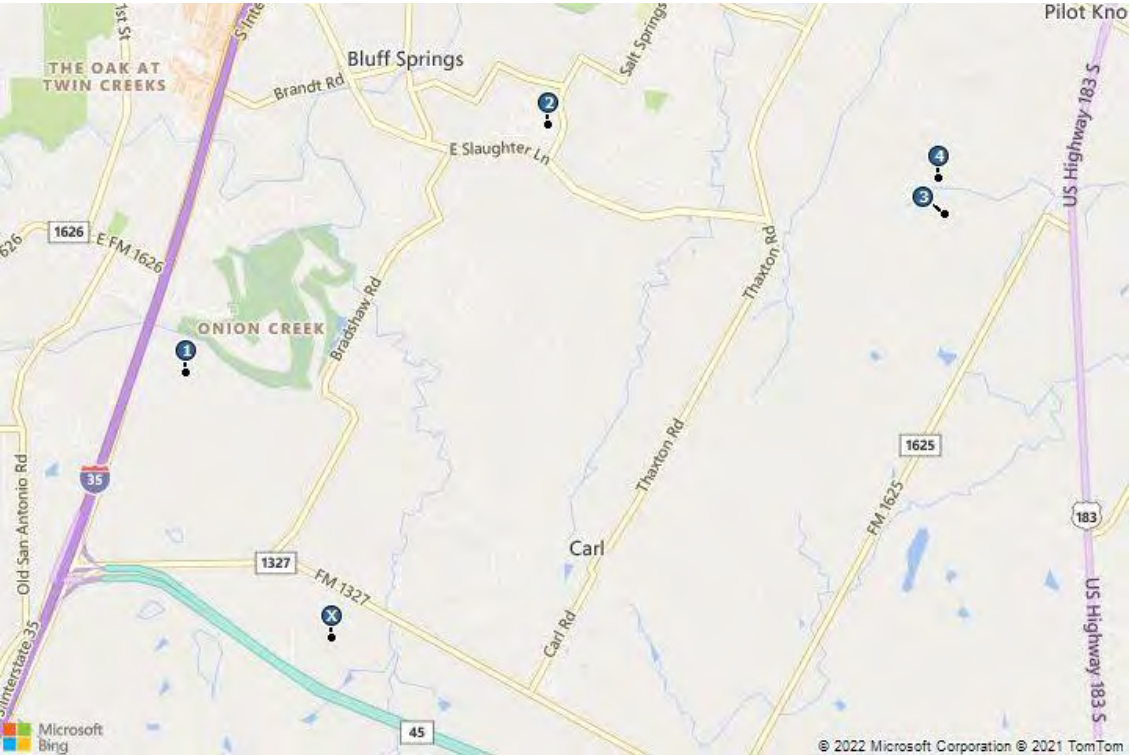
To apply the sales comparison approach to the 50' Lots, the research focused on transactions within the following parameters:

- Location: Immediate Market Area
- Size: 50' to 60'
- Use: Single Family Homes
- Transaction Date: Past 12 Months

For this analysis, price per front foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - 50' Lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	Cascades at Onion Creek 50' lot East side of IH-35, north of Heatherly Drive Austin Travis County TX	Jun-21 Closed	\$88,000	6,000 0.14	50	SF	\$1,760	\$14.67
Comments: This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.								
2	Goodnight Ranch Future Phase 2 Baythorne Drive Austin Travis County TX	Apr-22 In-Contract	\$94,500	6,250 0.14	50	PUD	\$1,890	\$15.12
Comments: Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17 lots.								
3	Easton Park/Kieke Park 50' Lots South side of Bestride Bend, south of Colton Bluff Springs Austin Travis County TX	Nov-21 Closed	\$85,000	6,000 0.14	50	Pilot Knob PUD	\$1,700	\$14.17
Comments: Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$300,000 to \$500,000.								
4	Easton Park/Phase 3A, 60' Lots South of William Cannon Drive at Hillock Terrace Austin Travis County TX	Nov-21 Closed	\$108,000	9,600 0.22	60	Pilot Knob PUD	\$1,800	\$11.25
Comments: Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.								
Subject				6,000	50	None		
Turner's Crossing Public Austin ETJ, TX				0.14				

Comparable Land Sales Map – 50' Lots





Sale 1  
Cascades at Onion Creek 50' lot



Sale 2  
Goodnight Ranch Future Phase 2 (50' Lot)



Sale 3  
Easton Park/Kiekie Park 50' Lots



Sale 4  
Easton Park/Phase 3A, 60' Lots

**Analysis and Adjustment of Sales**

The analysis of the comparable sales is described in the following paragraphs.

**Land Sale 1** is a 6,000 square foot lot located in Cascades of Onion Creek, Austin, Travis County, TX, with a typical lot having a 50-foot frontage. The lot sold in June 2021 for \$88,000, or \$1,760 per front foot. An upward adjustment of 5% is indicated for market conditions.

**Land Sale 2** is a 6,250 square foot lot located in Goodnight Ranch, Austin, Travis County, TX, with a typical lot having a 50-foot frontage. The lots are in the final stage of completion and are expected to close in April 2022 for \$94,500, or \$1,890 per front foot. A downward adjustment of 10% is indicated for amenities.

**Land Sale 3** is a 6,000 square foot lot located in Easton Park, Austin, Travis County, TX, with a typical lot having a 50-foot frontage. The lot sold in November 2021 for \$85,000, or \$1,700 per front foot. An upward adjustment of 2% is indicated for market conditions.

**Land Sale 4** is a 9,600 square foot lot located in Easton Park, Austin, Travis County, TX, with a typical lot having a 60-foot frontage. The lot sold in November 2021 for \$108,000, or \$1,800 per front foot. An upward adjustment of 2% is indicated for market conditions.

### Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

#### Land Sales Adjustment Grid - 50' Lots

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Turner's Crossing Public Improvement District - Improvement Area #1	Cascades at Onion Creek 50' lot	Goodnight Ranch Future Phase 2 (50' Lot)	Easton Park/Kieke Park 50' Lots	Easton Park/Phase 3A, 60' Lots
Address	Northeast corner of TX-45 and Turnersville Road	East side of IH-35, north of Heatherly Drive	Baythorne Drive	South side of Bestride Bend, south of Colton Bluff Springs Road	South of William Cannon Drive at Hillock Terrace
City	Austin ETJ	Austin	Austin	Austin	Austin
County	Travis	Travis	Travis	Travis	Travis
State	Texas	TX	TX	TX	TX
Sale Date		Jun-21	Apr-22	Nov-21	Nov-21
Sale Status		Closed	In-Contract	Closed	Closed
Sale Price		\$88,000	\$94,500	\$85,000	\$108,000
Square Feet	6,000	6,000	6,250	6,000	9,600
Number of Front Feet	50	50	50	50	60
<b>Price per Front Foot</b>		<b>\$1,760</b>	<b>\$1,890</b>	<b>\$1,700</b>	<b>\$1,800</b>
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—
Conditions of Sale		—	—	—	—
% Adjustment		—	—	—	—
Market Conditions	4/1/2022	Jun-21	Apr-22	Nov-21	Nov-21
Annual % Adjustment	6%	5%	—	2%	2%
<b>Cumulative Adjusted Price</b>		<b>\$1,848</b>	<b>\$1,890</b>	<b>\$1,734</b>	<b>\$1,836</b>
Location		—	—	—	—
Access/Exposure		—	—	—	—
Size		—	—	—	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Amenities		—	-10%	—	—
Net \$ Adjustment		\$0	-\$189	\$0	\$0
Net % Adjustment		0%	-10%	0%	0%
<b>Final Adjusted Price</b>		<b>\$1,848</b>	<b>\$1,701</b>	<b>\$1,734</b>	<b>\$1,836</b>
Overall Adjustment		5%	-10%	2%	2%
<b>Range of Adjusted Prices</b>		<b>\$1,701 - \$1,848</b>			
<b>Average</b>		<b>\$1,780</b>			
<b>Indicated Value</b>		<b>\$1,775</b>			

**Land Value Conclusion – 50' Lots**

Prior to adjustments, the sales reflect a range of \$1,700 - \$1,890 per front foot. After adjustment, the range is narrowed to \$1,701 - \$1,848 per front foot, with an average of \$1,780 per front foot. To arrive at an indication of value, we place equal emphasis on all sales.

Based on the preceding analysis, the land value conclusion is as follows:

<b>Land Value Conclusion</b>	
Indicated Value per Front Foot	\$1,775
Subject Front Foots	50
Indicated Value	\$88,750
Rounded	\$88,750

**Cumulative Retail Lot Value – IA #1**

Following is the calculation for the total cumulative retail value for the subject's 241 remaining lots within Turner's Crossing, IA #1 (Phase 1).

<b>Cumulative Retail Lot Value Calculation</b>				
Total Lots	Front Footage	Average Price/Lot	Price/FF	Total Cumulative Retail Value
77	40	\$75,000	\$1,875	\$5,775,000
63	45	\$84,375	\$1,875	\$5,315,625
101	50	\$88,750	\$1,775	\$8,963,750

**It should be clearly understood that the summation of lot values does not represent our opinion of value, as if the lots are all sold in bulk in a single transaction.**



## Market Value (73 Single Family Homes)

The sales comparison approach develops an indication of value by comparing the subject to sales of similar properties. The steps taken to apply this approach are:

- Identify relevant property sales
- Research, assemble, and verify pertinent data for the most relevant sales
- Analyze the sales for material differences in comparison to the subject
- Reconcile the analysis of the sales into a value indication for the subject

The subject properties constitute 13 floor plans of typical entry level housing located on average/typical lot sizes of 40' x 120' and 45' x 120'. Thus, an analysis has been made of the properties which are considered to be comparable to the subject property in this respect and/or similar properties.

As discussed, our valuation consists of 73 residences with a wide variety of home sizes, elevations, lot sizes and upgrades. These types of residences and their appeal rely largely on their site, view, location, etc. Hence, we have provided values based on a typical home in the neighborhood.

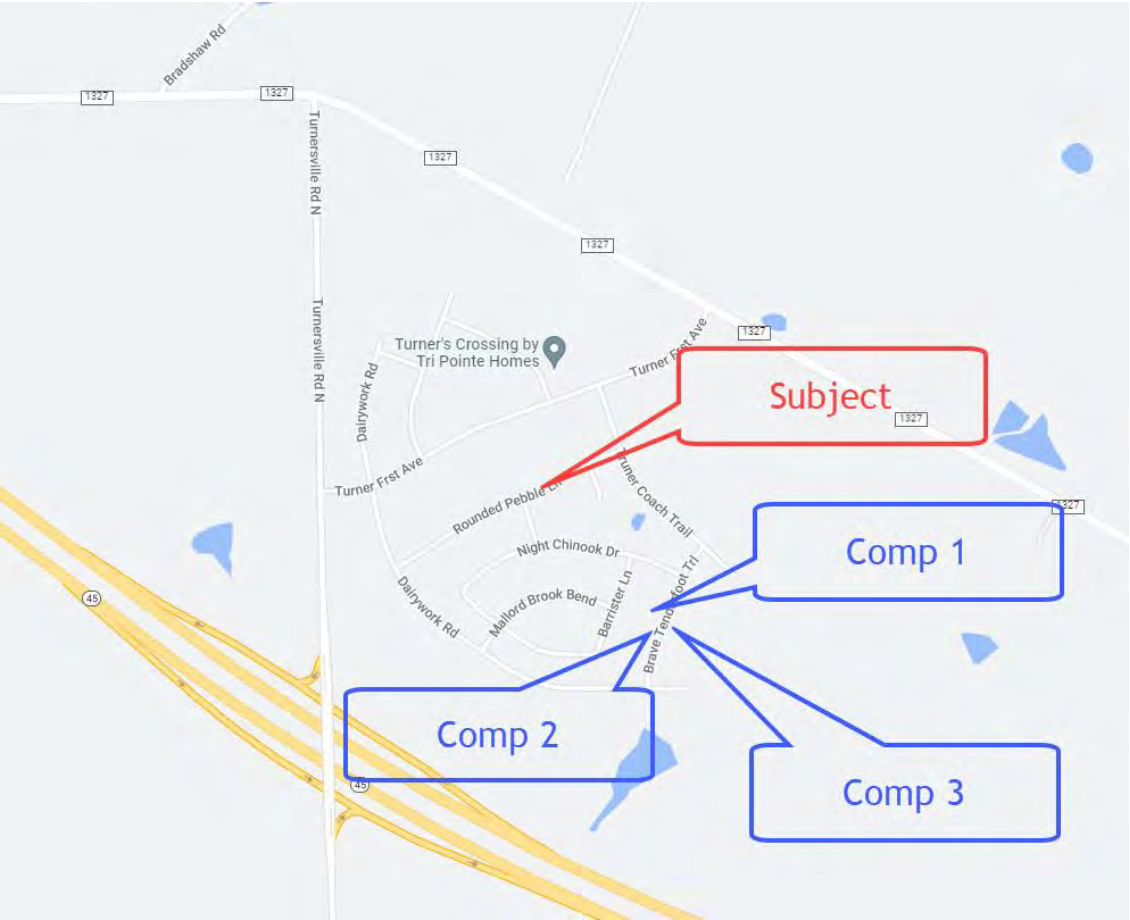
The comparables that we have utilized possess similar residential ancillary improvements which would appeal to a similar clientele. We have interviewed several market participants within the market in researching area sales, listings, and market behavior. From these interviews as well as pairing sales and market trends, adjustments are derived for the differing facets of value. While this process is not exact and yields a wide range of results, a trend for improvements and their desirability is evident. This coupled with interviews of area market participants, results in a reasonable and reliable adjustment for the differences of amenities and improvements.

A summary of the subject's 13 floor plans is as follows:

Turner's Crossing							
Floor Plan Name	Front Footage	# of Plan	Bedroom	Typical Home Summary			Projected
				Bath	# Stories	Living Area/SF	Completion Date
Reynolds	45'	5	5	3	2	2,812	May 31, 2022
Winedale	45'	5	4	2.5	2	2,585	May 31, 2022
Matadoor	45'	4	4	2.5	2	2,334	May 31, 2022
Bryce	40'	7	4	2.5	2	2,024	May 31, 2022
Hughes	45'	7	4	3	1	2,014	May 31, 2022
Olympic	40'	8	4	2.5	2	1,981	May 31, 2022
Lassen	40	4	3	2.5	2	1,872	May 31, 2022
Callaghan	45'	4	4	2	1	1,688	May 31, 2022
Saguaro	40'	4	3	2.5	2	1,589	May 31, 2022
Conaree	40'	9	3	2	1	1,498	May 31, 2022
Briscoe	45'	4	3	2	1	1,477	May 31, 2022
Cascade	40'	7	3	2	1	1,440	May 31, 2022
Teton	40'	5	3	2	2	1,242	May 31, 2022

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Teton/Cascade/Congaree**



The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

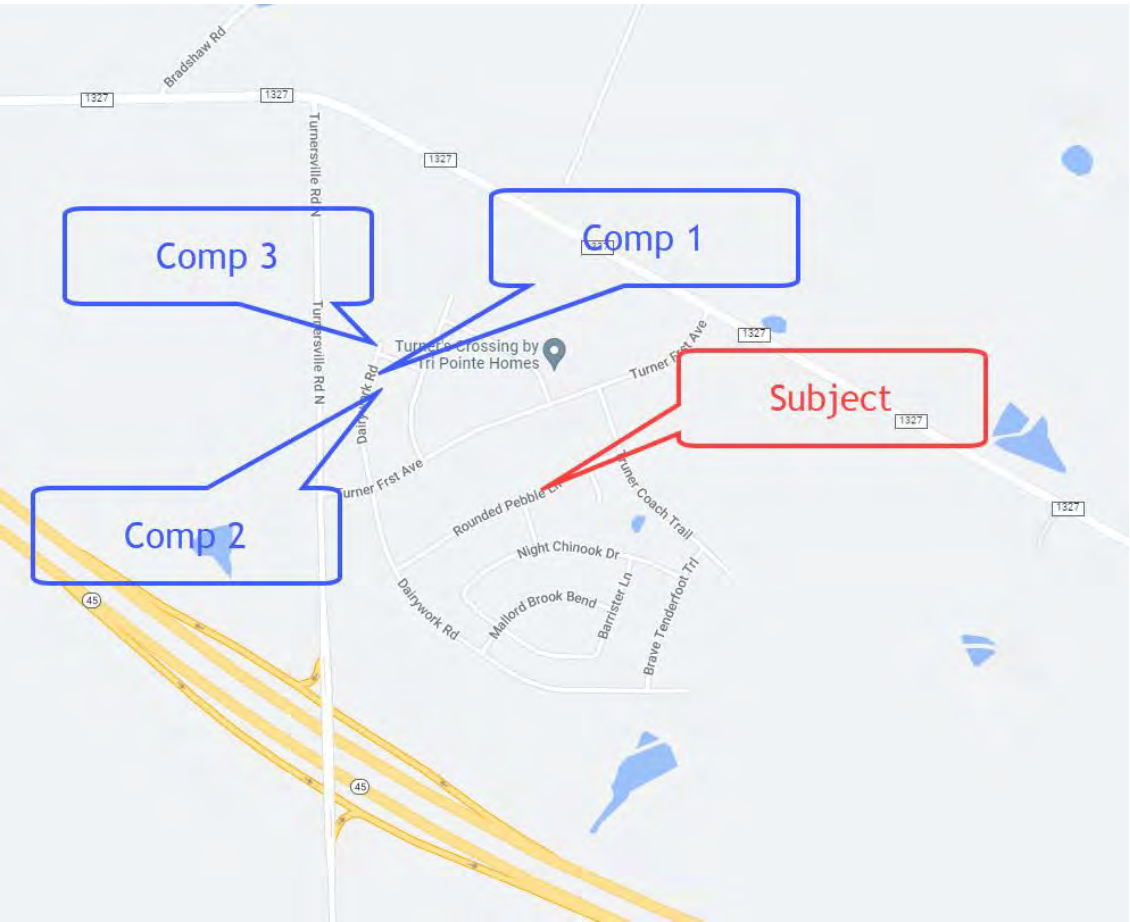
SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Teton - Turner's Crossing Buda, TX 78610		Turner's Crossing 13006 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13110 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13007 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price		\$342,265		\$365,560		\$353,800	
Sale Price/Gross Living Area		\$275.58/SF		\$244.03/SF		\$245.69/SF	
Data Source(s)		ACTRISMLS#1825382;DOM 45		ACTRISMLS#4946855;DOM 6		Builder;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA,\$9,825		Conv,\$0		Conv,\$0	
Date of Sale/Time	N/A	p12/21	20,500	p10/21	25,600	p11/21	24,800
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	6,111 SF	-5,000	5,103 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	5 / 3 / 2.0	5 / 3 / 2.0		5 / 3 / 2.0	0	5 / 3 / 2.0	0
Gross Living Area	1,242 sq. ft.	1,242 sq. ft.	0	1,498 sq. ft.	-29,400	1,440 sq. ft.	-22,800
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$15,500		-\$3,800		\$2,000
Adjusted Sale Price of Comparables		Net Adj. 4.53%		Net Adj. 1.04%		Net Adj. 0.57%	
		Gross Adj. 7.45%	\$357,765	Gross Adj. 15.05%	\$361,760	Gross Adj. 13.45%	\$355,800
Market Value Upon Completion			<b>\$357,000</b>				

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Cascade - Turner's Crossing Buda, TX 78610		Turner's Crossing 13006 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13110 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13007 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$342,265		\$365,560		\$353,800
Sale Price/Gross Living Area		\$275.58/SF		\$244.03/SF		\$245.69/SF	
Data Source(s)		ACTRISMLS#1825382;DOM 45		ACTRISMLS#4946855;DOM 6		Builder;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA\$9,825		Conv;\$0		Conv;\$0	
Date of Sale/Time	N/A	p12/21	20,500	p10/21	25,600	p11/21	24,800
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	6,111 SF	-5,000	5,103 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	5 / 3 / 2.0	5 / 3 / 2.0		5 / 3 / 2.0	0	5 / 3 / 2.0	0
Gross Living Area	1,440 sq. ft.	1,242 sq. ft.	22,800	1,498 sq. ft.	-6,700	1,440 sq. ft.	0
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$38,300		\$18,900		\$24,800
Adjusted Sale Price of Comparables		Net Adj.	11.19%	Net Adj.	5.17%	Net Adj.	7.01%
		Gross Adj.	14.11%	Gross Adj.	8.84%	Gross Adj.	7.01%
			\$380,565		\$384,460		\$378,600
Market Value Upon Completion			\$380,000				

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Congaree - Turner's Crossing Buda, TX 78610		Turner's Crossing 13006 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13110 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13007 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$342,265		\$365,560		\$353,800
Sale Price/Gross Living Area		\$275.58/SF		\$244.03/SF		\$245.69/SF	
Data Source(s)		ACTRISMLS#1825382;DOM 45		ACTRISMLS#4946855;DOM 6		Builder;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA;\$9,825		Conv;\$0		Conv;\$0	
Date of Sale/Time	N/A	p12/21	20,500	p10/21	25,600	p11/21	24,800
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4800 SF	6,111 SF	-5,000	5,103 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	5 / 3 / 2.0	5 / 3 / 2.0		5 / 3 / 2.0	0	5 / 3 / 2.0	0
Gross Living Area	1,498 sq. ft.	1,242 sq. ft.	29,400	1,498 sq. ft.	0	1,440 sq. ft.	6,700
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$44,900		\$25,600		\$31,500
Adjusted Sale Price of Comparables		-Net Adj. 13.12%		-Net Adj. 7.00%		-Net Adj. 8.90%	
		Gross Adj. 16.04%	\$387,165	Gross Adj. 7.00%	\$391,160	Gross Adj. 8.90%	\$385,300
Market Value Upon Completion			\$387,000				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Briscoe**



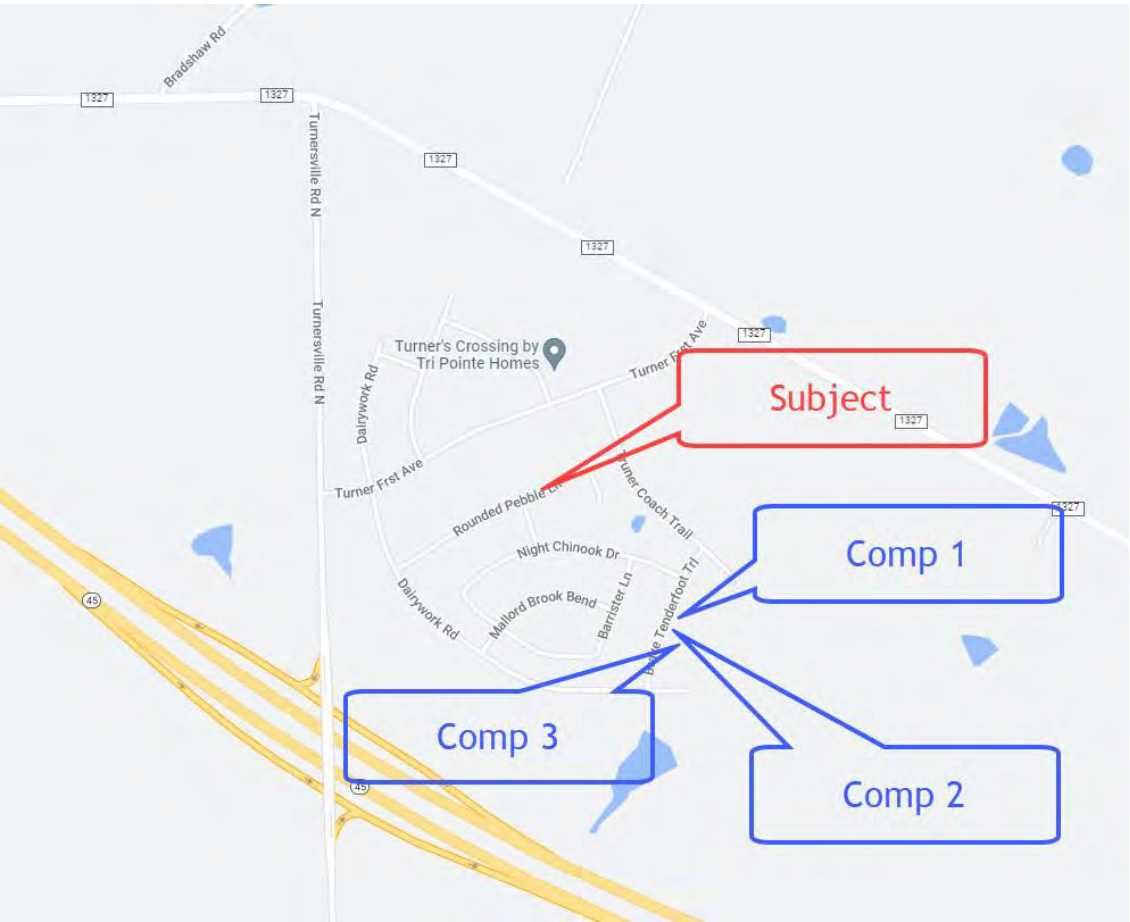
The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.



SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Congaree - Turner's Crossing Buda, Tx 78610		Turner's Crossing 13006 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13110 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13007 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$342,265		\$365,560		\$353,800
Sale Price/Gross Living Area		\$275.58/SF		\$244.03/SF		\$245.69/SF	
Data Source(s)		ACTRISMLS#1825382;DOM 45		ACTRISMLS#4946855;DOM 6		Builder;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA;\$9,825		Conv;\$0		Conv;\$0	
Date of Sale/Time	N/A	p12/21	20,500	p10/21	25,600	p11/21	24,800
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4800 SF	6,111 SF	-5,000	5,103 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	5 / 3 / 2.0	5 / 3 / 2.0		5 / 3 / 2.0	0	5 / 3 / 2.0	0
Gross Living Area	1,498 sq. ft.	1,242 sq. ft.	29,400	1,498 sq. ft.	0	1,440 sq. ft.	6,700
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$44,900		\$25,600		\$31,500
Adjusted Sale Price of Comparables		-Net Adj. 13.12%		-Net Adj. 7.00%		-Net Adj. 8.90%	
		Gross Adj. 16.04%	\$387,165	Gross Adj. 7.00%	\$391,160	Gross Adj. 8.90%	\$385,300
Market Value Upon Completion			\$387,000				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Saguro**



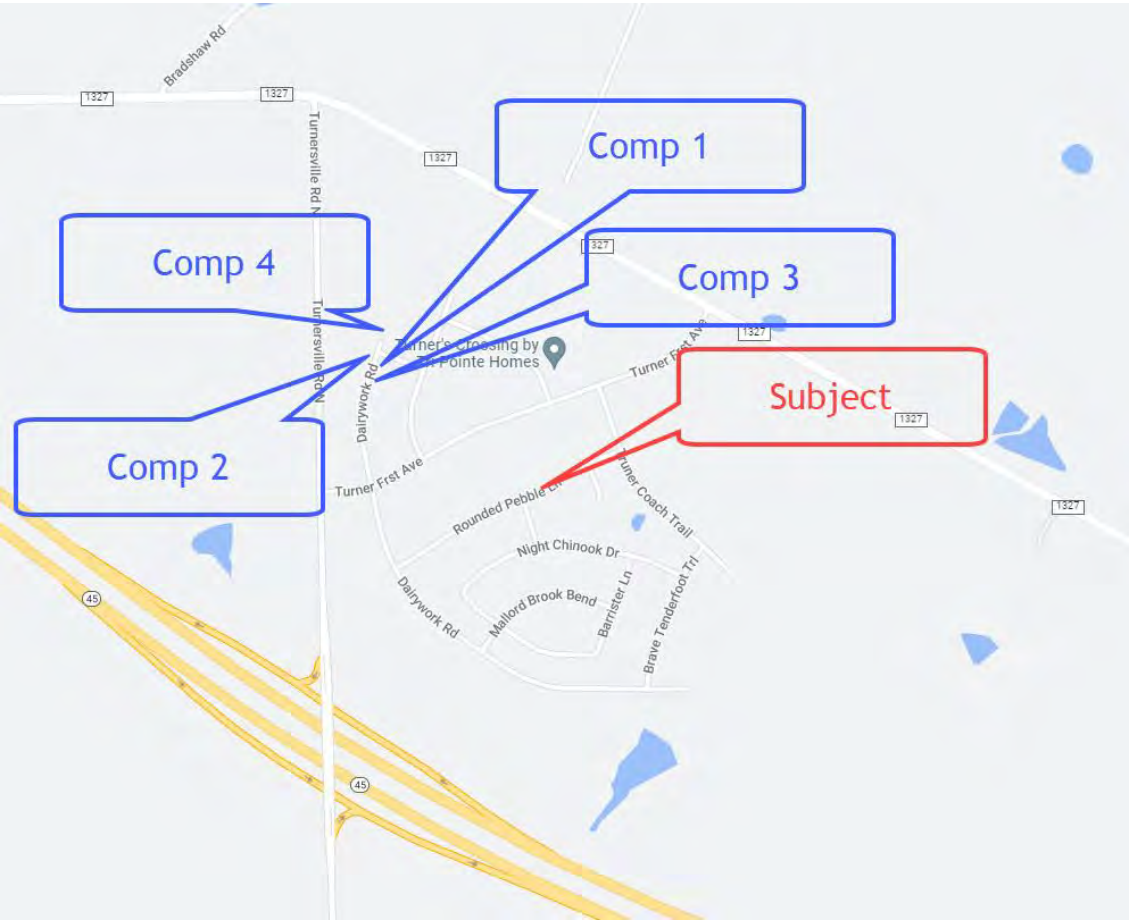
The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.



SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Saguaro - Turner's Crossing Buda, TX 78610		Turner's Crossing 13005 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13107 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13105 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$427,450		\$362,765		\$391,310
Sale Price/Gross Living Area		\$215.77/SF		\$228.30/SF		\$209.03/SF	
Data Source(s)		ACTRISMLS#1297798;DOM 31		Builder;DOM 0		Builder;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.	DESCRIPTION	+{ }\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Conv;\$10,079		Conv;\$0		Conv;\$0	
Date of Sale/Time	N/A	p01/22	21,400	p09/21	32,600	p09/21	35,200
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	4,800 SF	0	4,999 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	5 / 3 / 2.1	6 / 4 / 2.1	0	5 / 3 / 2.1	0	5 / 3 / 2.1	0
Gross Living Area	1,589 sq. ft.	1,981 sq. ft.	-45,100	1,589 sq. ft.	0	1,872 sq. ft.	-32,500
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			-\$23,700		\$32,600		\$2,700
Adjusted Sale Price of Comparables		Net Adj. 5.54%		Net Adj. 8.99%		Net Adj. 0.69%	
		Gross Adj. 15.56%	\$403,750	Gross Adj. 8.99%	\$395,365	Gross Adj. 17.30%	\$394,010
Market Value Upon Completion			\$395,000				

The following map indicates the locations of the comparables deemed most comparable to the subject.

Comparable Improved Sales Map – Callaghan



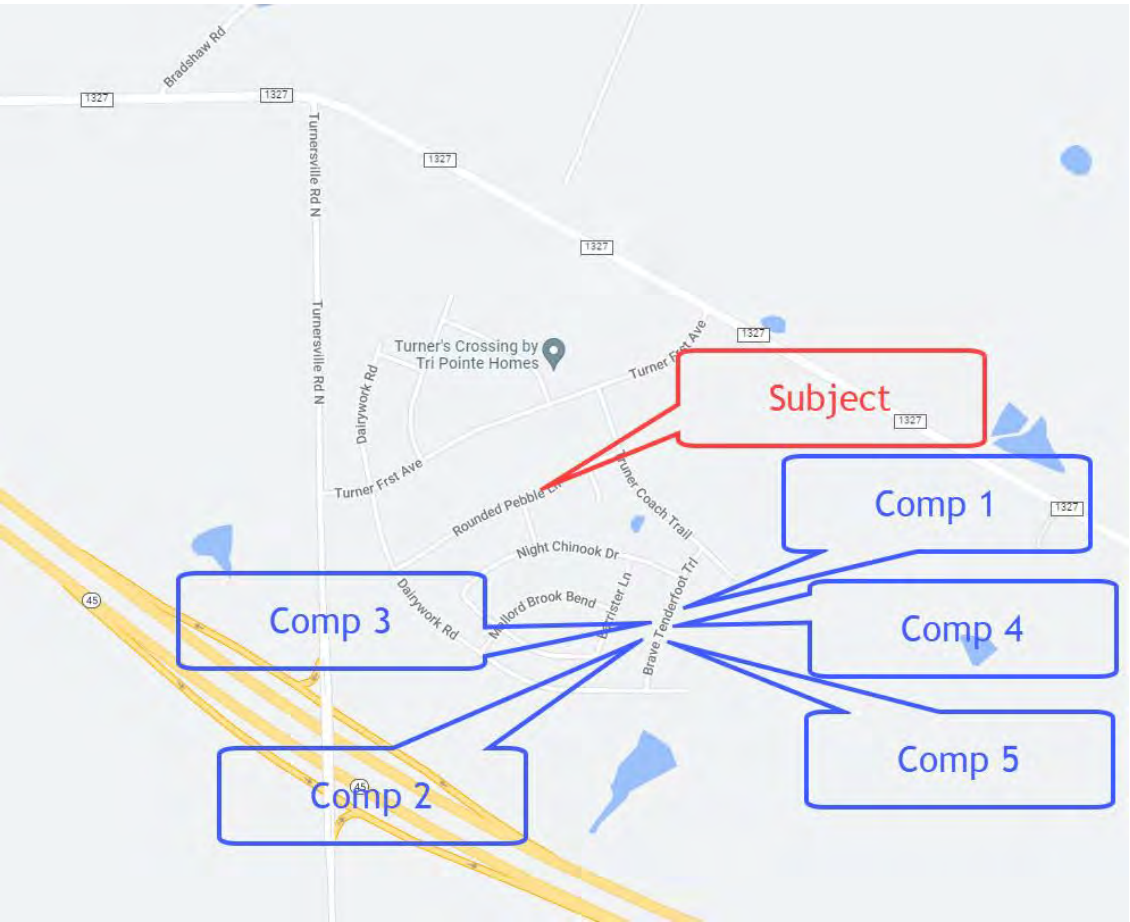
The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.



SALES COMPARISON									
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3		COMP SALE #4	
Address: Callaghan - Turner's Crossing Buda, TX 78610		Turner's Crossing 12511 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12609 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12609 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12512 Dairywork Rd Buda, Tx 78610	
Sale Price		\$466,600		\$438,420		\$408,720		\$459,750	
Sale Price/Gross Living Area		\$276.42/SF		\$259.73/SF		\$276.72/SF		\$228.73/SF	
Data Source(s)		ACTRISMLS#8647261.DOM 45		ACTRISMLS#5840586.DOM 78		Builder.DOM 0		ACTRISMLS#4236619.DOM 38	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth		ArmLth	
Concessions		Conv.\$3,990		FHA.\$10,000		Conv.\$0		Cash.\$0	
Date of Sale/Time	N/A	p02/22	18,700	p12/21	21,900	p11/21	24,500	p11/21	27,600
Location	Suburban	Suburban	0	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	5,400 SF	5,950 SF	0	5,625 SF	0	5,721 SF	0	5,625 SF	0
View	Residential	Residential	0	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	6 / 4 / 2.0	6 / 4 / 2.0	0	6 / 4 / 2.0	0	5 / 3 / 2.0	0	6 / 4 / 2.0	0
Gross Living Area	1,688 sq. ft.	1,688 sq. ft.	0	1,688 sq. ft.	0	1,477 sq. ft.	27,400	2,010 sq. ft.	-41,900
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$18,700		\$21,900		\$51,900		-\$14,300
Adjusted Sale Price of Comparables		Net Adj.	4.01%	Net Adj.	5.00%	Net Adj.	12.70%	Net Adj.	3.11%
		Gross Adj.	4.01%	Gross Adj.	5.00%	Gross Adj.	12.70%	Gross Adj.	15.12%
Market Value Upon Completion			\$460,000		\$460,320		\$460,620		\$445,450

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Lassen**

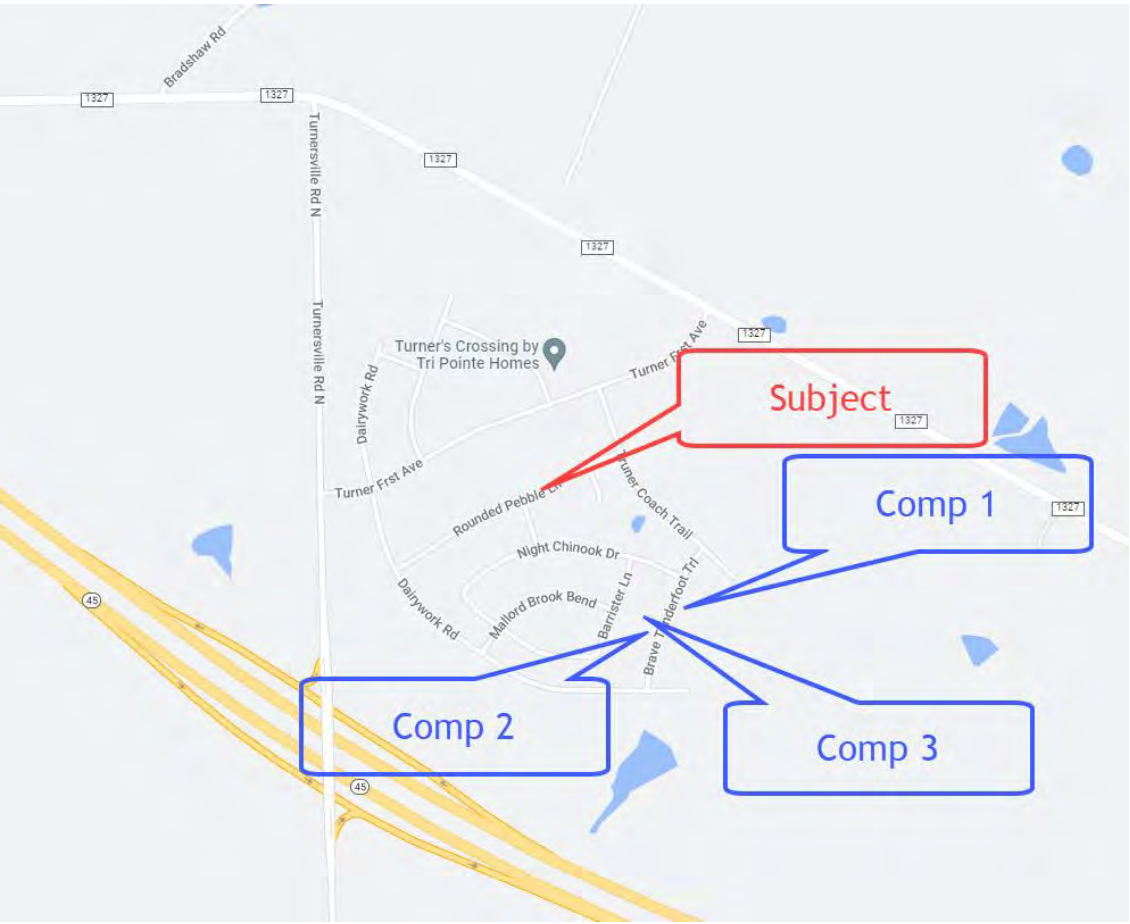


The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON											
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3		COMP SALE #4		COMP SALE #5	
Address: Lassen - Turner's Crossing Buda, Tx 78610		Turner's Crossing 13005 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13106 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13104 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13106 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 13107 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price		\$427,450		\$412,900		\$423,935		\$391,310		\$362,765	
Sale Price/Gross Living Area		\$216.77/SF		\$208.44/SF		\$209.94/SF		\$209.63/SF		\$228.30/SF	
Data Source(s)		ACTRISMLS#1297798,DOM 31		ACTRISMLS#666234,DOM 15		ACTRISMLS#7002555,DOM 51		Builder/DOM 0		Builder/DOM 0	
Verification Source(s)		Mortgage Homes		Mortgage Homes		Mortgage Homes		Mortgage Homes		Mortgage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(/\$ Adj.)	DESCRIPTION	+(/\$ Adj.)	DESCRIPTION	+(/\$ Adj.)	DESCRIPTION	+(/\$ Adj.)	DESCRIPTION	+(/\$ Adj.)
Sale or Financing		ArmLth Conv:\$10.079		ArmLth Conv:\$5.199		ArmLth Conv:\$10.000		ArmLth Conv:\$0		ArmLth Conv:\$0	
Concessions											
Date of Sale/Time	N/A	p01/22	21,400	p10/21	28,900	p01/22	21,200	p09/21	35,200	p09/21	32,600
Location	Suburban	Suburban	0	Suburban	0	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	4,800 SF	0	5,066 SF	0	4,800 SF	0	4,800 SF	0	4,999 SF	0
View	Residential	Residential	0	Residential	0	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0	New	0	New	0
Above Grade	Total/Bdms/Baths	Total/Bdms/Baths		Total/Bdms/Baths		Total/Bdms/Baths		Total/Bdms/Baths		Total/Bdms/Baths	
Room Count	5 / 3 / 2.1	5 / 4 / 2.1	0	5 / 4 / 2.1	0	5 / 4 / 2.1	0	5 / 3 / 2.1	0	5 / 3 / 2.1	0
Gross Living Area	1,972 sq. ft.	1,981 sq. ft.	-12,000	1,981 sq. ft.	-12,000	2,029 sq. ft.	-17,300	1,872 sq. ft.	0	1,589 sq. ft.	31,100
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$5,400		\$16,900		\$3,900		\$35,200		\$63,700
Adjusted Sale Price of Comparables		Net Adj. 2.20%		Net Adj. 4.09%		Net Adj. 0.92%		Net Adj. 9.00%		Net Adj. 17.56%	
		Gross Adj. 7.81%	\$436,850	Gross Adj. 9.91%	\$429,820	Gross Adj. 9.08%	\$427,835	Gross Adj. 9.90%	\$426,510	Gross Adj. 17.56%	\$426,465
Market Value Upon Completion			\$427,000								

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Olympic**

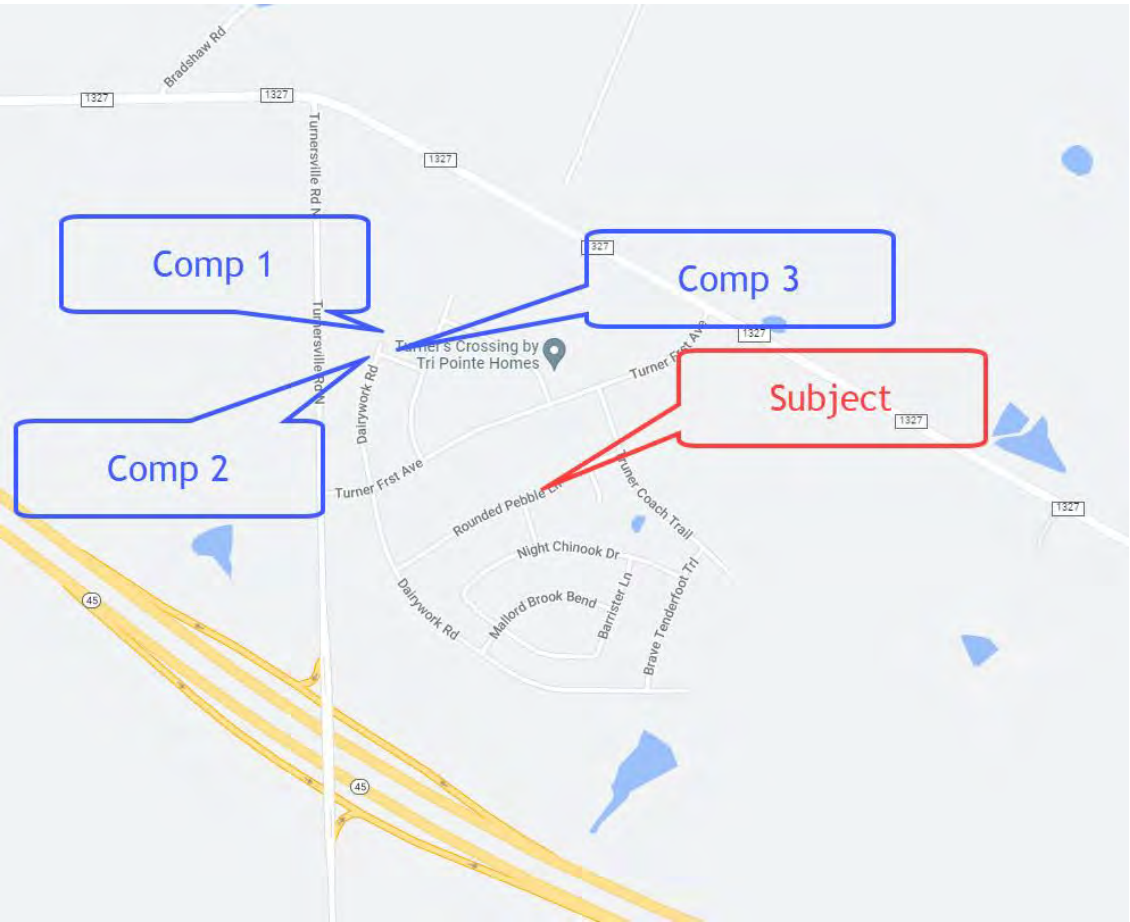


The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: <b>Olympic - Turner's Crossing</b> Buda, TX 78610		<b>Turner's Crossing</b> 13005 Brave Tenderfoot Trl Buda, Tx 78610		<b>Turner's Crossing</b> 13106 Brave Tenderfoot Trl Buda, Tx 78610		<b>Turner's Crossing</b> 13104 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$427,450		\$412,920		\$423,935
Sale Price/Gross Living Area		\$215.77/SF		\$208.44/SF		\$208.94/SF	
Data Source(s)		ACTRISMLS#1297798;DOM 31		ACTRISMLS#6866234;DOM 15		ACTRISMLS#3002665;DOM 51	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Conv;\$10,079		Conv;\$8,198		Conv;\$10,000	
Date of Sale/Time	N/A	p01/22	21,400	p10/21	28,900	p01/22	21,200
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	4,800 SF	0	5,066 SF	0	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	6 / 4 / 2.1	6 / 4 / 2.1	0	6 / 4 / 2.1	0	6 / 4 / 2.1	0
Gross Living Area	1,981 sq. ft.	1,981 sq. ft.	0	1,981 sq. ft.	0	2,029 sq. ft.	-4,300
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$21,400		\$28,900		\$16,900
Adjusted Sale Price of Comparables		Net Adj. 5.01%		Net Adj. 7.00%		Net Adj. 3.99%	
		Gross Adj. 5.01%	\$448,850	Gross Adj. 7.00%	\$441,820	Gross Adj. 6.02%	\$440,835
Market Value Upon Completion			<b>\$441,000</b>				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Hughes**

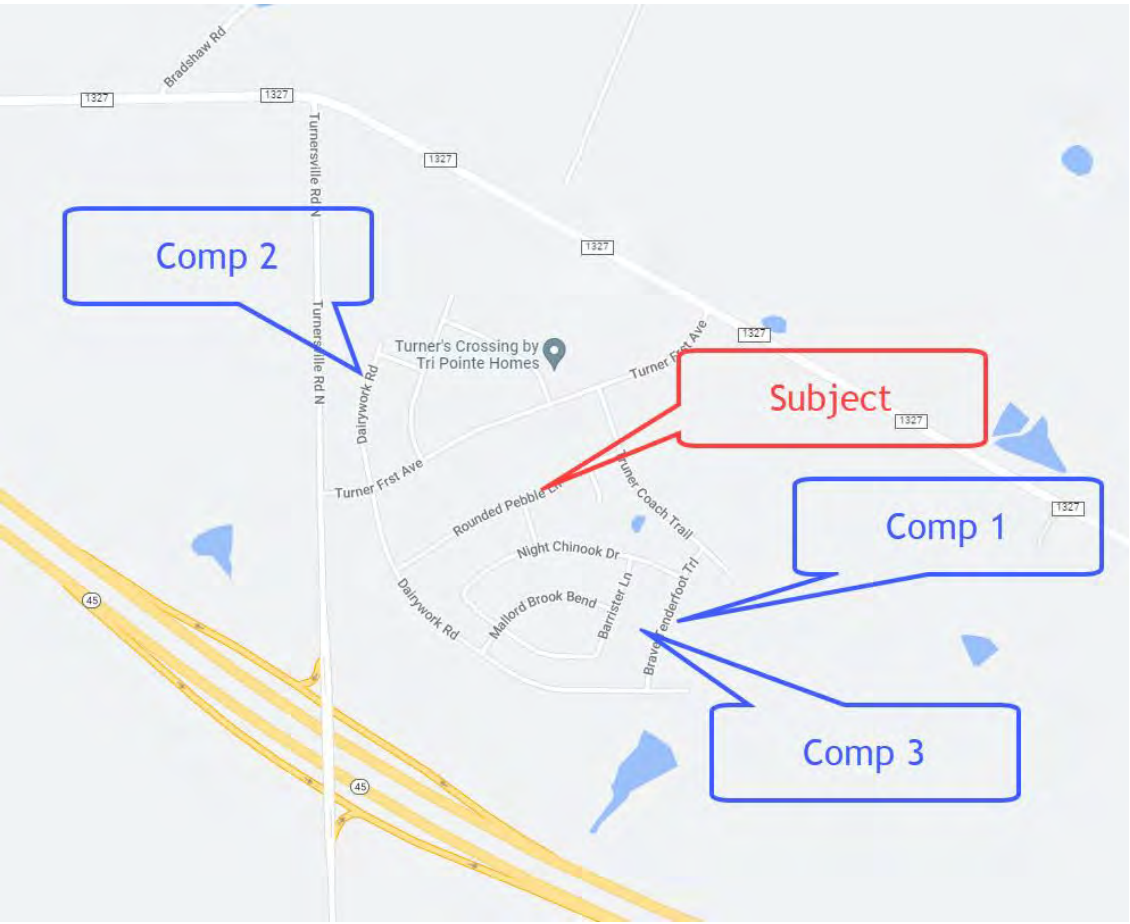


The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Hughes - Turner's Crossing Buda, TX 78610		Turner's Crossing 12512 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12600 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12511 Dairywork Rd Buda, Tx 78610	
Sale Price			\$459,750		\$438,420		\$466,600
Sale Price/Gross Living Area		\$228.73/SF		\$259.73/SF		\$276.42/SF	
Data Source(s)		ACTRISMLS#4236619;DOM 38		ACTRISMLS#5840586;DOM 78		ACTRISMLS#8647261;DOM 45	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Cash;\$0		FHA;\$10,000		Conv;\$3,990	
Date of Sale/Time	N/A	p11/21	27,600	p12/21	21,900	p02/22	18,700
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	5,400 SF	5,625 SF	0	5,625 SF	0	5,950 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	6 / 4 / 3.0	6 / 4 / 3.0	0	6 / 4 / 2.0	6,000	6 / 4 / 2.0	6,000
Gross Living Area	2,010 sq. ft.	2,010 sq. ft.	0	1,688 sq. ft.	22,500	1,688 sq. ft.	22,500
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$27,600		\$50,400		\$47,200
Adjusted Sale Price of Comparables		Net Adj.	6.00%	Net Adj.	11.50%	Net Adj.	10.12%
		Gross Adj.	6.00%	Gross Adj.	11.50%	Gross Adj.	10.12%
			\$487,350		\$488,820		\$513,800
Market Value Upon Completion			\$488,000				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Bryce**



The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Bryce - Turner's Crossing Buda, TX 78610		Turner's Crossing 13005 Brave Tenderfoot Trl Buda, Tx 78610		Turner's Crossing 12606 Dairywork Rd Buda, Tx 78610		Turner's Crossing 13104 Brave Tenderfoot Trl Buda, Tx 78610	
Sale Price			\$427,450		\$471,065		\$423,935
Sale Price/Gross Living Area		\$215.77/SF		\$201.83/SF		\$208.94/SF	
Data Source(s)		ACTRISMLS#1297798;DOM 31		Builder;DOM 0		ACTRISMLS#3002665;DOM 51	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Conv;\$10,079		Conv;\$0		Conv;\$10,000	
Date of Sale/Time	N/A	p01/22	21,400	p11/21	28,300	p01/22	21,200
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	4,800 SF	4,800 SF	0	5,940 SF	-5,000	4,800 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	6 / 4 / 2.1	6 / 4 / 2.1	0	6 / 4 / 2.1	0	6 / 4 / 2.1	0
Gross Living Area	2,024 sq. ft.	1,981 sq. ft.	5,600	2,334 sq. ft.	-40,300	2,029 sq. ft.	0
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$27,000		-\$17,000		\$21,200
Adjusted Sale Price of Comparables		Net Adj.	6.32%	Net Adj.	3.61%	Net Adj.	5.00%
		Gross Adj.	6.32%	Gross Adj.	15.62%	Gross Adj.	5.00%
Market Value Upon Completion			\$454,450		\$454,065		\$445,135
			\$454,000				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Matador/Winedale**



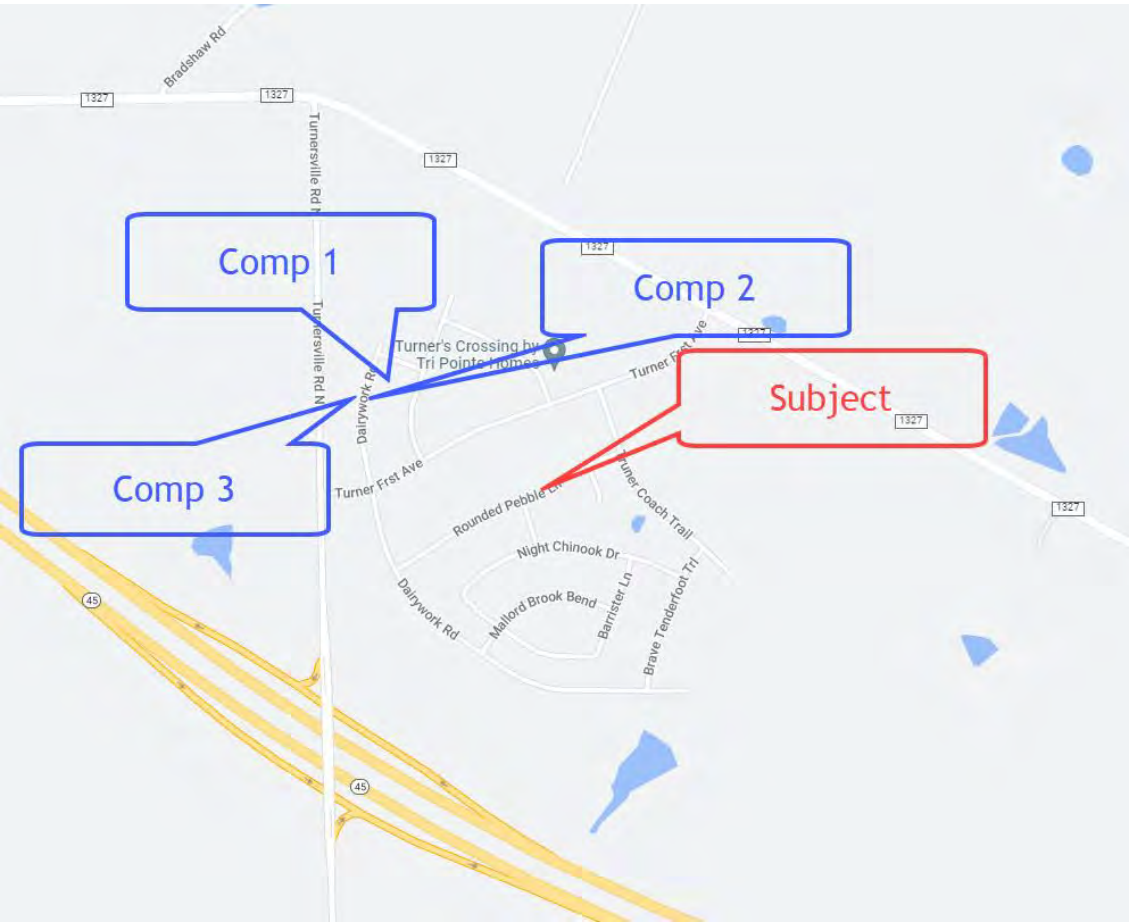
The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON									
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3			
Address: <b>Matador - Turner's Crossing</b> Buda, TX 78610		<b>Turner's Crossing</b> 13005 Brave Tenderfoot Trl Buda, Tx 78610		<b>Turner's Crossing</b> 12606 Dairywork Rd Buda, Tx 78610		<b>Turner's Crossing</b> 12607 Dairywork Rd Buda, Tx 78610			
Sale Price			\$427,450		\$471,065		\$505,010		
Sale Price/Gross Living Area		\$215.77/SF		\$201.83/SF		\$195.36/SF			
Data Source(s)		ACTRISMLS#1297798;DOM 31		Builder;DOM 0		ACTRISMLS#1778897;DOM 35			
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.		
Sale or Financing		ArmLth		ArmLth		ArmLth			
Concessions		Conv;\$10,079		Conv;\$0		Conv;\$10,300			
Date of Sale/Time	N/A	p01/22	21,400	p11/21	28,300	p01/22	25,300		
Location	Suburban	Suburban	0	Suburban	0	Suburban	0		
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0		
Site	5,400 SF	4,800 SF	0	5,940 SF	0	5,721 SF	0		
View	Residential	Residential	0	Residential	0	Residential	0		
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0		
Quality of Construction	Good	Good	0	Good	0	Good	0		
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0		
Condition	New	New	0	New	0	New	0		
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths			
Room Count	7 / 4 / 2.1	6 / 4 / 2.1	0	6 / 4 / 2.1	0	8 / 4 / 2.1	0		
Gross Living Area	2,334 sq. ft.	1,981 sq. ft.	45,900	2,334 sq. ft.	0	2,585 sq. ft.	-32,600		
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF			
Functional Utility	Average	Average	0	Average	0	Average	0		
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0		
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0		
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0		
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0		
Net Adjustment (Total)			\$67,300		\$28,300		-\$7,300		
Adjusted Sale Price of Comparables		.Net Adj.	15.74%	.Net Adj.	6.01%	.Net Adj.	1.45%		
		Gross Adj.	15.74%	\$494,750	Gross Adj.	6.01%	\$499,365	Gross Adj.	11.47%
Market Value Upon Completion			\$495,000						

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: <b>Winedale - Turner's Crossing</b> Buda, TX 78610		<b>Turner's Crossing</b> 12607 Dairywork Rd Buda, Tx 78610		<b>Turner's Crossing</b> 12606 Dairywork Rd Buda, Tx 78610		<b>Turner's Crossing</b> 12605 Dairywork Rd Buda, Tx 78610	
Sale Price			\$505,010		\$471,065		\$521,380
Sale Price/Gross Living Area		\$195.36/SF		\$201.83/SF		\$185.41/SF	
Data Source(s)		ACTRISMLS#1778897;DOM 35		Builder;DOM 0		ACTRISMLS#9554150;DOM 0	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Conv,\$10,300		Conv,\$0		Conv\$9,232	
Date of Sale/Time	N/A	p01/22	25,300	p11/21	28,300	p01/22	26,100
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	5,400 SF	5,721 SF	0	5,940 SF	0	5,519 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	8 / 4 / 2.1	8 / 4 / 2.1	0	6 / 4 / 2.1	0	8 / 5 / 3.0	-3,000
Gross Living Area	2,585 sq. ft.	2,585 sq. ft.	0	2,334 sq. ft.	23,800	2,812 sq. ft.	-21,600
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$25,300		\$52,100		\$1,500
Adjusted Sale Price of Comparables		.Net Adj. 5.01%		.Net Adj. 11.06%		.Net Adj. 0.29%	
		Gross Adj. 5.01%	\$530,310	Gross Adj. 11.06%	\$523,165	Gross Adj. 9.72%	\$522,880
Market Value Upon Completion			<b>\$523,000</b>				

The following map indicates the locations of the comparables deemed most comparable to the subject.

**Comparable Improved Sales Map – Reynolds**



The following table summarizes the comparable sales utilized. In addition, the following table shows the adjustments made to each sale, while explanation of these adjustments can be found following the tables.

SALES COMPARISON							
FEATURE	SUBJECT	COMP SALE #1		COMP SALE #2		COMP SALE #3	
Address: Reynolds - Turner's Crossing Buda, TX 78610		Turner's Crossing 12607 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12605 Dairywork Rd Buda, Tx 78610		Turner's Crossing 12610 Dairywork Rd Buda, Tx 78610	
Sale Price			\$505,010		\$521,380		\$500,990
Sale Price/Gross Living Area		\$195.36/SF		\$185.41/SF		\$178.16/SF	
Data Source(s)		ACTRISMLS#1778897,DOM 35		ACTRISMLS#9554150,DOM 0		ACTRISMLS#9719696,DOM 5	
Verification Source(s)		Meritage Homes		Meritage Homes		Meritage Homes	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.	DESCRIPTION	+(-)\$ Adj.
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		Conv,\$10,300		Conv\$9,232		FHA,\$10,100	
Date of Sale/Time	N/A	p01/22	25,300	p01/22	26,100	p12/21	30,100
Location	Suburban	Suburban	0	Suburban	0	Suburban	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	0	Fee Simple	0	Fee Simple	0
Site	5,400 SF	5,721 SF	0	5,519 SF	0	5,837 SF	0
View	Residential	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional	0	Traditional	0	Traditional	0
Quality of Construction	Good	Good	0	Good	0	Good	0
Actual Age	0 Years	0 Years	0	0 Years	0	0 Years	0
Condition	New	New	0	New	0	New	0
Above Grade	Total/Bdrms/Baths	Total/Bdrms/Baths		Total/Bdrms/Baths		Total/Bdrms/Baths	
Room Count	8 / 5 / 3.0	8 / 4 / 2.1	3,000	8 / 5 / 3.0	0	8 / 5 / 3.0	0
Gross Living Area	2,812 sq. ft.	2,585 sq. ft.	14,800	2,812 sq. ft.	0	2,812 sq. ft.	0
Basement & Finished Rooms Below Grade	0 SF	0 SF		0 SF		0 SF	
Functional Utility	Average	Average	0	Average	0	Average	0
Heating/Cooling	Forced/Central	Forced/Central	0	Forced/Central	0	Forced/Central	0
Energy Efficient Items	Standard	Standard	0	Standard	0	Standard	0
Garage/Carport	2gar	2gar	0	2gar	0	2gar	0
Porch/Patio/Deck	Porch/Patio	Porch/Patio	0	Porch/Patio	0	Porch/Patio	0
Net Adjustment (Total)			\$43,100		\$26,100		\$30,100
Adjusted Sale Price of Comparables		Net Adj. 8.53%		Net Adj. 5.01%		Net Adj. 6.01%	
		Gross Adj. 8.53%	\$548,110	Gross Adj. 5.01%	\$547,480	Gross Adj. 6.01%	\$531,090
Market Value Upon Completion			\$547,000				

## **Valuation Methodology -Improved Comparables**

### **Adjustments Property Rights Conveyed**

Adjustments are only necessary if property rights are not absolute ownership (fee simple). An upward adjustment to a sale is applicable if the subject was not transferred as a fee simple estate. Downward adjustments are necessary when a sale was subject to retentions of certain property rights by the seller. The comparables utilized are considered similar in this regard.

### **Financing Terms**

The transaction price of one property may differ from that of an identical property due to different financial arrangements. In some cases, buyers pay higher prices for properties to obtain below market financing. Conversely, interest rates at above-market levels often result in lower sales prices. A condition of sale adjustment recognizes that some sales are transacted by parties under duress, who are at a disadvantage. A combined adjustment results when favorable financing is a function of the sellers' need to sell the property quickly. Most sales involved terms by which the seller received cash or its equivalent at a typical market interest rate and term mortgage. Typically, no sales concessions were given to these transactions. The comparable sales were cash or cash to the seller and were considered similar in this regard.

### **Conditions of Sale**

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller. When non-market conditions of sale are detected in a transaction, the sale must be thoroughly researched before an adjustment is made, and the conditions must be adequately disclosed. Conditions of sale adjustments are rare.

### **Market Conditions**

Comparable sales that occurred under different market conditions than those applicable to the subject on the effective date of value estimate require adjustment for any differences that affect their values. An adjustment for market conditions is made if, since the time the comparable sales were transacted, general property values have appreciated or depreciated due to inflation or deflation or investors' perceptions of the market have changed.

The subject is located in a high growth area of the Austin-Round Rock MSA. As such, sales of properties with similar amenities are prevalent. The sales presented between December 2021 and April 2022. Based on current trends for residential properties in the neighborhood, we have adjusted each of these sales upward at 12% per year (1.0% monthly) since their individual contract dates.



### Location, Lot Size, View

A main motivation in purchasing a residence in the subject's neighborhood is the location, site size, and view. Hence, there can be a wide variety of available products in this regard.

The location, lot size, and view adjustments, if any, were based on a cursory analysis of area land sales as well as observed differences in marketplace and conversations with area market participants over the past several years valuing properties in this market. The lot size adjustment was \$4.00 per square foot differential. These adjustments are further supported by the lot sale's information discussed herein as well as retained in the resources available at Integra Realty Resources.

### Physical Characteristics

The physical characteristics of a comparable property and the subject property differ in many ways, each of these differences may require comparison and adjustment. Physical differences include differences in building size, quality of construction, architectural style, building materials, age, condition, functional utility, site size, attractiveness, and amenities. On-site environmental conditions may also be considered. The value added or lost by the presence or absence of an item in a comparable property may not equal the cost of installing or removing the item. Buyers may be unwilling to pay a higher sale price that includes the extra cost of adding an amenity. Conversely, the addition of an amenity sometimes adds more value to a property than its cost.

### Age/Condition

All of the sales utilized are similar new homes and required no adjustments for age/condition.

### Quality of Construction

All of the sales utilized are similar in quality and required no adjustments for factor.

### **Additional Facets of Value**

Additional adjustments for differences in gross living area, bath count, and amenities (i.e., parking facilities, fireplace count, pool, quarters, workshop, cabana, outdoor living, balcony, and other outdoor amenities) were made accordingly. The gross living area adjustment was based on a range of \$65.00 to \$115.00 per square foot depending on the floor plan valued and was based on paired sales. The bath count adjustments were based on \$6,000 per full bath and \$3,000 per half bath difference, where applicable. These adjustments were based on conversations with market participants and/or paired sales.

The gross living area, bathroom count, and amenity adjustments were based on a consideration and cursory analysis of the replacement cost, paired sales analysis, and/or a Sensitivity Analysis of market data. The gross living area adjustment is not a direct reflection of its potential replacement cost as we have broken down and adjusted for individual characteristics of the subject property and considered market reactions for these differences. Hence, the gross living area adjustment typically reflects a lower adjustment per square foot relative to its overall estimated cost. Additionally, it is noted that it may not be necessary to perform an individual, customized analysis on every report completed and corresponding amenity considered. We have been valuing properties within this market for several years and the adjustments are noted to vary slightly, yet the market proves to be fairly efficient and consistent due to the sophistication and technology available to all market participants (i.e., seller, buyer, realtor, appraiser, lender, etc.). Hence, reconciled adjustments for these differences, particularly amenity adjustments, are noted to be fairly consistent in similar markets. Overall, the adjustments made for these differences are reasonably supported based on the community of knowledge gathered and similar to those observed with our peers.

### Reconciliation of Sales Comparison Approach (Completed Single Family Homes)

The subject's 73 homes (13 floor plans) were compared to between three and five comparable sales. All of the comparables possess a variety of improvements that could be used for a similar use and have similar overall characteristics. The comparables were considered the best indicators of value and were chosen based upon similarity of use, timeliness of sales activity, and locational issues. Overall, see the following table for a reconciled value for the subjects 13 floor plans.

Summary of Home Values				
Plan Name	# of Plan	Bed/Bath Count	Average Price/Home	Aggregate Value
Reynolds	5	5/3	\$547,000	\$2,735,000
Winedale	5	4/2.5	\$523,000	\$2,615,000
Matadoor	4	4/2.5	\$495,000	\$1,980,000
Bryce	7	4/2.5	\$454,000	\$3,178,000
Hughes	7	4/3	\$488,000	\$3,416,000
Olympic	8	4/2.5	\$441,000	\$3,528,000
Lassen	4	3/2.5	\$427,000	\$1,708,000
Callaghan	4	4/2	\$430,000	\$1,720,000
Saguaro	4	3/2.5	\$395,000	\$1,580,000
Conaree	9	3/2	\$387,000	\$3,483,000
Briscoe	4	3/2	\$434,000	\$1,736,000
Cascade	7	3/2	\$380,000	\$2,660,000
Teton	5	3/2	\$357,000	\$1,785,000
				<b>\$32,124,000</b>

**Please note the aggregate of the appraised values noted above is not the market value of the appraised properties in bulk. As defined by The Dictionary of Real Estate Appraisal, an aggregate value is the "total of multiple market value conclusions."**

## Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

### Value Conclusions

Parcel	Interest Appraised	Date of Value	Value Conclusion
40' Lots	Fee Simple	April 1, 2022	\$5,775,000
45' Lots	Fee Simple	April 1, 2022	\$5,315,625
50' Lots	Fee Simple	April 1, 2022	\$8,963,750
73 Completed Homes in IA #1	Fee Simple	May 31, 2022	\$32,124,000

**Please note the aggregate of the appraised values noted above is not the market value of the appraised properties in bulk. As defined by The Dictionary of Real Estate Appraisal, an aggregate value is the "total of multiple market value conclusions."**

### Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, home sizes/plans, and other pertinent data that was provided by Kimley Horn (engineering/surveyors), Meritage Homes (developer/owner) and the Travis Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinion of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date.
3. Our opinion of prospective market value at completion assumes that the 73 homes under construction are completed in accordance with plans and specifications as of May 31, 2022, the effective appraisal date.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. It is noted that home construction has started on some of the 241 lots valued herein. However, at your specific request, we have valued the 241 lots as if vacant.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.

The opinions of value expressed in this report are based on estimates and forecasts which are prospective in nature and subject to considerable risk and uncertainty. Events may occur which could cause the performance of the property to differ materially from the estimates contained herein, such as changes in the economy, interest rates, capitalization rates, and behavior of investors, lenders, and consumers. Additionally, the concluded opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, IRR is not responsible for the effects of future, unforeseen occurrences.

**Exposure Time**

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local market, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 3-6 months.

**Marketing Time**

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, we estimate the subject's marketing period at 3-6 months.

## Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have prepared two appraisals of the subject property for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Ernest Gatewood made a personal inspection of the property that is the subject of this report. Stephen T. Crosson, MAI, SRA, has not personally inspected the subject.
12. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
13. As of the date of this report, Stephen T. Crosson, MAI, SRA has completed the continuing education program for Designated Members of the Appraisal Institute.

14. As of the date of this report, Ernest Gatewood has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.



Ernest Gatewood  
Senior Director  
Certified General Real Estate Appraiser  
Texas Certificate #TX 1324355 G  
Telephone: (972) 725-7755  
Email: egatewood@irr.com



Stephen T. Crosson, MAI, SRA  
Executive Director  
Certified General Real Estate Appraiser  
Texas Certificate #TX 1325815 G  
Telephone: (972) 881-8191  
Email: scrosson@irr.com

## Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
11. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
12. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
13. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
14. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
15. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
16. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

17. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
18. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
19. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Dallas, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
20. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
21. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
22. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

23. **IRR - Dallas is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Dallas. In addition, it is expressly agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
24. IRR - Dallas is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report.
25. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
26. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

27. The appraisal is also subject to the following:

---

**Extraordinary Assumptions and Hypothetical Conditions**

---

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, home sizes/plans, and other pertinent data that was provided by Kimley Horn (engineering/surveyors), Meritage Homes (developer/owner) and the Travis Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinion of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date.
3. Our opinion of prospective market value at completion assumes that the 73 homes under construction are completed in accordance with plans and specifications as of May 31, 2022, the effective appraisal date.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. It is noted that home construction has started on some of the 241 lots valued herein. However, at your specific request, we have valued the 241 lots as if vacant.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

---

## **Addendum A**

### **Appraiser Qualifications**

## Stephen T. Crosson, MAI, SRA

### Experience

Stephen "Steve" Crosson, MAI has been active in the real estate industry since 1970. Prior to joining Integra as National Practice Leader – Litigation Support, he was a Principal of Capright (2016-2018). Mr. Crosson was a Member of Crosson Analytics, LLC (2014 – 2016) and served as Chairman and CEO of Crosson Dannis, Inc. (1977 – 2014).

To date, Mr. Crosson has completed, supervised, or reviewed valuations of thousands of properties in 40 states and Puerto Rico for a variety of institutional, private, and government clients. Throughout his career, Mr. Crosson has appraised virtually every type of real estate asset, including partial interests.

In addition to his valuation experience, Mr. Crosson has provided clients with consulting expertise in the following areas: litigation support, forensic analysis, fairness opinions, purchase price allocation, property tax appeals, due diligence, portfolio review, and appraisal management. Mr. Crosson has served as an expert witness and has provided extensive testimony. His special expertise is in complex properties and valuation related issues as well as methodology and standards of care.

### Education

Steve received his Bachelor of Business Administration in banking and finance at the University of North Texas. He then received his graduate degree in real estate at Southern Methodist University - Cox School of Business.

### Qualified Before Courts & Administrative Bodies

Certified General Real Estate Appraiser (Multiple States)

### Miscellaneous

#### Affiliations:

#### **Appraisal Institute**

- Designated Member of the Appraisal Institute (MAI, SRA)
- Publications Review Committee (2008 – Present)

#### **Royal Institution of Chartered Surveyors**

- Fellow (FRICS)

#### **American Bar Association**

- Associate Member

#### **American Bankruptcy Institute**

#### **The Appraisal Journal**

- Chair & Editor In Chief (2005 – Present)
- Vice Chair (2004)
- Editorial Board (2001 – 2004)

#### **The Real Estate Council (TREC)**

- Board Member (Various Terms)

#### **Various Trade Publications**

- Authored numerous published articles

[scrosson@irr.com](mailto:scrosson@irr.com)

#### Integra Realty Resources

##### Dallas

1100 Mira Vista Boulevard  
Suite 300  
Plano, TX 75093

T (972) 881-7191  
F (972) 733-1403

[irr.com](http://irr.com)



## Stephen T. Crosson, MAI, SRA, FRICS

### Miscellaneous (Cont'd)

#### Articles Written:

**"Valuation of Participating Interest"**

*The Appraisal Journal*

**"Commercial Real Estate and Capital Markets"**

*Insights*

**"Appraisal Issues in Securitized Real Estate Offerings"**

*CDI Research Articles*

**"Appraisal Issues in Valuation for Pension Fund Plan Sponsors"**

*CDI Research Article*

**"Appraisal Issues in Valuation"**

*The Institutional Real Estate Letter*

**"Mark to Mark in the United Kingdom"**

*International Appraising: The Appraisal Journal*

**"Maximizing Resale Value in Corporate Real Estate Facilities"**

*Corporate Real Estate Executive*

**"Student Shelter: More Opportunity in College Housing"**

*Multifamily Executive*

**"Redesigning Appraisal Reports for Securitized Offerings"**

*Real Estate Review*

**"Regression Analysis: A Cost-Effective Approach for The Valuation of Commercial Property Portfolios"**

*Real Estate Finance*

**"Taking Up Residence"**

*The Institutional Real Estate Letter*

**"The Third Dimensional Approach"**

*Mortgage Banking*

**"Valuation Issues: Rooftop Revenue"**

*CDI Research Series*

#### Notable Assignments:

➤ **Lost Profits Involving Condominium Development in Edison, New Jersey.**

**Client: U.S. Department of Justice**

This was litigation brought by a developer of a condominium development. Subsequent to site purchase, the plaintiff discovered contamination due to the site's prior use as an arsenal. The issue was diminution due to delays caused by the time needed for remediation. The case was in the U.S. Court of Claims in Washington, D.C. Mr. Crosson was deposed.

➤ **Standards of Care Litigation in Puerto Rico.**

**Client: Property Purchaser**

The matter involved the valuation of a large ocean front tract. Subsequent to purchase, the buyer discovered the existence of extensive fill and other sources of soil instability. The client sued the valuer, asserting that he failed to consider the effect of such problems in his valuation. Mr. Crosson was engaged to provide expert testimony regarding methodology and standards of care. He was deposed in San Juan, Puerto Rico.

#### Integra Realty Resources

##### Dallas

1100 Mira Vista Boulevard  
Suite 300  
Plano, TX 75093

T (972) 881-7191

F (972) 733-1403

irr.com

## Stephen T. Crosson, MAI, SRA, FRICS

Integra Realty Resources

Dallas

1100 Mira Vista Boulevard  
Suite 300  
Plano, TX 75093

T (972) 881-7191

F (972) 733-1403

irr.com

### Miscellaneous (Cont'd)

- **Litigation for Impact of Wind Farms on Nearby Properties.**  
**Client: Power Company**  
The client was sued by numerous property owners who contended that the proximity of proposed wind turbine farms would materially diminish the value of their respective properties. The wind farms were in disparate locations in Texas, New Mexico, and Kansas. The matter was in Texas State District Court. Despite having prepared an expert report, Mr. Crosson was not deposed nor did he testify.
- **Litigation regarding damages, including stigma, of geotechnical failures in large planned commercial development in Alabama.**  
**Client: Property Developer**  
The property required extensive site work (cutting and filling) in order to be developable. The client sued the site work contractor and others, alleging that the fill had been improperly done, causing numerous failures of earthen embankments. Further, the fill materials were inappropriate, containing tree roots and old tires, among other components. Mr. Crosson was deposed and testified before a 3 person panel of arbitrators in Mobile, Alabama.
- **Bankruptcy of Large Resort Hotel in Honolulu, HI.**  
**Client: Lender**  
The property was the Hyatt Wakiki Hotel. Ownership sought protection of the asset in U.S. Bankruptcy Court in California. Mr. Crosson was deposed.
- **Litigation Regarding Large Resort Development in Greater Las Vegas Area.**  
**Client: Lender**  
The loan participant sued the originating lender, alleging that, among other things, that the valuations performed at the time of origination were highly flawed. Mr. Crosson was engaged to provide an expert report regarding standards of care and methodology. The matter was heard in State District Court in Dallas, Texas. Mr. Crosson was not called to testify.
- **19 Apartment Properties in Northern and Southern California, Virginia, and Massachusetts.**  
**Client: U.S. Department of Justice**  
The U.S. was sued by various plaintiffs regarding diminution due to recession and subsequent reinstatement of plaintiffs' right to repay mortgages in full at the end of a specified period. The plaintiffs alleged damages during the "lock out" period. The matter consisted of several cases, 6 of which are ongoing, all in the U.S. Court of Claims in Washington, D.C. Mr. Crosson was deposed and testified in some of the cases and expects to provide additional testimony in the unresolved matters.
- **Numerous Resort Condominiums in South Padre Island, Texas.**  
**Client: Lenders**  
Mr. Crosson provided valuations on several properties. No litigation was involved.
- **30,000+ Acre Recreational Ranch in Southwest Texas**  
**Client: Major Lender**
- **Valuation of Numerous Billboard Assets in Mid-West**  
**Client: Specialty Lender**
- **Office Building in Dallas, Texas**  
**Client: Insurance company for defendant**  
Mr. Crosson provided an expert report addressing the effect, if any, of slightly mismatched replacement exterior windows. Litigation was involved.
- **Partial Taking of Existing Denominational Cemetery in New Jersey**  
**Client: Diocese of Camden, New Jersey**  
Mr. Crosson provided opinions regarding the impact on value of the partial taking for highway construction. Litigation was involved.



## Certified General Real Estate Appraiser

Appraiser: **Stephen Thomas Crosson**

License #: **TX 1325815 G**

License Expires: **12/31/2023**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

  
Chelsea Buchholtz  
Commissioner

# Ernest Gatewood

## Experience

Senior Director PID/MUD/SF Lot Development Valuation Specialist with the Dallas office of Integra Realty Resources DFW, a full-service real estate consulting and appraisal firm.

Mr. Gatewood has been in the appraisal field for over 40 years. This extensive experience has formed knowledge of the Texas real estate market as well as select areas throughout the entire United States. This experience has formed an understanding of the dynamics of market forces in both increasing, as well as declining markets. Mr. Gatewood began his appraisal career in 1980 at Crosson Dannis, Inc. where he spent 10 years specializing in master-planned communities. Mr. Gatewood's appraisals were utilized in the funding of Legacy Business Park in Plano, Texas as well as Stonebridge Ranch in McKinney, Texas. In 1991, Mr. Gatewood joined Heartland (Seattle, Washington) as Acquisitions Director for Texas. In this role, Mr. Gatewood was key to the development of several single-family subdivisions, a property type which he still specializes into this day. From 1992 until 2017, Mr. Gatewood represented Jackson Claborn, Inc. as the Vice President of the Commercial Division where he has helped manage the production of the commercial appraisal practice which has enhanced JCI's strong commitment to client services.

Mr. Gatewood has experience in appraising commercial, industrial, multifamily, and investment-grade real property and related tangible assets to provide opinions of value for purposes of mortgage lending, sale or purchase, financial reporting, federal tax, capital lease testing, litigation support, allocation of purchase price, estate tax planning/settlement, ad valorem taxation, property exchange, internal planning, and partial taking/just compensation by eminent domain agencies.

Property types include vacant land, agricultural land, rights of way (road and pipeline), shopping centers, single-tenant retail buildings, CBD and suburban office projects, air rights, truck terminals, light industrial facilities, heavy manufacturing plants, corporate headquarters, hospitals, surgery centers, medical office buildings, self-storage facilities, religious facilities, hotels, mixed-use developments, apartment projects, convenience stores, and, single-family subdivision analyses.

## Licenses

Texas, Certified General Real Estate Appraiser, TX 1324355 G, Expires December 2022

Texas, Licensed Real Estate Salesman, 277705-32, Expires December 2021

Idaho, Certified General Real Estate Appraiser, CGA-5642, Expires February 2023

Utah, Certified General Real Estate Appraiser, 11805423-CG00, Expires June 2022

## Education

Richland Junior College, Dallas, Texas

The University of North Texas, Denton, Texas

## Miscellaneous

An affiliate of the Appraisal Institute

## Integra Realty Resources Dallas

1100 Mira Vista Boulevard  
Plano, TX 75093

T (972) 881-7191

F (972) 733-1403

irr.com



egatewood@irr.com - (972) 725-7755



## Certified General Real Estate Appraiser

Appraiser: **Ernest Elva Gatewood III**

License #: **TX 1324355 G**

License Expires: **12/31/2022**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

  
Chelsea Buchholtz  
Commissioner



## About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

*Local Expertise...Nationally!*

# irr.com



## **Addendum B**

### **IRR Quality Assurance Survey**



## IRR Quality Assurance Survey

### We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

### Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! The members of this team are listed below. You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: [quality.irr.com](https://quality.irr.com)

Integra Regional Quality Managers		
Region	Regional Quality Manager	Title
Northeast Region	William Kimball, MAI	Senior Managing Director
Southeast Region	Leslie North, MAI, AI-GRS	Managing Director
Central Region	Gary Wright, MAI, SRA	Senior Managing Director
Southwest Region	Rusty Rich, MAI, MRICS	Senior Managing Director
West Region	Larry Close, MAI	Senior Managing Director
Corporate	Rob McPherson, MAI, CCIM	Director of Product Development and Quality

## **Addendum C**

### **Definitions**

# Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

## **As Is Market Value**

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

## **Disposition Value**

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

## **Effective Date**

1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

## **Entitlement**

In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

## **Entrepreneurial Incentive**

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's profit*) in that it is

the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion.

#### **Entrepreneurial Profit**

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

#### **Exposure Time**

1. The time a property remains on the market.
2. The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

#### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

#### **Floor Area Ratio (FAR)**

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

#### **Highest and Best Use**

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

**Investment Value**

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

**Lease**

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

**Leased Fee Interest**

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

**Leasehold Interest**

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

**Liquidation Value**

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

**Marketing Time**

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

**Market Value**

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

*(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)*

**Prospective Opinion of Value**

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

**Definition of Aggregate of Retail Values**

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Bulk Sale**

The sale of multiple parcels of real estate to one buyer in one transaction. A bulk sale may include dissimilar properties in different locations or a group of lots or units in the same project. Typically, the bulk sale price is less than the sum of the values of the individual parcels.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Bulk Value**

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Development Procedure**

In land valuation, a technique for valuing undeveloped acreage that involves discounting the cost of development and the probable proceeds from the sale of developed sites.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Subdivision Development Method**

A method of estimating land value when subdivision and developing a parcel of land is the highest and best use of that land. When all direct and indirect costs and entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or the completed improvements on those lots), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Allocation Method**

1) The process of separating the contributory value of a component or part of an asset from the total value of the asset. 2) A method of estimating land value in which sales of improved properties are analyzed to establish a typical ratio of land value to total property value and this ratio is applied to the property being appraised or the comparable sale being analyzed."

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Extraction**

1) A method of estimating land value in which the depreciated cost of the improvements on an improved property is calculated and deducted from the total sale price to arrive at an estimated sale price for the land. 2) A method of deriving capitalization rates from property sales when sale price and net operating income are known.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

**Residual**

The quantity left over; in appraising, a term used to describe the results of an appraisal procedure in which known components of value are accounted for, thus solving for the quantity that is left over, such as land residual or building residual.

*(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)*

## **Addendum D**

### **Property Information**



**A METES AND BOUNDS  
DESCRIPTION OF A  
118.861 ACRE TRACT OF LAND**

**BEING** a 118.861 acre (5,177,568 square feet) tract of land situated in the Elijah Caplas Survey, Abstract No. 155, Travis County, Texas; and being a portion of a called 529.31 acre tract of land described in Instrument to Harriet "Hatsy" Hoop Shaffer in Document No. 2000089781 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a TXDOT monument found marking the westerly southwest corner of the herein described tract, at the intersection of the northerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45 and along the easterly right-of-way line of said North Turnersville Road, the following two (2) courses and distances:

1. North 2°40'43" West, 535.14 feet to a 1/2-inch iron rod found for corner;
2. North 2°14'27" West, 784.45 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and crossing said 529.31 acre tract, the following thirty (30) courses and distances:

1. North 87°45'33" East, 26.81 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
2. North 19°00'51" East, 326.46 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
3. South 70°59'09" East, 185.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
4. North 18°00'51" East, 19.56 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
5. South 70°59'09" East, 170.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
6. North 19°00'51" East, 414.80 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
7. South 70°59'09" East, 175.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
8. South 19°00'51" West, 13.44 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
9. South 70°59'09" East, 95.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
10. South 68°57'47" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
11. South 63°40'40" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
12. South 62°24'54" East, 315.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
13. South 61°25'40" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
14. South 56°15'55" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;

15. South 50°32'55" East, 44.95 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
16. South 44°55'55" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
17. South 39°15'55" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
18. South 33°35'55" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
19. South 27°55'55" East, 44.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
20. South 22°43'49" East, 44.99 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
21. South 21°43'39" East, 68.19 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
22. North 69°14'18" East, 104.76 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
23. in a northeasterly direction, along a tangent curve to the left, a central angle of 90°57'57", a radius of 15.00 feet, a chord bearing and distance of North 23°45'19" East, 21.39 feet, and a total arc length of 23.81 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
24. North 66°16'21" East, 50.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
25. South 21°43'39" East, 1.35 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
26. in a southeasterly direction, along a tangent curve to the left, a central angle of 89°02'03", a radius of 15.00 feet, a chord bearing and distance of South 66°14'41" East, 21.03 feet, and a total arc length of 23.31 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
27. North 69°14'18" East, 322.27 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
28. in a northeasterly direction, along a tangent curve to the left, a central angle of 41°36'54", a radius of 435.00 feet, a chord bearing and distance of North 48°25'51" East, 300.05 feet, and a total arc length of 315.95 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
29. North 27°37'24" East, 93.64 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
30. in a northwesterly direction, along a tangent curve to the left, a central angle of 90°02'16", a radius of 15.00 feet, a chord bearing and distance of North 17°23'44" West, 21.22 feet, and a total arc length of 23.57 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner on the southwesterly right-of-way line of F.M. 1327 (80 feet wide);

**THENCE**, South 62°24'54" East, 100.00 feet along the southwesterly right-of-way line of said F.M. 1327 to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;

**THENCE**, departing the southwesterly right-of-way line of said F.M. 1327 and crossing said 529.31 acre tract, the following twenty-eight (28) courses and distances:

1. in a southwesterly direction, along a non-tangent curve to the left, a central angle of 89°57'42", a radius of 15.00 feet, a chord bearing and distance of South 72°36'15" West, 21.21 feet, and a total arc length of 23.55 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;

2. South 27°37'24" West, 83.71 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
3. in a southwesterly direction, along a tangent curve to the right, a central angle of 41°36'54", a radius of 505.00 feet, a chord bearing and distance of South 48°25'51" West, 358.78 feet, and a total arc length of 366.79 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
4. South 68°14'16" West, 310.58 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
5. in a southwesterly direction, along a tangent curve to the left, a central angle of 90°57'57", a radius of 15.00 feet, a chord bearing and distance of South 23°45'15" West, 21.39 feet, and a total arc length of 23.81 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
6. South 21°43'39" East, 317.23 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
7. in a southeasterly direction, along a tangent curve to the left, a central angle of 90°00'00", a radius of 15.00 feet, a chord bearing and distance of South 68°43'39" East, 21.21 feet, and a total arc length of 23.56 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
8. South 21°43'39" East, 50.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
9. in a southwesterly direction, along a non-tangent curve to the left, a central angle of 90°00'00", a radius of 15.00 feet, a chord bearing and distance of South 23°16'21" West, 21.21 feet, and a total arc length of 23.56 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
10. South 21°43'39" East, 55.16 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
11. in a southeasterly direction, along a tangent curve to the left, a central angle of 27°45'06", a radius of 435.00 feet, a chord bearing and distance of South 35°36'12" East, 208.64 feet, and a total arc length of 210.69 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
12. South 49°28'44" East, 410.85 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
13. in a southeasterly direction, along a tangent curve to the left, a central angle of 60°00'00", a radius of 15.00 feet, a chord bearing and distance of South 69°28'44" East, 19.20 feet, and a total arc length of 20.94 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
14. South 43°25'07" East, 50.50 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
15. in a southeasterly direction, along a non-tangent curve to the left, a central angle of 97°54'37", a radius of 15.00 feet, a chord bearing and distance of South 0°31'26" East, 22.63 feet, and a total arc length of 25.63 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
16. South 49°28'44" East, 98.90 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
17. South 40°31'16" West, 50.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
18. in a southwesterly direction, along a tangent curve to the left, a central angle of 21°12'01", a radius of 445.00 feet, a chord bearing and distance of South 31°17'52" West, 163.72 feet, and a total arc length of 164.66 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
19. South 20°41'51" West, 409.91 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;

20. in a southwesterly direction, along a tangent curve to the left, a central angle of 22°02'17", a radius of 445.00 feet, a chord bearing and distance of South 9°40'43" West, 170.11 feet, and a total arc length of 171.16 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
21. South 1°20'25" East, 81.11 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
22. North 88°39'35" East, 105.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of curvature;
23. in a southeasterly direction, along a tangent curve to the right, a central angle of 90°00'00", a radius of 15.00 feet, a chord bearing and distance of South 46°20'25" East, 21.21 feet, and a total arc length of 23.66 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for a point of tangency;
24. South 1°20'25" East, 33.46 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
25. South 88°39'35" West, 25.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
26. South 1°20'25" East, 406.05 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
27. South 58°39'35" West, 319.15 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
28. South 36°10'48" West, 338.14 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner on the northwesterly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northwesterly right-of-way line of said State Highway No. 45, the following seven (7) courses and distances:

1. North 43°45'32" West, 2.71 feet to a TxDOT monument found for corner;
2. North 85°21'58" West, 189.55 feet to a TxDOT monument found for corner;
3. North 57°18'33" West, 1341.27 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
4. North 81°04'19" West, 278.74 feet to a TxDOT monument found for corner;
5. North 44°08'40" West, 45.40 feet to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found for corner;
6. North 2°57'59" West, 610.00 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for corner;
7. South 87°04'31" West, 82.40 feet to the **POINT OF BEGINNING** and containing 116.861 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

*John G. Mosier 11-6-18*  
 John G. Mosier  
 Registered Professional Land Surveyor No. 6330  
 Kimley-Horn and Associates, Inc.  
 801 NW Loop 410, Suite 350  
 San Antonio, Texas 78216  
 Ph. 210-541-9166  
 greg.mosier@kimley-horn.com



Turners Crossing Phase 1 – 116.861 acres  
 Job No. 007783111 - February 8, 2018 - Page # of 4

## Summary of 73 Single Family Homes

Count	Address	Lot Size (FF)	Builder	Substantial Complet	Sq. Ft.	Plan	Under Contract (Y/N)	Contract/Sale Price
1	12610 Dairywork Road	45'	Meritage	2/4/2022	2,812	Reynolds	Closed	495,905
2	12605 Dairywork Road	45'	Meritage	4/15/2022	2,812	Reynolds	Yes	516,333
3	6412 Rounded Pebble Lane	45'	Meritage	4/21/2022	2,812	Reynolds	Yes	539,501
4	6510 Rounded Pebble Lane	45'	Meritage	4/12/2022	2,812	Reynolds	Yes	544,599
5	12911 Johnson Bar Cove	45'	Meritage	4/8/2022	2,812	Reynolds	Yes	517,014
6	12604 Dairywork Road	45'	Meritage	2/3/2022	2,585	Winedale	Closed	491,711
7	12607 Dairywork Road	45'	Meritage	2/15/2022	2,585	Winedale	Yes	499,808
8	6408 Rounded Pebble Lane	45'	Meritage	4/13/2022	2,585	Winedale	Yes	505,990
9	6507 Rounded Pebble Lane	45'	Meritage	4/13/2022	2,585	Winedale	No	560,375
10	6503 Rounded Pebble Lane	45'	Meritage	4/19/2022	2,585	Winedale	Yes	504,416
11	12606 Dairywork Road	45'	Meritage	2/4/2022	2,334	Matador	Closed	471,065
12	12603 Dairywork Road	45'	Meritage	12/22/2021	2,334	Matador	Closed	470,552
13	6410 Rounded Pebble Lane	45'	Meritage	4/21/2022	2,334	Matador	Yes	487,371
14	6505 Rounded Pebble Lane	45'	Meritage	4/18/2022	2,334	Matador	No	524,087
15	13009 Brave Tenderfoot Trail	40'	Meritage	3/24/2022	2,024	Bryce	Yes	413,728
16	13001 Brave Tenderfoot Trail	40'	Meritage	3/24/2022	2,024	Bryce	Yes	409,407
17	13104 Brave Tenderfoot Trail	40'	Meritage	4/25/2022	2,024	Bryce	Yes	417,962
18	13114 Brave Tenderfoot Trail	40'	Meritage	3/18/2022	2,024	Bryce	Yes	411,820
19	13011 Barrister Lane	40'	Meritage	5/13/2022	2,024	Bryce	Yes	440,935
20	13106 Barrister Lane	40'	Meritage	5/25/2022	2,024	Bryce	Yes	426,437
21	6511 Velvet Leaf Lane	45'	Meritage	10/25/2021	2,024	Bryce	No (Model)	478,940
22	6513 Velvet Leaf Lane	45'	Meritage	9/30/2021	2,010	Hughes	No (Model)	519,870
23	12608 Dairywork Road	45'	Meritage	2/1/2022	2,010	Hughes	Closed	444,265
24	12602 Dairywork Road	45'	Meritage	2/3/2022	2,010	Hughes	Yes	447,750
25	12512 Dairywork Road	45'	Meritage	12/21/2021	2,010	Hughes	Closed	459,750
26	6409 Rounded Pebble Lane	45'	Meritage	4/8/2022	2,010	Hughes	Yes	444,341
27	6509 Rounded Pebble Lane	45'	Meritage	4/12/2022	2,010	Hughes	Yes	470,260
28	6501 Rounded Pebble Lane	45'	Meritage	4/6/2022	2,010	Hughes	Yes	460,752
29	13005 Brave Tenderfoot Trail	40'	Meritage	3/15/2022	1,981	Olympic	Yes	421,511
30	12903 Brave Tenderfoot Trail	40'	Meritage	3/21/2022	1,981	Olympic	Yes	422,513
31	13010 Brave Tenderfoot Trail	40'	Meritage	3/23/2022	1,981	Olympic	Yes	402,886
32	13106 Brave Tenderfoot Trail	40'	Meritage	4/1/2022	1,981	Olympic	Yes	406,843
33	13112 Brave Tenderfoot Trail	40'	Meritage	4/5/2022	1,981	Olympic	Yes	403,620
34	13210 Hatsy Way	40'	Meritage	5/26/2022	1,981	Olympic	Yes	430,475
35	13103 Barrister Lane	40'	Meritage	5/9/2022	1,981	Olympic	Yes	411,890
36	13008 Barrister Lane	40'	Meritage	5/12/2022	1,981	Olympic	Yes	415,620
37	13105 Brave Tenderfoot Trail	40'	Meritage	3/23/2022	1,872	Lassen	Yes	385,027
38	13109 Barrister Lane	40'	Meritage	5/12/2022	1,872	Lassen	Yes	416,746
39	13101 Barrister Lane	40'	Meritage	5/11/2022	1,872	Lassen	Yes	404,935
40	13004 Barrister Lane	40'	Meritage	5/4/2022	1,872	Lassen	Yes	388,197
41	12600 Dairywork Road	45'	Meritage	12/21/2021	1,688	Callaghan	Closed	432,435
42	12511 Dairywork Road	45'	Meritage	12/21/2021	1,688	Callaghan	Yes	461,033
43	6413 Rounded Pebble Lane BFR	45'	Meritage	4/5/2022	1,688	Callaghan	No	475,390
44	6511 Rounded Pebble Lane	45'	Meritage	4/20/2022	1,688	Callaghan	Yes	454,582
45	13107 Brave Tenderfoot Trail	40'	Meritage	3/23/2022	1,589	Saguaro	Yes	366,306
46	13107 Barrister Lane	40'	Meritage	5/18/2022	1,589	Saguaro	Yes	376,911
47	13013 Barrister Lane	40'	Meritage	5/11/2022	1,589	Saguaro	Yes	373,539
48	13002 Barrister Lane	40'	Meritage	5/3/2022	1,589	Saguaro	Yes	366,533
49	13115 Brave Tenderfoot Trail	40'	Meritage	4/5/2022	1,498	Congaree	Yes	366,382
50	13008 Brave Tenderfoot Trail	40'	Meritage	3/21/2022	1,498	Congaree	Yes	355,757
51	13110 Brave Tenderfoot Trail	40'	Meritage	4/4/2022	1,498	Congaree	Yes	365,560
52	13208 Hatsy Way	40'	Meritage	5/25/2022	1,498	Congaree	Yes	369,557
53	13105 Barrister Lane	40'	Meritage	5/17/2022	1,498	Congaree	Yes	366,513
54	13007 Barrister Lane	40'	Meritage	5/4/2022	1,498	Congaree	Yes	362,475
55	13000 Barrister Lane	40'	Meritage	5/2/2022	1,498	Congaree	Yes	365,388
56	13010 Barrister Lane	40'	Meritage	5/13/2022	1,498	Congaree	Yes	368,997
57	13110 Barrister Lane	40'	Meritage	5/23/2022	1,498	Congaree	Yes	371,591
58	12609 Dairywork Road	45'	Meritage	12/22/2021	1,477	Briscoe	Closed	408,720
59	12601 Dairywork Road	45'	Meritage	12/21/2021	1,477	Briscoe	Closed	410,329
60	6411 Rounded Pebble Lane	45'	Meritage	4/15/2022	1,477	Briscoe	Yes	394,842
61	6513 Rounded Pebble Lane	45'	Meritage	4/11/2022	1,477	Briscoe	Yes	412,748
62	13103 Brave Tenderfoot Trail	40'	Meritage	4/7/2022	1,440	Cascade	Yes	353,511
63	13007 Brave Tenderfoot Trail	40'	Meritage	3/17/2022	1,440	Cascade	Yes	347,161
64	13108 Brave Tenderfoot Trail	40'	Meritage	4/4/2022	1,440	Cascade	Yes	347,600
65	13116 Brave Tenderfoot Trail	40'	Meritage	3/21/2022	1,440	Cascade	Yes	356,705
66	13206 Hatsy Way	40'	Meritage	5/31/2022	1,440	Cascade	Yes	358,940
67	13009 Barrister Lane	40'	Meritage	5/16/2022	1,440	Cascade	Yes	354,667
68	13108 Barrister Lane	40'	Meritage	5/20/2022	1,440	Cascade	Yes	347,161
69	13109 Brave Tenderfoot Trail	40'	Meritage	3/23/2022	1,242	Teton	Yes	335,239
70	13006 Brave Tenderfoot Trail	40'	Meritage	3/22/2022	1,242	Teton	Yes	335,517
71	13204 Hatsy Way	40'	Meritage	5/31/2022	1,242	Teton	Yes	354,697
72	13111 Barrister Lane	40'	Meritage	5/10/2022	1,242	Teton	Yes	347,353
73	13006 Barrister Lane	40'	Meritage	5/3/2022	1,242	Teton	Yes	341,074



Address Plat

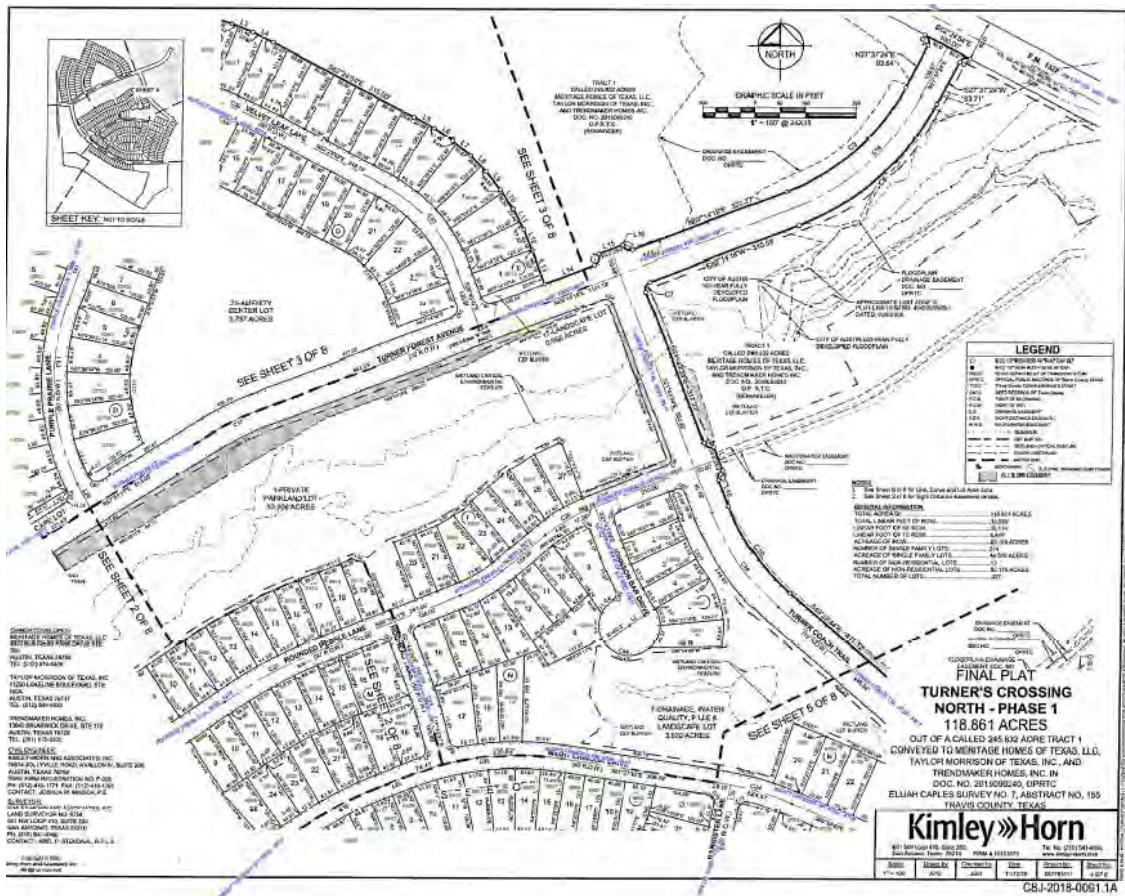


Turner's Crossing Public Improvement District - Improvement Area #1



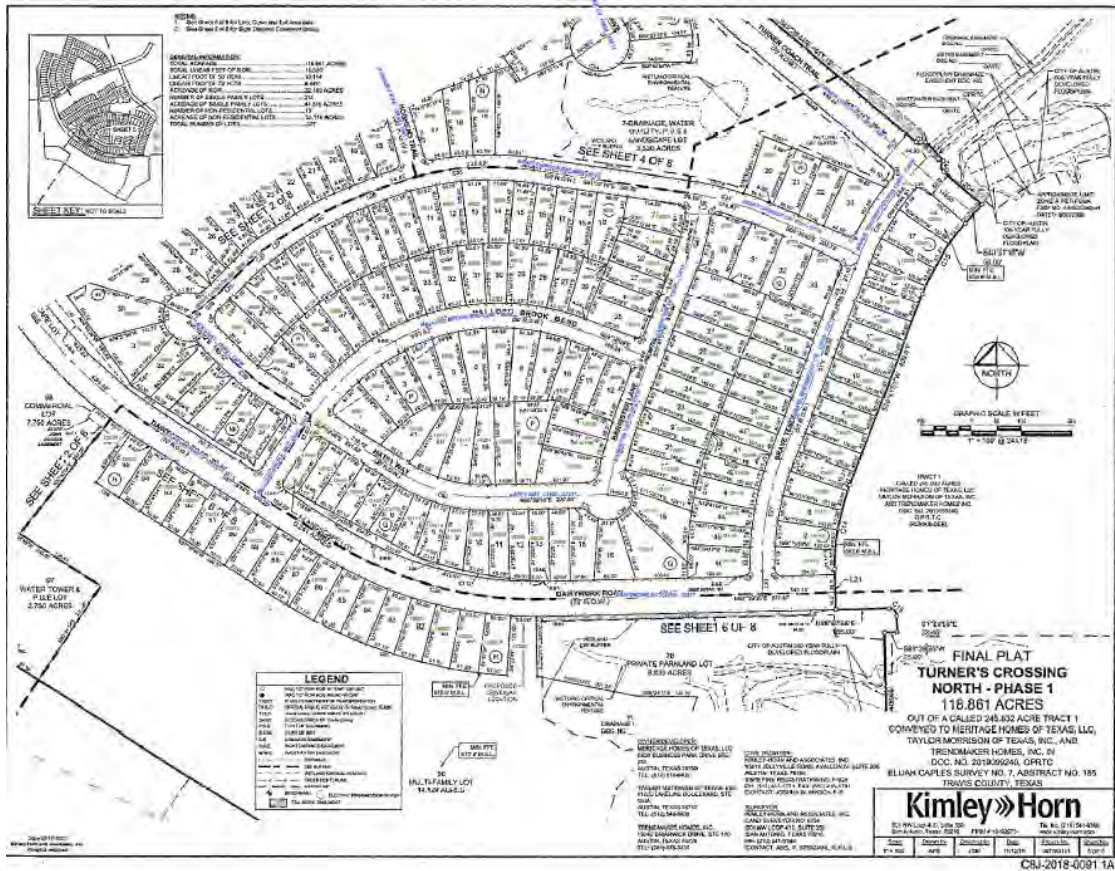






Turner's Crossing Public Improvement District - Improvement Area #1





## **Addendum E**



## **Land Sales – 40' Lots**



# Land Sale Profile

Sale No. 1

## Location & Property Identification

Property Name:	Vistas of Austin Section 5 (40' Lots)
Sub-Property Type:	Residential, Single Family Lot
Address:	East side of Laurie Lane, south of Moncrieff Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2690596



## Sale Information

Sale Price:	\$70,000
Effective Sale Price:	\$70,000
Sale Date:	12/27/2021
Sale Status:	Closed
\$/Acre(Gross):	\$668,577
\$/Land SF(Gross):	\$15.35
\$/Acre(Usable):	\$668,577
\$/Land SF(Usable):	\$15.35
\$/Unit:	\$1,750 /Unit
Grantor/Seller:	MPS Vista Bluff Development LP
Grantee/Buyer:	Milestone Community Builders
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$70,000 (\$1,750/FF) in December 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021281093
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Ellen Harrison (512-686-4986) x313

Verification Type: Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	Vistas of Austin, Section 5, Block E, Lot 27/Tax ID# 910510
Acres(Usable/Gross):	0.10/0.10
Land-SF(Usable/Gross):	4,560/4,560
Usable/Gross Ratio:	1.00
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	40
Frontage Desc.:	40' x 114'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	I-SF-4A
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

## Comments

Project is in Austin ISD. Home prices range from \$300,000 to \$400,000. Subdivision is located in the Austin ISD.

Vistas of Austin Section 5 (40' Lots)



### Comments (Cont'd)

---

# Land Sale Profile

# Sale No. 2

## Location & Property Identification

Property Name:	Goodnight Ranch Future Phase 2 (40' Lot)
Sub-Property Type:	Residential, Single Family Lot
Address:	Baythorne Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
Property Location:	West side of Sike Way, north of Baythorne Drive
IRR Event ID:	2512081



## Sale Information

Sale Price:	\$84,500
Effective Sale Price:	\$84,500
Sale Date:	04/22/2022
Contract Date:	11/11/2020
Sale Status:	In-Contract
\$/Acre(Gross):	\$736,063
\$/Land SF(Gross):	\$16.90
\$/Acre(Usable):	\$736,063
\$/Land SF(Usable):	\$16.90
\$/Unit:	\$2,224 /Unit
Grantor/Seller:	Austin Goodnight Ranch, LP
Grantee/Buyer:	David Weekley Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$84,500 (\$2,113/FF) in Late 2020. Annual 7.0% escalation will begin at substantial completion.
Document Type:	Contract of Sale
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	04/06/2022

Confirmation Source: Sherri Spence at Benchmark Development (512-472-7455)

Verification Type: Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	Goodnight Ranch Phase 2
Acres(Usable/Gross):	0.11/0.11
Land-SF(Usable/Gross):	5,000/5,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	38
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	40
Frontage Desc.:	40' x 125'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

## Comments

Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17

Goodnight Ranch Future Phase 2 (40' Lot)



### Comments (Cont'd)

---

lots.

# Land Sale Profile

Sale No. 3

## Location & Property Identification

Property Name:	Easton Park/Phase 3A, 45' Lots
Sub-Property Type:	Residential, Single Family Lot
Address:	South of William Cannon Drive at Hillock Terrace
City/State/Zip:	Austin, TX 78744
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2795218



## Sale Information

Sale Price:	\$81,000
Effective Sale Price:	\$81,000
Sale Date:	11/23/2021
Sale Status:	Closed
\$/Acre(Gross):	\$653,226
\$/Land SF(Gross):	\$15.00
\$/Acre(Usable):	\$653,226
\$/Land SF(Usable):	\$15.00
\$/Unit:	\$1,800 /Unit
Grantor/Seller:	Carma Easton, LLC
Grantee/Buyer:	Pacesetter Homes, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price will be set at \$81,000/lot (\$1,800/FF) in November 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021258344
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Barletta and Associates
Verification Type:	Confirmed-Other

## Improvement and Site Data

Legal/Tax/Parcel ID:	Lots 1-24, Block A, Easton Park, Section 3A, Phase 1 / Misc. Tax #'s
Acres(Usable/Gross):	0.12/0.12
Land-SF(Usable/Gross):	5,400/5,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	45
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	45
Frontage Desc.:	45' x 120'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	Pilot Knob PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Utilities Desc.:	Pilot Knob MUD #3
Source of Land Info.:	Public Records

## Comments

Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.

Easton Park/Phase 3A, 45' Lots



### Comments (Cont'd)

---

These are quad lots with two, 45' lots along the frontage and two, 60' lots in the rear accessed by dual driveways between the 45' lots.

# Land Sale Profile

Sale No. 4

## Location & Property Identification

Property Name:	Cascades at Onion Creek 50' lot
Sub-Property Type:	Residential, Single Family Lot
Address:	East side of IH-35, north of Heatherly Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2688522



## Sale Information

Sale Price:	\$88,000
Effective Sale Price:	\$88,000
Sale Date:	06/01/2021
Sale Status:	Closed
\$/Acre(Gross):	\$639,070
\$/Land SF(Gross):	\$14.67
\$/Acre(Usable):	\$639,070
\$/Land SF(Usable):	\$14.67
\$/Unit:	\$1,760 /Unit
Grantor/Seller:	M/I Homes of Austin
Grantee/Buyer:	Confidential
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$88,000 (\$1,760/FF) in June 2021 with an annual 6.0% escalation.
Document Type:	Deed
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	08/06/2021
Confirmation Source:	Royce Rippy
Verification Type:	Confirmed-Seller

## Improvement and Site Data

Legal/Tax/Parcel ID:	Cascades at Onion Creek/ Tax #944651
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,000/6,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	SF
Zoning Desc.:	Single Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

## Comments

This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.

Cascades at Onion Creek 50' lot



## **Land Sales - 45' Lots**



# Land Sale Profile

Sale No. 1

## Location & Property Identification

Property Name:	Vistas of Austin Section 5 (40' Lots)
Sub-Property Type:	Residential, Single Family Lot
Address:	East side of Laurie Lane, south of Moncrieff Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2690596



## Sale Information

Sale Price:	\$70,000
Effective Sale Price:	\$70,000
Sale Date:	12/27/2021
Sale Status:	Closed
\$/Acre(Gross):	\$668,577
\$/Land SF(Gross):	\$15.35
\$/Acre(Usable):	\$668,577
\$/Land SF(Usable):	\$15.35
\$/Unit:	\$1,750 /Unit
Grantor/Seller:	MPS Vista Bluff Development LP
Grantee/Buyer:	Milestone Community Builders
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$70,000 (\$1,750/FF) in December 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021281093
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Ellen Harrison (512-686-4986) x313

Verification Type: Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	Vistas of Austin, Section 5, Block E, Lot 27/Tax ID# 910510
Acres(Usable/Gross):	0.10/0.10
Land-SF(Usable/Gross):	4,560/4,560
Usable/Gross Ratio:	1.00
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	40
Frontage Desc.:	40' x 114'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	I-SF-4A
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

## Comments

Project is in Austin ISD. Home prices range from \$300,000 to \$400,000. Subdivision is located in the Austin ISD.

Vistas of Austin Section 5 (40' Lots)



### Comments (Cont'd)

---

# Land Sale Profile

# Sale No. 2

## Location & Property Identification

Property Name:	Goodnight Ranch Future Phase 2 (40' Lot)
Sub-Property Type:	Residential, Single Family Lot
Address:	Baythorne Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
Property Location:	West side of Sike Way, north of Baythorne Drive
IRR Event ID:	2512081



## Sale Information

Sale Price:	\$84,500
Effective Sale Price:	\$84,500
Sale Date:	04/22/2022
Contract Date:	11/11/2020
Sale Status:	In-Contract
\$/Acre(Gross):	\$736,063
\$/Land SF(Gross):	\$16.90
\$/Acre(Usable):	\$736,063
\$/Land SF(Usable):	\$16.90
\$/Unit:	\$2,224 /Unit
Grantor/Seller:	Austin Goodnight Ranch, LP
Grantee/Buyer:	David Weekley Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$84,500 (\$2,113/FF) in Late 2020. Annual 7.0% escalation will begin at substantial completion.
Document Type:	Contract of Sale
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	04/06/2022

Confirmation Source: Sherri Spence at Benchmark Development (512-472-7455)

Verification Type: Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	Goodnight Ranch Phase 2
Acres(Usable/Gross):	0.11/0.11
Land-SF(Usable/Gross):	5,000/5,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	38
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	40
Frontage Desc.:	40' x 125'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

## Comments

Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17

## Goodnight Ranch Future Phase 2 (40' Lot)



### Comments (Cont'd)

---

lots.

# Land Sale Profile

Sale No. 3

## Location & Property Identification

Property Name:	Easton Park/Phase 3A, 45' Lots
Sub-Property Type:	Residential, Single Family Lot
Address:	South of William Cannon Drive at Hillock Terrace
City/State/Zip:	Austin, TX 78744
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2795218



## Sale Information

Sale Price:	\$81,000
Effective Sale Price:	\$81,000
Sale Date:	11/23/2021
Sale Status:	Closed
\$/Acre(Gross):	\$653,226
\$/Land SF(Gross):	\$15.00
\$/Acre(Usable):	\$653,226
\$/Land SF(Usable):	\$15.00
\$/Unit:	\$1,800 /Unit
Grantor/Seller:	Carma Easton, LLC
Grantee/Buyer:	Pacesetter Homes, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price will be set at \$81,000/lot (\$1,800/FF) in November 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021258344
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Barletta and Associates
Verification Type:	Confirmed-Other

## Improvement and Site Data

Legal/Tax/Parcel ID:	Lots 1-24, Block A, Easton Park, Section 3A, Phase 1 / Misc. Tax #'s
Acres(Usable/Gross):	0.12/0.12
Land-SF(Usable/Gross):	5,400/5,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	45
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	45
Frontage Desc.:	45' x 120'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	Pilot Knob PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Utilities Desc.:	Pilot Knob MUD #3
Source of Land Info.:	Public Records

## Comments

Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.

Easton Park/Phase 3A, 45' Lots



### Comments (Cont'd)

---

These are quad lots with two, 45' lots along the frontage and two, 60' lots in the rear accessed by dual driveways between the 45' lots.

# Land Sale Profile

Sale No. 4

## Location & Property Identification

Property Name:	Cascades at Onion Creek 50' lot
Sub-Property Type:	Residential, Single Family Lot
Address:	East side of IH-35, north of Heatherly Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2688522



## Sale Information

Sale Price:	\$88,000
Effective Sale Price:	\$88,000
Sale Date:	06/01/2021
Sale Status:	Closed
\$/Acre(Gross):	\$639,070
\$/Land SF(Gross):	\$14.67
\$/Acre(Usable):	\$639,070
\$/Land SF(Usable):	\$14.67
\$/Unit:	\$1,760 /Unit
Grantor/Seller:	M/I Homes of Austin
Grantee/Buyer:	Confidential
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$88,000 (\$1,760/FF) in June 2021 with an annual 6.0% escalation.
Document Type:	Deed
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	08/06/2021
Confirmation Source:	Royce Rippy
Verification Type:	Confirmed-Seller

## Improvement and Site Data

Legal/Tax/Parcel ID:	Cascades at Onion Creek/ Tax #944651
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,000/6,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	SF
Zoning Desc.:	Single Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

## Comments

This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.

Cascades at Onion Creek 50' lot



## Land Sales - 50' Lots

# Land Sale Profile

Sale No. 1

## Location & Property Identification

Property Name:	Cascades at Onion Creek 50' lot
Sub-Property Type:	Residential, Single Family Lot
Address:	East side of IH-35, north of Heatherly Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2688522



## Sale Information

Sale Price:	\$88,000
Effective Sale Price:	\$88,000
Sale Date:	06/01/2021
Sale Status:	Closed
\$/Acre(Gross):	\$639,070
\$/Land SF(Gross):	\$14.67
\$/Acre(Usable):	\$639,070
\$/Land SF(Usable):	\$14.67
\$/Unit:	\$1,760 /Unit
Grantor/Seller:	M/I Homes of Austin
Grantee/Buyer:	Confidential
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$88,000 (\$1,760/FF) in June 2021 with an annual 6.0% escalation.
Document Type:	Deed
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	08/06/2021
Confirmation Source:	Royce Rippy
Verification Type:	Confirmed-Seller

## Improvement and Site Data

Legal/Tax/Parcel ID:	Cascades at Onion Creek/ Tax #944651
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,000/6,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	SF
Zoning Desc.:	Single Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

## Comments

This sale represents a lot in Phase 1 in the Cascades at Onion Creek development.

Cascades at Onion Creek 50' lot



# Land Sale Profile

# Sale No. 2

## Location & Property Identification

Property Name:	Goodnight Ranch Future Phase 2 (50' Lot)
Sub-Property Type:	Residential, Single Family Lot
Address:	Baythorne Drive
City/State/Zip:	Austin, TX 78747
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
Property Location:	West side of Sike Way, north of Baythorne Drive
IRR Event ID:	2512085



## Sale Information

Sale Price:	\$94,500
Effective Sale Price:	\$94,500
Sale Date:	04/22/2022
Contract Date:	11/19/2020
Sale Status:	In-Contract
\$/Acre(Gross):	\$658,537
\$/Land SF(Gross):	\$15.12
\$/Acre(Usable):	\$658,537
\$/Land SF(Usable):	\$15.12
\$/Unit:	\$1,890 /Unit
Grantor/Seller:	Austin Goodnight Ranch, LP
Grantee/Buyer:	David Weekley Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price was set at \$94,500 (\$1,890/FF) in late 2020. Annual 7.0% escalation will begin at substantial completion.
Document Type:	Contract of Sale
Recording No.:	N/A
Verified By:	Ernest Gatewood
Verification Date:	04/06/2022

Confirmation Source: Sherri Spence at Benchmark  
Development (512-472-7455)

Verification Type: Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	Goodnight Ranch Phase 2
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,250/6,250
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	50
Frontage Desc.:	50' x 125'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

## Comments

Project is in Austin ISD. Home prices range from \$288,000 to \$327,000. This sale represents a bulk purchase of 17

**Goodnight Ranch Future Phase 2 (50' Lot)**



### Comments (Cont'd)

---

lots.

# Land Sale Profile

Sale No. 3

## Location & Property Identification

Property Name:	Easton Park/Kieke Park 50' Lots
Sub-Property Type:	Residential, Single Family Lot
Address:	South side of Bestride Bend, south of Colton Bluff Springs Road
City/State/Zip:	Austin, TX 78744
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2690613



## Sale Information

Sale Price:	\$85,000
Effective Sale Price:	\$85,000
Sale Date:	11/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$617,284
\$/Land SF(Gross):	\$14.17
\$/Acre(Usable):	\$617,284
\$/Land SF(Usable):	\$14.17
\$/Unit:	\$1,700 /Unit
Grantor/Seller:	Carma Easton, LLC
Grantee/Buyer:	Perry Homes, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price will be set at \$85,000/lot (\$1,700/FF) in November 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021257012
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Chris Little (512) 644-5803
Verification Type:	Confirmed-Buyer

## Improvement and Site Data

Legal/Tax/Parcel ID:	N/A
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	5,998/6,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	50
Frontage Desc.:	50' x 120'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	Pilot Knob PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Utilities Desc.:	Pilot Knob MUD #3
Source of Land Info.:	Public Records

## Comments

Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$300,000 to \$500,000.

Easton Park/Kieke Park 50' Lots



### Comments (Cont'd)

---

# Land Sale Profile

Sale No. 4

## Location & Property Identification

Property Name:	Easton Park/Phase 3A, 60' Lots
Sub-Property Type:	Residential, Single Family Lot
Address:	South of William Cannon Drive at Hillock Terrace
City/State/Zip:	Austin, TX 78744
County:	Travis
Submarket:	Southeast
Market Orientation:	Suburban
IRR Event ID:	2795232



## Sale Information

Sale Price:	\$108,000
Effective Sale Price:	\$108,000
Sale Date:	11/23/2021
Sale Status:	Closed
\$/Acre(Gross):	\$490,018
\$/Land SF(Gross):	\$11.25
\$/Acre(Usable):	\$490,018
\$/Land SF(Usable):	\$11.25
\$/Unit:	\$1,800 /Unit
Grantor/Seller:	Carma Easton, LLC
Grantee/Buyer:	Pacesetter Homes, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	The base lot price will be set at \$81,000/lot (\$1,800/FF) in November 2021 with an annual 7.0% escalation.
Document Type:	Warranty Deed
Recording No.:	2021258344
Verified By:	Ernest Gatewood
Verification Date:	08/11/2021
Confirmation Source:	Barletta and Associates
Verification Type:	Confirmed-Other

## Improvement and Site Data

Legal/Tax/Parcel ID:	Lots 1-24, Block A, Easton Park, Section 3A, Phase 1 / Misc. Tax #'s
Acres(Usable/Gross):	0.22/0.22
Land-SF(Usable/Gross):	9,600/9,600
Usable/Gross Ratio:	1.00
No. of Units (Potential):	60
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	60
Frontage Desc.:	60' x 160'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	Pilot Knob PUD
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Utilities Desc.:	Pilot Knob MUD #3
Source of Land Info.:	Public Records

## Comments

Lots in this master-planned development are located in the Del Valle ISD. Home prices are ranging from \$480,000 to \$620,000.

Easton Park/Phase 3A, 60' Lots



### Comments (Cont'd)

---

These are quad lots with two, 45' lots along the frontage and two, 60' lots in the rear accessed by dual driveways between the 45' lots.



**APPENDIX F**  
**FINANCING AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
FINANCING AGREEMENT

BY AND AMONG

MERITAGE HOMES OF TEXAS, LLC, an Arizona limited liability company

AND

TRAVIS COUNTY DEVELOPMENT AUTHORITY, a Texas local government  
corporation

AND

TRAVIS COUNTY, TEXAS, a political subdivision of the State of Texas

## TABLE OF CONTENTS

	Page
ARTICLE I SCOPE OF AGREEMENT .....	4
ARTICLE II APPORTIONMENT, LEVY AND COLLECTION OF ASSESSMENTS.....	4
Section 2.01. Preliminary Matters .....	4
Section 2.02. Apportionment and Levy of Assessments .....	6
Section 2.03. Collection of Assessments .....	9
Section 2.04. Approval and Recordation of Assessments through Landowner Agreement.....	10
Section 2.05. Actual Costs .....	11
ARTICLE III CONSTRUCTION AND ACQUISITION.....	11
Section 3.01. Acquisition of Authorized Improvements .....	11
Section 3.02. County Procurement Requirements .....	12
Section 3.03. Designation of Construction Manager; Designation of Construction Manager Subcontractor.....	12
Section 3.04. Designation of Project Engineer .....	15
Section 3.05. Real Property Interests .....	19
Section 3.06. Procurement of Construction Contracts; Change Orders.....	20
Section 3.07. Special County Provisions Applicable to Construction Contracts.....	24
Section 3.08. Construction of Authorized Improvements .....	26
Section 3.09. County Inspection .....	27
Section 3.10. Managing Developer Completion of Authorized Improvements .....	28
Section 3.11. Construction Worker Protection Standards .....	29
Section 3.12. Project Funding and Completion .....	30
Section 3.13. Maintenance of Project, Warranties .....	32
Section 3.14. Sales and Use Tax Exemptions .....	33
Section 3.15. Public Bidding Requirements/County Cooperation in Plan Review .....	33
Section 3.16. Additional Requirements for Authorized Improvements Funded with Progress Payments .....	33
ARTICLE V PID BONDS .....	40
Section 5.01. Issuance of PID Bonds.....	40

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 5.02. Project Fund.....	42
Section 5.03. Denomination, Maturity, Interest, and Security for Bonds .....	42
Section 5.04. Sale of PID Bonds.....	42
ARTICLE VI ADDITIONAL COUNTY REQUIREMENTS .....	43
Section 6.01. Affordable Housing.....	43
Section 6.02. Homebuyer Disclosure .....	47
ARTICLE VII REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION .....	48
Section 7.01. Representations and Warranties of County and TCDA.....	48
Section 7.02. Covenants, Representations, and Warranties of Managing Developer.....	49
Section 7.03. Indemnification .....	51
ARTICLE VIII DEFAULT AND REMEDIES .....	52
Section 8.01. Default.....	52
Section 8.02. Breach.....	52
Section 8.03. Force Majeure .....	52
Section 8.04. No Waiver .....	53
ARTICLE IX GENERAL PROVISIONS .....	53
Section 9.01. Notices .....	53
Section 9.02. Fee Arrangement /Administration of District.....	55
Section 9.03. Assignment .....	56
Section 9.04. Term of Agreement .....	57
Section 9.05. Property Taxes and Assessments.....	57
Section 9.06. Construction of Certain Terms .....	57
Section 9.07. Table of Contents; Titles and Headings .....	58
Section 9.08. Amendments.....	58
Section 9.09. Time .....	59
Section 9.10. Counterparts .....	59
Section 9.11. Entire Agreement .....	59
Section 9.12. Severability; Waiver .....	59
Section 9.13. Meritage as Independent Contractor.....	59

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 9.14. Supplemental Agreements .....	59
Section 9.15. County’s Acceptance of Authorized Improvements.....	60
Section 9.16. Audit.....	60
Section 9.17. Governing Law; Jurisdiction and Venue .....	60
Section 9.18. No Third Party Beneficiary .....	60
Section 9.19. Boycotts and Foreign Business Engagements.....	60
Section 9.20. Claims Notification .....	61
Section 9.21. Texas Public Information Act .....	61
Section 9.22. Correction of Technical Errors .....	62
Section 9.23. Exhibits .....	62

## **TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT FINANCING AGREEMENT**

This Turner's Crossing Public Improvement District Financing Agreement (this "**Agreement**"), dated May 25, 2021, (the "**Effective Date**"), is entered into by and among Meritage Homes of Texas, LLC, an Arizona limited liability company (including its Designated Successors and Assigns, the "**Managing Developer**" or "**Meritage**"), the Travis County Development Authority, a Texas local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code (the "**TCDA**"), and Travis County, Texas, a political subdivision of the State of Texas (the "**County**") (together, the "**Parties**"), and consented to by Taylor Morrison of Texas, Inc. ("**Taylor Morrison**"), a Texas corporation, and Tri Pointe Homes of Texas, Inc., a Texas corporation ("**Tri Pointe**"), the successor in interest to Trendmaker Homes, Inc. ("**Trendmaker**"), a Texas corporation (Taylor Morrison and Tri Pointe, together, the "**Consenting Parties**"). Capitalized terms used in this Agreement have the meanings given to them in Exhibit "A" unless otherwise provided in this Agreement. Terms defined in Exhibit "A" that conflict with the Service and Assessment Plan shall be controlled by the most recent Service and Assessment Plan or the latest Service and Assessment Plan approved by Commissioners Court.

### **RECITALS**

1. A public improvement district (a "**PID**") is a development tool that provides for the financing of the costs of public improvements or services that benefit a definable part of the County. It allows the costs of these improvements or services to be borne by those who receive special benefits from the improvements or services because they own property in that definable area. At the same time, residents of the County who live outside the definable area may also receive some benefit from those improvements or services.

2. The Travis County Commissioners Court (the "**Commissioners Court**") has adopted policies and procedures relating to the establishment of public improvement districts, including provisions the Commissioners Court will use to consider whether creation of a PID, a levy of special assessments, or issuance of bonds payable from special assessments ("**PID Bonds**") is in the best interest of the County (as amended, the "**PID Policy**"). The PID Policy has been codified in Chapter 481 of the Travis County Code, and unless otherwise specified, the term "PID Policy" means the version of Travis County Code Chapter 481 in effect as of June 1, 2018.

3. Meritage and the Consenting Parties have entered into that certain Joint Ownership and Development Agreement, dated July 2, 2019 whereby Managing Developer and the Consenting Parties designated Meritage as the "Managing Developer", as defined therein, and is empowered to act on behalf of itself and all the Consenting Parties with respect to this Agreement.

4. Meritage and the Consenting Parties own a total of approximately 445 acres of land located within the County and the extraterritorial jurisdiction of the City of Austin,

Texas (the “**City**”) that is more particularly described in Exhibit “B” attached hereto and made a part hereof (the “**Property**”).

5. Meritage and the Consenting Parties intend to develop the Property as a mixed-use development, including single family, multi-family, and commercial uses (the “**Project**”). Construction of the Project began in July, 2020.

6. A Project overview that was presented by Meritage’s representatives to the Travis County Commissioners Court during the Commissioners Court’s July 24, 2018 meeting specified, among other things:

A. the following planned land uses for the Project:

- (1) 1340 single-family detached residential units
- (2) 456 multi-family residential units;
- (3) More than 1 million square feet of commercial development on approximately 23 acres

B. that the Project would include a “broad array of housing options and affordable price points” with home prices that ranged from \$228,446 for homes constructed on the smallest type lots up to \$306,057 for homes constructed on the largest lots; and

C. the Project would include approximately 4.5 miles of trails and approximately 169 acres of open space (together, the “**Planned Land Uses**”).

7. At its November 13, 2018 meeting, the Commissioners Court considered whether to create the Turner’s Crossing Public Improvement District (the “**District**”). In considering whether to create the District, the Commissioners Court relied on the information provided by Meritage’s representatives and analyses prepared by County staff, including findings from County staff that the community benefits the District would provide included, among other things, affordable housing and workforce housing.

8. Based upon information presented by Meritage’s representatives, the Commissioners Court authorized the formation of the Turner’s Crossing Public Improvement District on November 13, 2018, pursuant to a resolution (the “Creation Resolution”) and in accordance with the PID Act.

9. The City did not object to the creation of the District within thirty days as permitted by Section 372.003(d) of the PID Act.

10. The Parties intend to conform this Agreement in all respects to the PID Act and the PID Policy,

11. Meritage and the Consenting Parties (together, the “**Developer**”) intend to develop the Project in compliance with the PID Act, the PID Policy, and this Agreement.

12. Pursuant to the terms of this Agreement, the County and the TCDA both have agreed to allow financing of certain public improvements conferring special benefits to the Property through the District.

13. On April 24, 2018, pursuant to the PID Act and Subchapter D of Chapter 431, Texas Transportation Code, as amended (the “**LGC Act**”), the County and the TCDA entered into a Contract for Management and Administrative Services (the “**Management Contract**”) under which the TCDA agreed to manage and administer public improvement districts created by the Commissioners Court, including the District.

14. The Managing Developer anticipates developing the Project in phases, with the District being divided, for development planning purposes, into four distinct improvement areas consisting of “**Improvement Area #1**”, “**Improvement Area #2**”, “**Improvement Area #3**”, and “**Improvement Area #4**” (each an “**Improvement Area**”), with the approximate boundaries of such Improvement Areas being reflected in Exhibit “B-1”, Exhibit “B-2”, Exhibit “B-3”, and Exhibit “B-4”, respectively. Development and the financing thereof within each Improvement Area will proceed according to the terms specified in this Agreement.

15. The Managing Developer proposes to construct certain improvements over time that will serve and benefit the Property (the “**Authorized Improvements**”). Each single Authorized Improvement is intended to benefit only one Improvement Area, to wit: (A) certain of the Authorized Improvements will benefit only Improvement Area #1; (B) certain of the Authorized Improvements will benefit only Improvement Area #2; (C) certain of the Authorized Improvements will benefit only Improvement Area #3; and (D) certain of the Authorized Improvements will benefit only Improvement Area #4. No Authorized Improvement is intended to benefit more than one Improvement Area. The Authorized Improvements will be more fully described in the Service and Assessment Plan (or an update thereto) to be approved by the County.

16. The Managing Developer agrees to effect conveyance of the Authorized Improvements to the County, City, or other public entity acceptable to the County (each of the foregoing, an “**Applicable Entity**”) in accordance with the terms and provisions of this Agreement and the Land Development Code.

17. The County and the TCDA agree to pay or reimburse the Managing Developer for the Actual Costs of the Authorized Improvements with the proceeds of PID Bonds or special assessment revenues derived from the District in accordance with the terms and provisions of this Agreement. Subject to the limitations of the PID Act and the articles of incorporation of the TCDA, the TCDA has the authority to issue, from time to time, one or more series of PID Bonds, the proceeds of which will be used to pay the costs of Authorized Improvements, including indebtedness to pay capitalized interest and a reserve fund permitted by the PID Act for revenue bonds issued under the PID Act and indebtedness issued to pay the TCDA’s costs of issuance.

18. In lieu of donating an approximately 14.9 acre multifamily parcel to the Capital Economic Progress Corporation as provided in the Creation Resolution, the

County, the TCDA and the Managing Developer agree that the PID Community Benefit Fee will be paid by the Managing Developer in accordance with this Agreement.

19. The County and the TCDA have determined that it is in their best interests to contract with the Managing Developer for the construction and/or acquisition of the Authorized Improvements, which will result in the efficient and effective implementation of the Service and Assessment Plan.

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 SCOPE OF AGREEMENT**

This Agreement establishes provisions for:

1. the apportionment, levying, and collection of Assessments on the Property (Article II);
2. the construction of Authorized Improvements to be acquired by, conveyed to, or otherwise dedicated to the County or City, as applicable (Article III);
3. payment for Authorized Improvements within the District (Article IV);
4. the issuance of PID Bonds for the financing of the Authorized Improvements (Article V);
5. additional County requirements (Article VI);
6. representations, warranties, and indemnification (Article VII);
7. events of default and remedies (Article VIII); and
8. general provisions (Article IX).

## **ARTICLE II APPORTIONMENT, LEVY, AND COLLECTION OF ASSESSMENTS**

### **Section 2.01. Preliminary Matters**

(a) The Recitals set forth in the preamble of this Agreement are hereby incorporated into this Agreement as if fully set forth herein.

(b) The Parties expressly intend that the terms and procedures of each Article of this Agreement shall apply uniformly to the entire Property, including each Improvement Area. Unless otherwise specified, the Travis County Office of Economic Development &

Strategic Investments shall be the designated recipient of documents and related materials that are designated to be delivered to the County.

(c) The Parties agree that the Service and Assessment Plan must meet the requirements of Texas Local Government Code Sections 372.013 and 372.014, and be presented to the Commissioners Court for review and approval before (i) the Commissioners Court will consider approval of an Assessment Order and a resolution consenting to the issuance of the PID Bonds by the TCDA and (ii) the TCDA will consider a resolution authorizing the issuance of PID Bonds. The Service and Assessment Plan will be updated by the TCDA or its Administrator at least once per year and will be submitted to the Commissioners Court for review and approval.

(d) The Service and Assessment Plan may need to be amended over time if there are any changes to the specifications or plans relating to an Authorized Improvement. The Parties agree that an allocation proposed in the Service and Assessment Plan may be adjusted to reflect the lot count and type at the time of finalization. The County's apportionment and levy of Assessments will be made in accordance with the PID Act.

(e) The Managing Developer intends to develop the District in phases corresponding to each Improvement Area, with development to commence first in Improvement Area #1. As a result, Assessments will be levied initially only on Parcels within Improvement Area #1 to finance the Authorized Improvements therein. Thereafter, Assessments will be levied on a given Improvement Area from time to time as provided in this Agreement.

(f) Actual Costs for the Authorized Improvements for each Improvement Area are anticipated to be initially funded by the Managing Developer and then reimbursed from the Contract Assessment Revenues (derived from the Assessments levied by the County upon the Assessed Property in that Improvement Area and transferred to the TCDA as further described in Section 2.03 hereof) and from the proceeds of PID Bonds. For each Improvement Area, Parity Bonds may be issued to reimburse Managing Developer for any Actual Costs for the Authorized Improvements that remain unreimbursed after issuance of the initial series of PID Bonds. The County or TCDA in its sole discretion may determine whether to issue Parity Bonds. If Parity Bonds are not issued, any remaining reimbursement obligation under the Acquisition and Reimbursement Agreement for a given Improvement Area shall be paid to the Managing Developer on a cash-flow basis.

(g) For each Improvement Area, after the issuance of PID Bonds, the payment of any reimbursement obligation remaining under an Acquisition and Reimbursement Agreement shall be subordinate to the payment of the PID Bonds.

(h) Assessments will bear a direct, proportional relationship to, and be less than or equal to, the special benefit conferred from the Authorized Improvements on the applicable Assessed Property.

(i) Parcels within the District may also be subject to an Owners' Association assessment.

(j) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, THE MANAGING DEVELOPER SHALL BE RESPONSIBLE FOR ALL COST OVERRUNS FOR THE AUTHORIZED IMPROVEMENTS AND SHALL BEAR ONE HUNDRED PERCENT (100%) OF THE ACTUAL COSTS OF CONSTRUCTING THE AUTHORIZED IMPROVEMENTS NOT PAID FROM THE PROCEEDS OF PID BONDS, ASSESSMENT REVENUES, OR CONTRACT ASSESSMENT REVENUES.

## **Section 2.02. Apportionment and Levy of Assessments**

(a) Any time after the Managing Developer receives all permits required to begin construction of Authorized Improvements in any given Improvement Area but prior to the earlier of (x) the date any Authorized Improvement for that Improvement Area has been dedicated to the Applicable Entity or (y) the date that is three months before the Managing Developer intends to close the sale of a home to a homeowner in that Improvement Area, the Managing Developer may provide written notice to the County and TCDA (i) requesting approval and execution of an Acquisition and Reimbursement Agreement, substantially in the form provided in **Exhibit "I"** attached hereto, for the given Improvement Area, (ii) requesting the levy of Assessments on the Improvement Area, and (iii) requesting the collection of the Assessments in installments according to a payment schedule identified in Section 4.02 below: (an **"Assessment Levy Request"**). The Assessment Levy Request must specify the amount of the PID Bond that the Managing Developer anticipates requesting and an approximate date that the Managing Developer desires that PID Bonds be issued (a **"Desired Bond Issuance Date"**) and be accompanied by any deliverables required in the PID Policy. Notwithstanding anything to the contrary above, the Parties acknowledge and agree that it is the intent of the Parties that the Commissioners Court will consider items (i)-(iii) above with respect to Improvement Area #1 within ninety (90) days of an Assessment Levy Request.

### **(b) Assessment Levy Requests and Bond Issuance Requests.**

(1) No later than 15 days after receiving an Assessment Levy Request the County will acknowledge receipt of the request and inform the Managing Developer of the amount of the Initial Fee (defined below) or the Initial On-Site Community Benefit Fee Differential (defined below) that the Managing Developer must deposit into escrow before County and TCDA staff will further process the request.

(2) For each Assessment Levy Request, the Managing Developer shall:

(A) deposit an amount specified by the TCDA that equals six percent (6%) of the total estimated Assessments (the **"Initial Fee"**) into escrow pursuant to a PID Community Benefit Fee escrow agreement, a form of which is attached as **Exhibit "L"** (each, a **"CBF Escrow Agreement"**) executed between Managing Developer, County, TCDA, and the TCDA Depository Bank, if, under Section 6.01 of this Agreement, the Managing Developer is not required to provide on-site Affordable Housing in

conjunction with that Assessment Levy Request or Bond Issuance Request, or

(B) deposit an amount specified by the TCDA that equals six percent (6%) of the total estimated Assessments less the value of the on-site Affordable Housing to be contributed by the Managing Developer (the **“Initial On-Site Community Benefit Fee Differential”**) into escrow pursuant to a CBF Escrow Agreement if under Section 6.01 of this Agreement, the Managing Developer is required to provide on-site Affordable Housing or other on-site community benefit in conjunction with that Assessment Levy Request or Bond Issuance Request.

(3) After confirming that the Managing Developer has executed a CBF Escrow Agreement and deposited the Initial Fee or Initial On-Site Community Benefit Fee Differential, the TCDA shall coordinate with the Managing Developer to promptly order an appraisal of the portion of the Property that will be subject to the Assessments (the **“Appraisal”**). The TCDA shall select the appraiser, in consultation with the County, Managing Developer, and the Underwriter, and all fees of the Appraisal shall be paid from an escrow account held by the TCDA Depository Bank and funded by the Managing Developer.

(4) If the Commissioners Court does not set a date for a hearing to receive public comments regarding the levying of the requested Assessments (an **“Assessment Hearing”**) within 60 days after the TCDA’s receipt of the Appraisal (provided, however, that the Appraisal has been ordered in accordance with Subsection (3) above) or if the Commissioners Court does not approve an order levying the requested Assessments after the conclusion of the Assessment Hearing, the TCDA shall provide written direction to the TCDA Depository Bank (with a copy to Managing Developer) to return the Initial Fee or Initial On-Site Community Benefit Fee Differential to the Managing Developer no later than three business days after the TCDA Depository Bank’s receipt of such written direction.

(5) If the Commissioners Court approves an order levying the requested Assessments after the conclusion of the Assessment Hearing:

(A) The Initial Fee and the Initial On-Site Community Benefit Fee Differential shall be available for release to the Capital Economic Progress Corporation (**“CEPC”**) via ACH or check no later than three business days after the date the Assessments are levied on the Property, and the TCDA shall provide written direction to the TCDA Depository Bank to disburse the Initial Fee or Initial On-Site Community Benefit Fee Differential to the CEPC no later than three business days after the TCDA Depository Bank’s receipt of such written direction.

(B) If the Commissioners Court approves an order levying Assessments and PID Bonds are issued on or before the Desired Bond Issuance Date:

(1) The Managing Developer shall deposit into escrow the remainder of the PID Community Benefit Fee (the “**Remainder Fee**”), calculated to be the difference between 10% of the Net PID Bond Proceeds less the Initial Fee (if the Managing Developer **will not be required** to provide on-site Affordable Housing with respect to that assessment levy) and calculated to be the difference between 10% of the Net PID Bond Proceeds less the Initial On-Site Community Benefit Fee Differential (if the Managing Developer **will be required** to provide on-site Affordable Housing with respect to that assessment levy), no later than three business days before the closing date of the PID Bonds secured by the Assessments; and

(2) Pursuant to the CBF Escrow Agreement, the Remainder Fee shall be disbursed to the CEPC via ACH or check no later than three business days after the closing date of the PID Bonds.

(C) If the Commissioners Court approves an order levying Assessments and PID Bonds are not issued on or before the Desired Bond Issuance Date, the Managing Developer must pay the Remainder Fee to the CEPC via ACH or cashier’s check no later than January 31 after the first date that interest is first collected on the Assessments. The calculation of the Remainder Fee will be as follows:

(1) If the Managing Developer **will not be required** to provide on-site Affordable Housing with respect to that assessment levy, the Remainder Fee is calculated to be the difference between 10% of the Assessments levied (the “**Assessment Levy Amount**”) less the Initial Fee, and

(2) If the Managing Developer **will be required** to provide on-site Affordable Housing with respect to that assessment levy, the Remainder Fee is calculated to be the difference between 10% of the Assessment Levy Amount less the Initial On-Site Community Benefit Fee Differential.

(D) In the event the Remainder Fee is negative, the Managing Developer shall not be entitled to any refund or offset of the Initial Fee or Initial On-Site Community Benefit Fee Differential.

(c) If the County approves the levying of Assessments, it will levy and collect such Assessments in accordance with the approved Service and Assessment Plan, as amended or updated, and the applicable Assessment Order, as further provided in Section 2.02 and Section 2.03 of this Agreement. Notwithstanding any provision to the contrary, the County will have no obligation to consider an Assessment Levy Request.

## **Section 2.03. Collection of Assessments**

(a) Subject to the terms and conditions of this Agreement, the County covenants and agrees that it shall, as authorized by the PID Act and other applicable law, continuously collect or cause to be collected the Assessments levied pursuant to the Service and Assessment Plan during the term of this Agreement in the manner and to the maximum extent permitted by applicable law. The County covenants and agrees that to the extent permitted by applicable law, it will not permit a reduction, abatement, or exemption in the Assessments due on any Assessed Property until (i) all PID Bonds secured by Contract Assessment Revenues constituting a lien on that Assessed Property are no longer outstanding, whether as a result of payment in full or in part, defeasance, or otherwise and (ii) the Managing Developer has been reimbursed for the unreimbursed Actual Costs eligible to be paid from the Contract Assessment Revenues in accordance with the applicable Acquisition and Reimbursement Agreement. The County shall collect, or cause to be collected, the Assessments consistent with the County's policies and standard practices applicable to the collection of County taxes and assessments, as permitted by law.

(b) Notwithstanding anything to the contrary contained herein or in the Service and Assessment Plan, the County will collect the Assessments in annual installments. Pursuant to each Funding Agreement, the County will transfer or cause to be transferred the Assessment Revenues to the TCDA. For each Improvement Area, the TCDA will deposit or cause to be deposited the applicable Contract Assessment Revenues into a segregated account to be held by the TCDA Depository Bank, or if PID Bonds have been issued, then transferred to the Bond Trustee and deposited in the funds and accounts in the priority set forth in the applicable Indenture.

(c) Contract Assessment Revenues. For each Improvement Area:

(1) Contract Assessment Revenues derived from that Improvement Area can be used for the following purposes:

(A) prior to the issuance of PID Bonds and after completion of all or a portion of the Authorized Improvements for a given Improvement Area, to reimburse the Managing Developer for Actual Costs of the Authorized Improvements, or portion thereof, and

(B) after the issuance of PID Bonds:

(i) first, to fund debt service on the applicable PID Bonds, debt service reserves, prepayment and delinquency reserves, and Annual Collection Costs payable for such year pursuant to the applicable Indenture, and,

(ii) second, to the extent any such Contract Assessment Revenues are remaining, to reimburse Managing Developer for any Actual Costs not reimbursed by the applicable PID Bonds, subject to

the use of Contract Assessment Revenues to secure Parity Bonds (if any) as provided herein.

(2) The use of Contract Assessment Revenues derived from that Improvement Area to pay a reimbursement obligation to the Managing Developer under the applicable Acquisition and Reimbursement Agreement will be subordinate to use of Contract Assessment Revenues for payment of applicable PID Bonds as provided in the applicable Indenture.

(3) An Acquisition and Reimbursement Agreement will terminate immediately at the earlier of:

(A) the date that the Managing Developer has been reimbursed for all reimbursable Actual Costs of the Authorized Improvements;

(B) the date that all Contract Assessment Revenues are pledged to the applicable PID Bonds; or

(C) the date one year after the last Annual Installment of Assessments from that Improvement Area is collected.

(d) The County or the TCDA, as applicable, covenants and agrees to use best efforts to contract with the Travis County Tax Assessor-Collector for the collection of the Assessments such that the Assessments will be included on the ad valorem tax bill(s) for the Assessed Property and will be collected as part of and in the same manner as ad valorem taxes.

#### **Section 2.04. Approval and Recordation of Assessments through Landowner Agreement**

(a) For each Improvement Area, concurrently with the adoption of the Assessment Order and levy of the Assessments for that Improvement Area, the Managing Developer shall execute (and shall cause any other owner of any land within the applicable Improvement Area at the time of execution that will be subject to the future Assessments to execute) a Landowner Agreement (the form of which is attached hereto as Exhibit "J") in which the Managing Developer shall approve and accept the apportionment of assessments in the Service and Assessment Plan and the levy of the Assessments by the County. The Landowner Agreement shall further (1) evidence the Managing Developer's intent that the Assessments be covenants running with the land that (i) will bind any and all current and successor owners of Assessed Property to the Assessments, including applicable interest thereon, as and when due and payable thereunder and (ii) provide that subsequent purchasers of such land take their title subject to and expressly assume the terms and provisions of the Assessments; and (2) provide that the liens created by the levy of the Assessments are a first and prior lien on the Assessed Property, subject only to liens or claims for state, county, school district, or municipal ad valorem taxes.

(b) The Managing Developer shall file the Landowner Agreement in the Official Public Records of the County no later than one business day after the County's adoption of the Assessment Order and provide the County evidence of such recording no later than one business day after the Landowner Agreement is filed.

#### **Section 2.05. Actual Costs**

(a) Notwithstanding anything to the contrary contained herein, the Parties hereby acknowledge and agree that the Actual Costs expended by Managing Developer for any given Improvement Area may not be fully reimbursed from the Contract Assessment Revenues or initial PID Bonds for that Improvement Area. For each Improvement Area, the Actual Costs expended by Managing Developer, but not funded by the initial series of PID Bonds, are payable solely from (i) available Contract Assessment Revenues pursuant to the applicable Acquisition and Reimbursement Agreement and (ii) from Parity Bonds, if issued, provided that sufficient Contract Assessment Revenues are available to make the payments.

(b) The Managing Developer reimbursement provisions contained in this Section 2.05 shall not, under any circumstances, give rise to or create (i) a charge against the general credit or taxing power of the County or TCDA or (ii) a debt or other obligation of the County or TCDA payable from any source other than proceeds from the PID Bonds and Contract Assessment Revenues.

### **ARTICLE III CONSTRUCTION AND ACQUISITION**

#### **Section 3.01. Acquisition of Authorized Improvements**

(a) For each Improvement Area, the Managing Developer will convey and dedicate the Authorized Improvements identified in the Service and Assessment Plan to the Applicable Entity after confirmation by the Applicable Entity that the applicable Authorized Improvements have been completed in accordance with the Applicable Entity's requirements for those Authorized Improvements and confirmation by the County and the TCDA that the Authorized Improvements have been completed in accordance with this Agreement. Except as otherwise provided in this Agreement, an Applicable Entity's requirements shall govern the procedure for inspection, dedication, and acceptance of the Authorized Improvements that are to be conveyed to that Applicable Entity.

(b) Exhibit "E-1" lists each of the Authorized Improvements that will be constructed or acquired pursuant to this Agreement, the Applicable Entity to which each Authorized Improvement will be conveyed or dedicated, the type of interest that will be conveyed, the entity that will be responsible for maintenance of the Authorized Improvement, the estimated cost of designing and constructing the Authorized Improvements, and the estimated date of completion of the Authorized Improvement. Because the Commissioners Court, in determining whether to authorize the creation of the District, took into consideration information presented by the Managing Developer's

representatives that the Managing Developer intended to use the District as a financing tool to construct the Authorized Improvements listed in Exhibit "E-1," the Managing Developer must obtain consent from the County, which consent will not be unreasonably delayed or denied, before making any changes to the list of Authorized Improvements that will be constructed or acquired pursuant to this Agreement.

(c) The procedures provided in this Article III are intended to apply to each Improvement Area. The Parties acknowledge that the County, as the governmental entity levying Assessments and the TCDA, as the issuer of PID Bonds, have due diligence responsibilities with respect to the review of documentation relating to the construction of Authorized Improvements financed by the District.

### **Section 3.02. County Procurement Requirements**

(a) For all Authorized Improvements that are subject to financing or reimbursement from Assessment Revenues, Contract Assessment Revenues, or PID Bonds, including those Authorized Improvements to be acquired by an Applicable Entity, the Managing Developer and its contractors and subcontractors must comply with the requirements of the County's PID Policy, the requirements of the Applicable Entity, and this Agreement throughout the process of bidding, design, and construction.

(b) The Parties acknowledge that the County's PID Policy requires that contracts for design and construction of Authorized Improvements must substantially conform to the County's requirements for constructing roads built pursuant to public/private participation agreements, including requirements that (1) engineering services contracts be awarded not on the basis of competitive bids but instead on the basis of demonstrated competence and qualifications, and (2) construction contracts be awarded based on a competitive basis approved by the County (which, as of the Effective Date, requires that the Managing Developer obtain three separate bids from three separate qualified contractors) and requirements regarding the use of historically underutilized businesses, provision of performance and payment bonds, and worker protection standards (as provided for in Exhibits G-1, G-2, and G-3).

(c) The Managing Developer will not be reimbursed for any Authorized Improvement for which the Managing Developer has materially failed to comply with any aspect of the County's PID Policy.

### **Section 3.03. Designation of Construction Manager; Designation of Construction Manager Subcontractor**

(a) The County hereby designates the Managing Developer, or its assignees, as the Construction Manager with full responsibility for the design, the designation of easement locations, facilities site designations and acquisitions, supervision of construction, and the bidding and letting of construction contracts for the construction of the Authorized Improvements in accordance with this Agreement.

(b) The Managing Developer shall be entitled to a separate Construction Management Fee for providing Construction Management Services (as defined in this Article III) for the

construction of each Authorized Improvement as described in the Service and Assessment Plan.

(c) The County shall cooperate with the Managing Developer in connection with its services as Construction Manager.

(d) Managing Developer's Construction Manager Subcontractor.

(1) The County acknowledges and agrees that Managing Developer may subcontract out all or some of the duties of Construction Manager to a related or affiliated entity. The Managing Developer may subcontract out all or some of the duties of Construction Manager to an unrelated or unaffiliated third party with the written consent of the County, such consent not to be unreasonably withheld. Managing Developer may designate an individual, company, partnership, or other entity as a subcontractor for construction management services ("**Construction Manager Subcontractor**") for one or more Authorized Improvements, or portion thereof, provided that such designee has the technical capacity, experience, and expertise to perform such construction management duties or obligations. Managing Developer may make such designation under the same terms as set out in Section 9.03(a) of this Agreement. In each of the foregoing cases, the Person with whom the Construction Manager subcontracts all or some of its duties of Construction Manager is herein referred to as a "Construction Manager Subcontractor."

(2) If the Managing Developer desires to replace the Construction Manager Subcontractor or if the County requires that the Managing Developer replace the then-current Construction Manager Subcontractor the Managing Developer must comply with the County's Historically Underutilized Business ("**HUB**") Program ("**HUB Program**") policy by making a "good faith effort" to achieve HUB Program goals and other applicable HUB Program requirements as set forth in Exhibit "K". Notwithstanding any provision to the contrary in this Agreement, the forms and the spreadsheets that comprise Exhibit "K" will be provided by the County and may be revised and updated periodically by the County.

(e) Prior to executing a contract with a new Construction Manager Subcontractor, the Managing Developer shall submit the contract to the County for review and approval. The County shall have ten business days after such submission within which to make any comments on the contract, and if no such comments are received by Managing Developer within such ten-day period, the County shall be deemed to have approved the form of contract. The Managing Developer shall ensure that its contract with the Construction Manager Subcontractor contains a provision that the Construction Manager Subcontractor will look solely to the Managing Developer for all sums coming due thereunder and that the County will have no obligation to the Construction Manager Subcontractor, but will only be obligated to pay the Managing Developer as required by this Agreement. Within five business days after executing a contract with the Construction Manager

Subcontractor, the Managing Developer shall provide a copy of the executed contract to the County.

- (f) The Managing Developer must coordinate with the Project Engineer and the Construction Manager Subcontractor (if there is one) and ensure timely and satisfactory completion of the applicable Authorized Improvements, including:
  - (1) performing construction administration services listed in Exhibit "G-3";
  - (2) assuring the project scope is accurately defined and adhered to;
  - (3) identifying and planning for all obstacles to the completion of the applicable Authorized Improvements;
  - (4) planning and conducting preconstruction conferences;
  - (5) monitoring and reporting on construction schedules and budgets;
  - (6) monitoring and reporting on the design and construction quality;
  - (7) reviewing contractor's pay requests;
  - (8) providing the County and the TCDA Construction Administrator with prior notice of major items of work during construction (as used herein, "major item" means an individual item included in a bid that has a total cost equal to or greater than 5 percent of the original contract or \$100,000, whichever is less);
  - (9) otherwise coordinating between the Parties and other persons and entities involved in the applicable Authorized Improvements on an ongoing basis; and
  - (10) generally ensuring that the applicable Authorized Improvements are satisfactorily completed in accordance with approved plans and specifications on time and within budget (collectively, "**Construction Management Services**").
- (g) The Managing Developer agrees that if the Managing Developer or the Managing Developer's subcontractor acts as the Construction Manager for an Authorized Improvement, the Managing Developer must ensure that tasks that have been marked with an asterisk in Exhibit "G-3" are performed or provided by a Texas licensed professional engineer.
- (h) This subsection applies if the Managing Developer subcontracts all or some of the duties of the Construction Manager.
  - (1) Prior to executing a contract with the Construction Manager Subcontractor, the Managing Developer shall submit the contract to the County for review and approval. The County shall have ten business days after such submission within which to make any comments on the contract, and if no such comments are received by Managing Developer within said ten-day period, the County shall be

deemed to have approved the form of contract. The Managing Developer shall provide in the contract that the Construction Manager Subcontractor acknowledges that the applicable Authorized Improvements are a public works project on public property and agrees that the Construction Manager Subcontractor will look solely to the Managing Developer for all sums due thereunder and that the County will have no obligation to the Construction Manager Subcontractor, but will only be obligated to pay the Managing Developer as required by this Agreement. Within five business days after executing a contract with the Construction Manager Subcontractor, Managing Developer shall provide a copy of the executed contract to the County.

(2) The Managing Developer shall obtain from the Construction Manager Subcontractor and provide to the County a collateral assignment of the Managing Developer's rights under the contract with the Construction Manager Subcontractor, attached as Exhibit "G-1", which authorizes the County to utilize the services of the Construction Manager Subcontractor if the Managing Developer fails to do so as provided in this Agreement.

(3) Replacement of Construction Manager Subcontractor.

(A) If the County sends written notice to the Managing Developer that the Construction Manager Subcontractor is not satisfactorily performing its responsibilities with respect to a specific Authorized Improvement and identifies one or more of the Construction Manager Subcontractor's deficiencies in the notice, the Managing Developer must immediately take appropriate steps to ensure that the Construction Manager Subcontractor corrects the identified deficiencies and notify the County of those steps.

(B) If the County determines, after having sent notice to the Managing Developer, that the Construction Manager Subcontractor's performance of its obligations continues to be deficient, the County may require the Managing Developer to replace the Construction Manager Subcontractor, and the Managing Developer must thereafter replace the Construction Manager Subcontractor no later 60 days after the County's notice requiring replacement of the Construction Manager Subcontractor or such other time-frame specified in that notice.

### **Section 3.04. Designation of Project Engineer**

(a) The Managing Developer shall designate the Project Engineer for each Authorized Improvement for the compensation specified by the Managing Developer. Any fees paid to Project Engineers must be reasonable and customary and approved by the County.

(b) The Parties acknowledge that, prior to the effective date of this Agreement, the Managing Developer entered into a contract with Kimley-Horn, a professional engineering firm, as the Project Engineer for the Project. The Managing Developer's designation of

Kimley-Horn as the Project Engineer shall not be construed to be a violation of the County's PID Policy. No later than five business days after this Agreement takes effect, the Managing Developer will provide the County a copy of the Managing Developer's contract with the Project Engineer and a statement as to whether the Project Engineer is a historically underutilized business and whether the Project Engineer's subconsultants would or could be historically underutilized businesses.

(c) If the Managing Developer desires to replace the Project Engineer with a different professional engineering firm or if the County requires that the Managing Developer replace the current Project Engineer with a different professional engineering firm, the Managing Developer must comply with the following:

(1) The engineering services contract must be awarded not on the basis of competitive bids but instead on the basis of demonstrated competence and qualifications; and

(2) the County's HUB Program policy by making a "good faith effort" to achieve HUB Program goals and other applicable HUB Program requirements as set forth in Exhibit "K".

(d) Prior to executing a contract with a new Project Engineer, the Managing Developer shall submit the contract to the County for review and approval. The County shall have ten business days after such submission within which to make any comments on the contract, and if no such comments are received by Managing Developer within such ten-day period, the County shall be deemed to have approved the form of contract. The Managing Developer shall ensure that its contract with the proposed Project Engineer contains a provision that the Project Engineer will look solely to the Managing Developer for all sums coming due thereunder and that the County will have no obligation to the Project Engineer, but will only be obligated to pay the Managing Developer as required by this Agreement. Within five business days after executing a contract with the Project Engineer, the Managing Developer shall provide a copy of the executed contract to the County.

(e) The Managing Developer shall obtain from the Project Engineer and will provide to the County a collateral assignment of the Managing Developer's rights under the contract with the Project Engineer, attached as Exhibit "G-1", which authorizes the County to utilize the services of the Project Engineer to complete the applicable Authorized Improvements if the Managing Developer fails to do so as provided in this Agreement.

(f) Notwithstanding any provision to the contrary, the design of the applicable Authorized Improvements will be subject to approval by the Applicable Entity and any other governmental entities or governmental agencies with jurisdiction over the Authorized Improvements.

(g) The Managing Developer shall cause the Project Engineer to produce and provide to Managing Developer, the Applicable Entity, and in instances where the Applicable Entity is not the County, then to the County upon County's request, all engineering

services and deliverables to the extent necessary to complete the applicable Authorized Improvements with the required design features for the applicable Authorized Improvements, including, with respect to each Improvement Area, the following:

- (1) completed specific work product/plan stage documents for review;
- (2) final bid-ready plan sets and project manual with specifications ("**Final Plans and Specifications**");
- (3) geotechnical report;
- (4) engineer's opinion of construction costs, project schedule, and critical path method, updated and submitted with each submittal;
- (5) record drawings (as-builts) for the final project within 30 business days after completion of the construction of the applicable Authorized Improvements or complete performance under the Project Engineer's contract;
- (6) all required permits to start and complete the applicable Authorized Improvements;
- (7) metes and bounds descriptions, required tracts' schematic, and parcel drawings and right-of-way strip map for right of way and easement acquisitions;
- (8) survey services with electronic copy of survey on NAD 83 or as determined by the Applicable Entity;
- (9) environmental report(s), and copies of all such reports used in the design of the applicable Authorized Improvements shall be submitted to the County;
- (10) engineering and drainage study report;
- (11) design calculations;
- (12) electronic copy of above deliverables, where applicable (all drawings and electronic files must be in a format compatible with City or County CAD applications, as applicable, and text documents must be in Microsoft Word format or other format acceptable to the City or County, as applicable);
- (13) complete project file within 30 business days after completion of the construction of the applicable Authorized Improvements or the Project Engineer's contract;
- (14) the services and deliverables required by Exhibit "G-2"; and
- (15) any other service or producing any other deliverable necessary to complete the applicable Authorized Improvements with the required design features for the applicable Authorized Improvements, taking into consideration the customary

requirements for projects of a similar nature as the applicable Authorized Improvements or special requirements based on any unique aspects of the applicable Authorized Improvements (collectively, "**Engineering Services and Deliverables**").

(h) All Engineering Services and Deliverables shall meet customary professional standards applicable to the service or deliverable or the applicable Authorized Improvements, based on the applicable Authorized Improvements' nature and location and participants, and are subject to approval by the County based on compliance with this Agreement, cost effectiveness, sound engineering principles and practices, and applicable legal requirements, which approval shall not be unreasonably denied, delayed, or conditioned. The County shall use reasonable efforts to respond to a request for approval within ten business days after any such Engineering Services and Deliverables are submitted and shall notify the other Parties in writing if an Engineering Service and Deliverable is not satisfactory. All Engineering Services and Deliverables will become the property of the Applicable Entity. The Managing Developer shall ensure that the Project Engineer provides the TCDA Construction Administrator copies of the Engineering Services and Deliverables simultaneously with the Project Engineer's delivery of those items to the Applicable Entity and shall further ensure that the Project Engineer promptly corrects any deficiencies identified by the TCDA Construction Administrator. The Managing Developer shall submit to the County evidence of approval of the Applicable Entity's approval of all Engineering Services and Deliverables.

(i) The Managing Developer shall cause the Project Engineer and any subcontractor of the Project Engineer performing work on the applicable Authorized Improvements to purchase professional errors and omissions liability insurance (contractual liability included) with a limit of at least Two Million Dollars including the cost of claims and that covers claims arising from errors and omissions in the design and engineering of the applicable Authorized Improvements for claims asserted within a period of five years of the completion of the applicable Authorized Improvements. ***Notwithstanding any provision to the contrary, the County has discretion to require different levels of insurance as long as the requirements are similar to the insurance requirements for similar County public works projects.*** Managing Developer shall provide the County with a copy of the insurance policy or a certificate. The policy shall name the County, the TCDA, and the Applicable Entity (if the Applicable Entity is not the County) as additional insureds.

(j) Replacement of Project Engineer.

(1) If the County sends written notice to the Managing Developer that the Project Engineer is not satisfactorily performing its responsibilities with respect to a specific Authorized Improvement and identifies one or more of the Project Engineer's deficiencies in the notice, the Managing Developer must immediately take appropriate steps to ensure that the Project Engineer corrects the identified deficiencies and notify the County of those steps.

(2) If the County determines, after having sent notice to the Managing Developer, that the Project Engineer's performance of its obligations continues to be deficient, the County may require the Managing Developer to replace the Project Engineer, and the Managing Developer must thereafter replace the Project Engineer no later than 60 days after the County's notice requiring replacement of the Project Engineer or such other time-frame specified in that notice.

### **Section 3.05. Real Property Interests**

(a) For each Improvement Area, the Authorized Improvements shall be constructed in public rights-of-way and/or easements ("**Real Property Interests**") conveyed to an Applicable Entity. The Managing Developer hereby grants the County and the TCDA the right to enter the Property for purposes of implementing this Agreement. The Managing Developer must cause the Real Property Interests to be conveyed as soon as reasonably practicable after the execution of this Agreement, but no later than 30 days before commencement of construction within the applicable Improvement Area; provided, however, notwithstanding the foregoing, even though all of the Real Property Interests may not have been conveyed, the Managing Developer may commence construction of an Authorized Improvement, or portion thereof, so long as all Real Property Interests relating to that Authorized Improvement, or portion thereof, have been conveyed to the Applicable Entity prior to the commencement of construction of that phase of the applicable Authorized Improvements. Under no circumstances will Managing Developer be reimbursed for construction performed on property that has not been conveyed to the Applicable Entity until such time as the conveyance of such property to the Applicable Entity has been completed.

(b) The Managing Developer shall cause all Real Property Interests necessary to construct each phase of the Authorized Improvements to be conveyed free of all liens, encumbrances, and title defects unacceptable to County in its reasonable discretion and at no cost to the County, the TCDA, or the Applicable Entity. All Real Property Interests shall be conveyed by deeds or other instruments acceptable to the Applicable Entity in its reasonable discretion, or by plat (if plat dedication is required by the Applicable Entity). Conveyances by deed or other instruments shall be accompanied by an owner's policy of title insurance, the cost of which shall be borne by the Managing Developer, issued by a title company selected by the Managing Developer and acceptable to the Applicable Entity in its reasonable discretion. The form of deed to convey the Real Property Interests shall be in a form that is acceptable to the Applicable Entity. The policy shall list the Applicable Entity as an insured party and shall be for an amount based upon the fair market value of the interests conveyed as reasonably determined by the Applicable Entity. The Managing Developer shall pay the cost of owner's title policy premium and any endorsements requested by the Applicable Entity), and the Managing Developer shall pay the cost to change the language in Item 2 of Schedule B of the Owner Policy to read "shortages in area" only.

(c) All title insurance premium fees, costs to cure title defects, closing costs, and other acquisition costs shall be borne solely by the Managing Developer.

(d) If a Real Property Interest is subordinate to existing easements for utilities or other facilities, the Managing Developer shall, in addition to conveying the Real Property Interests, coordinate the execution of a joint use agreement between the Applicable Entity and the owner of the existing easement in a form that is acceptable to the Applicable Entity.

### **Section 3.06. Procurement of Construction Contracts; Change Orders**

(a) For each Authorized Improvement, the Managing Developer will obtain from the Project Engineer an estimate of the total construction costs necessary to complete that Authorized Improvement, and if approved by the County (and the Applicable Entity if the Applicable Entity is not the County and that Applicable Entity requires that the Managing Developer obtain approval), this estimate will be the agreed limit for construction costs for that Authorized Improvement (the “**Agreed Limit**”). For each construction contract for Authorized Improvements, the Managing Developer shall solicit bids for the contract in compliance with the standard competitive bidding requirements of the County for construction projects, all applicable rules and policies of the Applicable Entity, and this Agreement.

(b) Each invitation for bids shall include the Final Plans and Specifications approved by the Applicable Entity and written notice of the requirements of Section 3.07. The Managing Developer shall submit the invitation for bids and a list of proposed bidders to the County for approval in advance. The invitation for bids shall be solicited within the latest to occur of 30 days after the Applicable Entity’s approval of the Final Plans and Specifications unless the Parties agree in writing, or the County determines (solely in its discretion), that market forces or other factors warrant a delay in soliciting bids, in which case the solicitation will be delayed until such time agreed to by the Parties or determined by the County, respectively. The Managing Developer shall provide the County with all responses to the bid solicitation.

(c) If the bid determined by the Managing Developer and the County to be acceptable as the lowest responsive and responsible bid exceeds the Agreed Limit for the applicable Authorized Improvements, either the County or the Managing Developer may reject all bids as excessive and require the Construction Manager to cause to employ value engineering (as defined below) principles to modify the Final Plans and Specifications, in consultation with the County and the Managing Developer, to secure a lower bid; provided, however, that notwithstanding the foregoing, at the Managing Developer’s election, such bid will be accepted and the Managing Developer may award a bidder a construction contract that exceeds the Agreed Limit if the Managing Developer:

- (1) agrees to pay one hundred percent (100%) of the amount by which the bid exceeds the Agreed Limit without reimbursement from the County, the TCDA, Assessment Revenues, Contract Assessment Revenues, or PID Bonds, and
- (2) posts fiscal security with the Applicable Entity, in a form acceptable to the Applicable Entity, for the amount the winning bid exceeds the Agreed Limit.

(d) **“Value engineering”** means:

(1) to analyze the applicable Authorized Improvements features and material selections for the purpose of achieving essential functions at the lowest life cycle cost consistent with required performance, quality, reliability, safety, and applicable regulatory and legal requirements, and

(2) to modify the applicable Authorized Improvements while maintaining its functionality and adhering to sound engineering principles and practices.

(e) The modified Final Plans and Specifications shall be subject to approval by the City or County, as applicable, and Managing Developer, which approval shall not be unreasonably denied, delayed, or conditioned. Based on the modified Final Plans and Specifications, the Managing Developer shall repeat the bid solicitation in an effort to secure a lower acceptable bid. If the second bid solicitation fails to produce an acceptable bid not exceeding the Agreed Limit, either the Parties may mutually agree to repeat the bid solicitation and value engineering process until an acceptable bid is received, or the Managing Developer may choose to pay one hundred percent of the amount by which the lowest responsive and responsible bid exceeds the Agreed Limit without reimbursement from the County, the TCDA, Assessment Revenues, Contract Assessment Revenues, or PID Bonds by giving written notice thereof to the County and the TCDA and posting fiscal security with the Applicable Entity for the amount the winning bid exceeds the Agreed Limit.

(f) Any deadline in this Agreement affected by a value engineering and rebidding process shall be extended by the amount of time required for that process. The Managing Developer is responsible for payment to the Project Engineer for value engineering, without reimbursement from the County, the TCDA, Assessment Revenues, Contract Assessment Revenues, or from PID Bonds, and resulting changes to the construction documents, shall be subject to approval by the Applicable Entity and Managing Developer, which approval shall not be unreasonably denied, delayed, or conditioned.

(g) The Managing Developer shall select the lowest responsive and responsible bidder and submit copies of the proposed construction contract to the County for approval. The County shall have ten business days after such submission within which to make any comments on the contract, and if no such comments are received by Managing Developer within said ten-day period, the County shall be deemed to have approved the contract. The Managing Developer shall execute the approved contract, which shall be referred to herein as the **“Construction Contract.”** The amount of the Construction Contract is referred to herein as the **“Construction Contract Amount.”** The contractor under the Construction Contract shall be referred to herein as the **“Construction Contractor.”**

(h) No later than five business days after execution of the Construction Contract, the Managing Developer will provide to the County a copy of the executed Construction Contract and any related documents, including any assignment, certificate, or other documents required under this Article III. The Managing Developer will also provide the

County copies of any subsequent documents amending or otherwise relating to the Construction Contract no later than five business days after execution; provided however, the Managing Developer must obtain County approval, which approval shall not be unreasonably denied, delayed, or conditioned, with respect to all amendments to the Construction Contract and those change orders to which the provisions of Section 3.06(l) are applicable.

(i) **Change Orders.** Whether capitalized or not:

(1) The words “**change order**” and “**Change Order**” mean a written agreement entered into between the Construction Contractor and the Managing Developer that authorizes an addition, deletion, or revision to a Construction Contract, issued on or after the Construction Contract is executed.

(2) The words “**Contract Time**” mean the number of calendar days allowed for completion of an Authorized Improvement as set forth in the Construction Contract. When any period is referred to in days, it will be computed to exclude the first and include the last day of such period.

(j) In addition to the requirements set forth in this Agreement, the Managing Developer must comply with all change order procedures and requirements of the Applicable Entity.

(k) **Notice of Proposed Change Orders.** The Managing Developer must provide the Applicable Entity, the County, and the TCDA Construction Administrator a copy of each proposed change order that relates to an Authorized Improvement no later than one business day after the Managing Developer receives the proposed change order. If not already specified in the proposed change order, the Managing Developer must provide the County and the TCDA Construction Administrator information that: (1) describes the reason for the proposed change order, (2) specifies whether the proposed change order has been requested or is required by the Applicable Entity, and (3) specifies any proposed changes to the plans and specifications for the Project, including information as to any changes to (A) the design, (B) quantity of bid items, (C) Construction Contract Amount (including the change in cost resulting from the change order and the cumulative cost of the proposed change order and previous approved change orders), and (D) Contract Time (including the number of days by which the Contract Time would be changed by the proposed change order and the aggregate number of days by which the Contract Time has been changed by previous change orders) for completion of the Authorized Improvements.

(l) The Managing Developer is not required to obtain approval from the County and the TCDA of a change order that relates to an Authorized Improvement unless:

(1) the proposed change order relates to an Authorized Improvement that the Managing Developer intends to dedicate or convey to the County, in which case,

the Managing Developer must obtain approval of the proposed change order from the County's Transportation and Natural Resources Department; or

(2) the proposed change order would, in the opinion of the Managing Developer, the County, or the TCDA affect, with respect to a Community Benefit listed in Exhibit "E-2":

(A) the ability of the Managing Developer to provide one or more of the listed Community Benefits;

(B) the quantity or quality of a listed Community Benefit; or

(C) the timing for the Managing Developer to provide a Community Benefit.

(m) **County and TCDA Response to Proposed Change Orders.** If the Managing Developer is required to obtain County and TCDA approval of a proposed change order described in Subsection (l)(2) above, the TCDA Construction Administrator will respond to the Managing Developer no later than **10** business days after the TCDA Construction Administrator's receipt of the proposed change order as to whether the County and the TCDA will approve or deny the proposed change order or whether the County and the TCDA will require additional time to act on the proposed change order, in which case the TCDA Construction Administrator will notify the Managing Developer no later than **12** business days after the TCDA Representative's receipt of the proposed change order of the County and the TCDA's approval or denial of the proposed change order. If the County and the TCDA do not respond by the **12<sup>th</sup>** business day after receiving notice of a proposed change order that relates to a Community Benefit, the change order is presumed to be approved by the County and TCDA with respect to any change order for which the County is not the Applicable Entity. Notwithstanding any provision to the contrary, if a proposed change order pertains to an Authorized Improvement that the Managing Developer intends to dedicate or convey to the County, the Managing Developer must also obtain approval from the County's Transportation and Natural Resources Department if such approval is required by the Travis County Code or a separate written agreement between the County and the Managing Developer.

(n) The Managing Developer shall not receive any payments pursuant to this Agreement for, and shall bear 100% of costs resulting from, any change order that:

(1) arises due to errors or omissions by the Managing Developer's Project Engineer, Construction Manager, or Construction Manager Subcontractor,

(2) relates to an Authorized Improvement that will be dedicated or conveyed to an Applicable Entity but has not been approved by that Applicable Entity, or

(3) would affect a Community Benefit but has not been approved by the County and the TCDA.

(o) If a change order would cause the amount for which the Managing Developer is financially obligated under this Agreement to exceed any fiscal security deposited with

the Applicable Entity. the Managing Developer shall, no later than 20 business days after the change order is approved by the Parties, or within the time-frame required by the Applicable Entity's rules and regulations, whichever period is shorter, deposit with the Applicable Entity additional fiscal security in an amount equal to the amount of the change order, and the Managing Developer will simultaneously notify the County and the TCDA that the Managing Developer has posted the additional fiscal security.

(p) The Managing Developer shall provide copies of all approved change orders to the County, the TCDA Construction Administrator, the Applicable Entity (if the Applicable Entity is not the County), the Underwriter, and the Bond Trustee no later than five business days after approval.

(q) The approval of a change order by either the County or the TCDA:

(1) Is not intended to be and is not to be construed to be the County or TCDA's approval of any part of a request for reimbursement or progress payment;

(2) Does not relieve the Managing Developer of any obligation to seek approval of the change order from any Applicable Entity, including those instances where the County is the Applicable Entity; and

(3) Does not relieve the Managing Developer of any obligation to comply with all applicable governmental policies, codes, regulations, and statutes.

(r) Each Construction Contract for Authorized Improvements that is executed after the effective date of this Agreement must include a provision that requires 10% retainage to be disbursed only upon completion and acceptance of the Authorized Improvements by the Applicable Entity, subject, however, to early disbursement for subcontractors whose work has been completed.

### **Section 3.07. Special County Provisions Applicable to Construction Contracts**

(a) For each Construction Contract, the Managing Developer will obtain from the Construction Contractor and provide to the County a collateral assignment of the Managing Developer's rights under the Construction Contract, in the form attached as Exhibit "G-1", which authorizes the County to exercise the Managing Developer's rights under the Construction Contract and to complete the applicable Authorized Improvements if the Managing Developer fails to do so as provided in this Agreement.

(b) The Parties acknowledge and agree that the applicable Authorized Improvements involves construction of public improvements. Accordingly, the applicable Authorized Improvements will be constructed, and all rights-of-way, easements, equipment, materials, and supplies will be acquired, in the name of or on behalf of the Applicable Entity. However, the Managing Developer shall ensure that all construction contracts and other agreements contain a provision that each contractor, materialman, or supplier will look solely to the Managing Developer for payment of all sums coming due thereunder

and that neither the Applicable Entity, the County, or the TCDA will have any obligation to any such party, but will only be obligated to reimburse the Managing Developer in the time and manner required under this Agreement.

(c) The Managing Developer shall include the HUB Program goals with the invitation for bid and Final Plans and Specifications and ensure that they are part of the bids. The Managing Developer must make a “good faith effort” to achieve the County’s HUB Program goals and comply with the other HUB Program requirements described in Exhibit “K”.

(d) The Managing Developer shall ensure that payment and performance bonds are obtained and kept in place for the applicable Authorized Improvements in compliance with Chapter 2253, Texas Government Code.

(e) The Managing Developer acknowledges that the County is a political subdivision of the State of Texas and is subject to the provisions of Chapter 2258, Subchapter B, Texas Government Code, pertaining to prevailing wage rates. The Managing Developer will ensure that the Construction Contractor pays not less than the prevailing wage rates established by the County to workers employed on the applicable Authorized Improvements and complies with all applicable provisions of Chapter 2258, Subchapter B, Texas Government Code, including the recordkeeping required therein.

(f) The Managing Developer will ensure that the Construction Contractor provides worker’s compensation insurance coverage for workers employed on the applicable Authorized Improvements and obtains a certificate from each subcontractor, relating to the coverage of the subcontractor’s employees, in accordance with Section 406.096, Texas Labor Code. The Managing Developer will ensure that the Construction Contractor maintains a comprehensive general liability and automobile liability insurance policy naming the County, TCDA, and the Applicable Entity as additional insureds, with a waiver of subrogation in favor of the County, TCDA, and the Applicable Entity, and with minimum limits of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars in the aggregate. Notwithstanding any provision to the contrary, the County has discretion to require different levels of insurance as long as the requirements are similar to the insurance requirements for similar County public works projects. The Managing Developer shall cause the Construction Contractor to provide the TCDA Construction Administrator with written certificates of compliance with the foregoing requirements.

(g) The Managing Developer shall require the Construction Contractor to implement and maintain all applicable or customary safety precautions and programs in connection with the construction of the applicable Authorized Improvements.

(h) The Managing Developer shall require the Construction Contractor to immediately take any appropriate remedial action to correct any deficiencies identified by the Applicable Entity or the TCDA Construction Administrator during construction or during any applicable warranty period.

### **Section 3.08. Construction of Authorized Improvements**

(a) Before beginning construction on an applicable Authorized Improvements, the Managing Developer will:

(1) except as otherwise provided in one or more Acquisition and Reimbursement Agreements, cause to be conveyed or dedicated to County or the City, as applicable, all the Real Property Interests necessary to the applicable Authorized Improvements;

(2) submit to the Applicable Entity payment and performance bonds, insurance certificates, collateral assignments, and all other documents required to be submitted under this Agreement; and

(3) deposit with the Applicable Entity any fiscal security required for construction of the applicable Authorized Improvements.

(b) Subject to its rights to be reimbursed as provided in this Agreement, the Managing Developer will construct, and require its Construction Contractor and subcontractors to diligently pursue construction of, all applicable Authorized Improvements in a good and workmanlike manner and, in all material respects, in accordance with this Agreement and the approved Final Plans and Specifications and all applicable laws, regulations, orders, and ordinances.

(c) The Managing Developer assumes the risk for design and construction of the applicable Authorized Improvements in a good and workmanlike manner for the amount of the Construction Contract, unless otherwise provided in a separate cost-sharing agreement between the Managing Developer, the County, and the Applicable Entity (if the Applicable Entity is not the County), and all work and material used in the construction must be free from defects and fit for its intended purpose. Any modifications that would substantially change (as defined in this Subsection) the Final Plans and Specifications or the amount of the Construction Contract will be subject to the Managing Developer's, County's, and the Applicable Entity's (if the Applicable Entity is not the County) approval within ten business days after receipt of notice of the proposed changes, which approval will not be unreasonably denied, delayed, or conditioned. If the County and Managing Developer determine that, through no fault of the Managing Developer and based on cost effectiveness, sound engineering principles and practices, or applicable legal requirements, it is not possible to complete the applicable Authorized Improvement without modifications to the approved Final Plans and Specifications or the amount of the Construction Contract, the Managing Developer will, in coordination with the County and the Applicable Entity's (if the Applicable Entity is not the County), cause to be prepared any required changes to the Final Plans and Specifications and any required change orders to the Construction Contract. In this subsection, "substantially change" means to modify the Final Plans and Specifications for an Authorized Improvement such that the Authorized Improvement would constitute a new Authorized Improvement beyond the scope of this Agreement. All applicable change orders must be included with a Certification for Payment. Payment of the costs of a change order not required by the

County or an Applicable Entity may be disapproved if the change order substantially changes an Authorized Improvement.

### **Section 3.09.           Inspections/Monitoring**

(a)    **Inspections of Authorized Improvements that will be conveyed or dedicated to the County.** Inspection of the construction of Authorized Improvements that will be conveyed or dedicated to the County (i.e., where the County is the Applicable Entity) will be conducted by the County in accordance with all applicable County rules, procedures, and regulations.

(b)    Inspection of the construction of an Authorized Improvement that will be conveyed to an Applicable Entity other than the County will be conducted in accordance with the requirements of that Applicable Entity.

(c)    **Monitoring by TCDA Construction Administrator.** In addition to inspections by Applicable Entity representatives, a construction representative designated by the TCDA (the “**TCDA Construction Administrator**”) may observe or inspect all work done and materials furnished for compliance with the terms of this Agreement. Each entry and inspection by the TCDA Construction Administrator must be at a reasonable time and will usually be no more frequently than once a week unless the TCDA Construction Administrator notifies the Construction Manager otherwise. While on-site, the TCDA Construction Administrator must bear credentials and wear clothing that clearly identifies the individual as the TCDA Construction Administrator, and the TCDA Construction Administrator may communicate only with the Construction Manager or designee of the Construction Manager.

(d)    The Managing Developer must:

(1)    invite the TCDA Construction Administrator to attend preconstruction conference for an Authorized Improvement by providing the TCDA Construction Administrator at least five business days’ notice of the time and place for preconstruction conference;

(2)    provide the TCDA Construction Administrator a copy of the minutes of any preconstruction conference and any exceptions to the minutes of the preconstruction conference at the same time the Project Engineer distributes those minutes and exceptions to the conference participants;

(3)    copy the TCDA Construction Administrator on any communication from the Managing Developer to the Applicable Entity that an Authorized Improvement is substantially complete;

(4)    notify the TCDA Construction Administrator of any final acceptance meetings relating to an Authorized Improvement; and

(5)    provide the TCDA Construction Administrator a copy of any final acceptance letters from the Applicable Entity.

(e) The Managing Developer agrees to copy the TCDA Construction Administrator on all inspection requests relating to Authorized Improvements. The Managing Developer further agrees to notify the TCDA Construction Administrator no later than 72 hours after being notified of a scheduled inspection of an Authorized Improvement, and the Managing Developer's notice to the TCDA Construction Administrator must include any design or construction-related documents to be used as part of the inspection. The Managing Developer agrees that the TCDA Construction Administrator has the right to be present at any Applicable Entity's inspection of an Authorized Improvement, and the Managing Developer will ensure that the TCDA Construction Administrator is informed of the date, time, and location of each Applicable Entity inspection. The TCDA Construction Administrator will communicate any issues to the Construction Manager only, and the Construction Manager must in turn communicate those issues to the Applicable Entity and copy the TCDA Construction Administrator with respect to each such communication.

### **Section 3.10. Managing Developer Completion of Authorized Improvements**

(a) The Construction Manager will prepare a written notice of substantial completion and certify that the applicable Authorized Improvement has been constructed in accordance with the approved construction documents and forward the notice to the Managing Developer, the Applicable Entity, the County, and the TCDA Construction Administrator. The TCDA Construction Administrator will conduct a final inspection of the applicable Authorized Improvements no later than ten business days after receiving the written notice of substantial completion. No later than seven days after the Managing Developer receives notice from an Applicable Entity of the Applicable Entity's acceptance of an Authorized Improvement for operation and maintenance, the Managing Developer must provide a copy of the final acceptance notice to the County and the TCDA Construction Administrator.

(b) Upon final acceptance of the applicable Authorized Improvements by the Applicable Entity, all warranties for the applicable Authorized Improvements will be transferred to the Applicable Entity, and the Managing Developer will execute any documents reasonably required to evidence such assignment.

(c) The Construction Contractor will be responsible for any defects in workmanship or materials (ordinary wear and tear excepted) in the applicable Authorized Improvements for one year following acceptance by the Applicable Entity. The Managing Developer must provide or cause the Construction Contractor to provide the Applicable Entity with a one-year Construction Contractor's warranty and maintenance bond as a condition to final acceptance of the applicable Authorized Improvements, which will be in a form approved by the Applicable Entity, such approval not to be unreasonably denied, delayed, or conditioned.

(d) Within 30 days of final acceptance of the applicable Authorized Improvements by the Applicable Entity, the Managing Developer and the Construction Manager will deliver all plans including as-built plans, specifications, and files pertaining to the applicable

Authorized Improvements, which materials will be the property of the Applicable Entity (with a copy to the County if the County is not the Applicable Entity)

(e) Conveyance of the applicable Authorized Improvements to the Applicable Entity will not relieve the Managing Developer of liability for satisfaction of any claim for unpaid materials or labor. Neither the County nor the TCDA will be under any obligation to challenge any claim for unpaid labor or materials; however, if the Managing Developer fails to promptly resolve any claim, the County may elect to do so and, in this event, will have full rights of subrogation.

### **Section 3.11. Construction Worker Protection Standards**

(a) PID Policy. The Managing Developer and its contractors and subcontractors must comply with the construction worker protection standards set forth in the County's PID Policy, including the following:

- (1) Payment of the prevailing wage to construction workers; provided that the Travis County living wage is preferred when it is the higher of the two.
- (2) Providing OSHA-10 training for construction workers and OSHA-30 for construction safety managers.
- (3) Providing workers compensation insurance for construction workers.
- (4) Allowing independent monitoring of the construction sites by on-site monitors approved by the County.
- (5) Recruiting 30% of the construction workforce from local, Department of Labor-certified apprenticeship programs that provide bilingual instruction or other training programs that provide bilingual instruction approved by the County.

(b) Managing Developer's Certifications. The Managing Developer must complete the following certifications and submit them to the County Purchasing Office's Contract Compliance Program as set forth in Exhibit "H-1":

- (1) The Living Wage Certification, attached as Exhibit "H-2", which must be submitted before construction commences on any Authorized Improvement for which the Managing Developer will seek reimbursement; and
- (2) The Workforce Training Program Certification, attached as Exhibit "H-3", which must be submitted before construction commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.

(c) Contractor Certifications. The Managing Developer must cause its contractors to complete the following certifications and submit them to the County Purchasing Office's Contract Compliance Program before construction commences on any Authorized Improvement for which the Managing Developer will seek reimbursement:

- (1) The Workforce Training Program Certification, attached as Exhibit "H-3";
- (2) The Employee Classification Certification, attached as Exhibit "H-4";
- (3) The Apprentice Designation Certification, attached as Exhibit "H-5";
- (4) An OSHA Training Certification, attached as Exhibit "H-6";
- (5) A site-specific OSHA-compliant safety and health plan for the Project; and
- (6) Either:
  - (A) All OSHA 300 and 300A Logs and Summaries for the previous three years for all of the contractor's jobsites; or
  - (B) The OSHA 300/300A Certification, attached as Exhibit "H-7", if the contractor has been in existence for three years or less.

(d) Subcontractor Certifications. The Managing Developer must cause its contractors to require their subcontractors to complete the following certifications and submit them to the County Purchasing Office's Contract Compliance Program before construction commences on any Authorized Improvement for which the Managing Developer will seek reimbursement in accordance with Exhibit "H-8":

- (1) The Employee Classification Certification, attached as Exhibit "H-9";
- (2) The Apprentice Designation Certification, attached as Exhibit "H-10";
- (3) An OSHA Training Certification, attached as Exhibit "H-11";
- (4) A site-specific OSHA compliant safety and health plan for the Project; and
- (5) Either:
  - (A) All OSHA 300 and 300A Logs and Summaries for the previous three years for all of the subcontractor's jobsites; or
  - (B) The OSHA 300/300A Certification, attached as Exhibit "H-12", if the subcontractor has been in existence for three years or less.

(e) Notwithstanding any provision to the contrary in this Agreement, the certification forms referenced in this Section 3.11 will be provided by the County and may be revised and updated periodically by the County.

### **Section 3.12. Project Funding and Completion**

(a) If prior to commencement of construction of a given Authorized Improvement, there are funds within the Project Fund of the Indenture sufficient to pay for completion of that Authorized Improvement, the Managing Developer will not be required to post fiscal

security for the applicable Authorized Improvement. If at any time there are not sufficient funds in the Project Fund to complete the Authorized Improvement, the Managing Developer will post fiscal security for the incremental cost difference between the budgeted cost to complete the Authorized Improvement assumed to be complete in the Appraisal and the proceeds of the PID Bonds on deposit in the Project Fund. With respect to each Authorized Improvement for which the County is the Applicable Entity, the County acknowledges that it will accept fiscal security, if required, for the Authorized Improvements in the form of an irrevocable letter of credit, surety bond, cash deposit, or other security acceptable to the County. If no such account exists or such account is not appropriately funded, then the Managing Developer shall be required to post fiscal security for Authorized Improvements in accordance with the Applicable Entity's regulations. Notwithstanding any provision to the contrary, the Managing Developer is not relieved of its obligation to construct or cause to be constructed each Authorized improvement listed in Exhibit "E-1," and upon completion, inspection, and acceptance, to convey each Authorized Improvement to the Applicable Entity even if there are insufficient funds in the Project Fund.

(b) If subcontractors providing labor or materials for the Authorized Improvements file claims or otherwise give notice asserting failure to receive payment for such labor or materials, the Managing Developer shall post a payment bond for the estimated cost of constructing the Authorized Improvements unless the claims or notices described above are for costs for which a Payment Request has been submitted to the TCDA and approval is pending. The Managing Developer shall give the County a copy of any such claims within three business days of receipt of the claim.

(c) County Completion of Authorized Improvements.

(1) If the Managing Developer commences construction but fails or refuses to diligently pursue timely completion of the construction of a particular Authorized Improvement in accordance with the terms and conditions set forth in this Agreement, such failure or refusal will be considered an event of default and, after giving notice of default and reasonable opportunity to cure as herein provided, the County will have the right, but not the obligation, to instruct the TCDA to draw on funds within the Project Fund and/or any fiscal security posted by the Managing Developer and complete (or cause the completion of) the applicable Authorized Improvement either pursuant to the Construction Contract and the collateral assignments or otherwise.

(2) If the County elects to complete an Authorized Improvement, all plans and specifications, designs, easements, real and personal property, and improvements acquired, produced, or installed in aid of completing such component of the Authorized Improvement by the Managing Developer or its engineers or contractors before such default described in paragraph (1) above, will become the property of the County. In such event, the Managing Developer will provide, no later than five (5) business days after the County's request, documentation to the County that the above-listed items have been conveyed and have become the property of the County. Notwithstanding anything to the contrary contained herein

if the Managing Developer fails or refuses to timely complete the construction of an Authorized Improvement and such default cannot reasonably be cured in 30 days, Managing Developer will have such additional time as the County determines is reasonably necessary to cure as long as the Managing Developer commences the cure within 30 days and diligently pursues the same to completion. If Managing Developer has still not completed the applicable component of the Authorized Improvement after the notice and cure periods provided for above, the County may:

- (A) Assume the construction management role and direct the completion of the applicable Authorized Improvement;
  - (B) Assume the construction management role and direct the closeout of the applicable Authorized Improvement; or
  - (C) Institute an action or proceeding at law or in equity to secure the specific performance of the covenants and agreements herein contained and/or an action for mandamus as and if appropriate.
- (3) In the event the County assumes the construction management role for a given Authorized Improvement (as provided above) then the Managing Developer agrees as follows:
- (A) The County may draw on funds within the Project Fund and/or any fiscal security posted by the Managing Developer to complete the Authorized Improvement in question;
  - (B) All construction contracts, related completion bonds, payment bonds, warranties, plans and specifications, designs, easements, and improvements acquired, produced, or installed in connection with completing such Authorized Improvement by the Managing Developer or its engineers, contractors, or other consultants, and all other personal property and rights associated with the applicable component of the Authorized Improvement, will automatically become the property of the County, and in such event, the Managing Developer will provide, no later than five (5) business days after the County's request, documentation to the County that the above-listed items have been conveyed and have become the property of the County; and
  - (C) The Managing Developer will automatically forgo and release any claims or rights to those items listed in (B) above.

### **Section 3.13. Maintenance of Project, Warranties**

Unless otherwise provided for, the Managing Developer shall maintain each Authorized Improvement in good and safe condition until such Authorized Improvement is accepted by the Applicable Entity. The Applicable Entity's acceptance of Authorized Improvements shall be in accordance with the Applicable Entity's standard rules and procedures for the

type of improvements being constructed. Prior to such acceptance, the Managing Developer shall be responsible for performing any required maintenance on such Authorized Improvement. On or before the acceptance by the Applicable Entity of an Authorized Improvement, the Managing Developer shall assign to the Applicable Entity all of the Managing Developer's rights in any warranties, guarantees, maintenance obligations, or other evidences of contingent obligations of third persons with respect to such Authorized Improvement. Prior to or concurrently with the Applicable Entity's acceptance of an Authorized Improvement, Managing Developer shall provide a two-year maintenance bond (which must be in a form approved by the Applicable Entity, such approval not to be unreasonably denied, delayed, or conditioned) for that Authorized Improvement. If the City and/or County is co-funding an Authorized Improvement, the Managing Developer must still post the full bond amount but will be reimbursed for its pro rata share of the costs of the Authorized Improvement.

#### **Section 3.14. Sales and Use Tax Exemptions**

(a) The Parties agree that, as the Authorized Improvements will be acquired by the County or the City, as applicable, all costs of materials, other properties, and services used in constructing the Authorized Improvements to be acquired by the Applicable Entity are exempt under the Texas Tax Code from sales and use taxes levied by the State of Texas, or by any city, county, special district, or other political subdivision of the State, as set forth in Texas Tax Code Section 151.309.

(b) The Managing Developer will obtain any such certifications from the Applicable Entity to assure the exemptions claimed herein.

(c) The County and the Managing Developer shall cooperate in structuring the construction contracts for the Authorized Improvements to comply with requirements (including those set forth in Texas Tax Code Section 151.309) for exemption from sales and use taxes.

#### **Section 3.15. Public Bidding Requirements/County Cooperation in Plan Review**

The County and the TCDA Construction Administrator agree to cooperate with the Managing Developer to the extent reasonably possible without detriment to proper engineering review, comment, and revision on the review and approval of the final engineering, design, plans, and specifications of all Authorized Improvements submitted by the Managing Developer.

#### **Section 3.16. Additional Requirements for Authorized Improvements Funded with Progress Payments**

The following additional requirements are applicable to Authorized Improvements funded in accordance with the procedures set forth in Section 4.02:

(a) Project Engineer's Certification of Sufficient Fiscal Security. Prior to the later to occur of (1) the Effective Date, or (2) the date construction commences for any Authorized

Improvements, the Project Engineer shall review all plans and specifications, construction contracts, and related materials for the applicable Authorized Improvements, and, upon the County and the TCDA Construction Administrator's approval of the costs of the Authorized Improvements, the Project Engineer shall certify to the Managing Developer, the County, the TCDA, and the Bond Trustee that the amount of fiscal security referenced in Section 3.12 (which is titled "**Project Funding and Completion**") above is sufficient to fund the full cost of design and construction of the applicable Authorized Improvements (but excluding any Construction Management Fees as set forth in the Service and Assessment Plan). If the Project Engineer determines that additional fiscal security is required, the Managing Developer must provide the additional fiscal security no later than 30 days after the Project Engineer's determination.

(b) Monthly Accounting. The Construction Manager will maintain an ongoing monthly updated accounting of funds disbursed, work progress, and remaining funding needed to complete each applicable Authorized Improvement. Such accounting will include a reconciliation of any unadvanced amounts out of the segregated accounts in the Project Fund under the applicable Indenture and/or private funding as compared to the remaining costs to complete each applicable Authorized Improvements. The Construction Manager will provide such monthly reports on or before the twentieth day of each month to the Managing Developer, the County, the TCDA Construction Administrator, and the Bond Trustee.

## **ARTICLE IV PAYMENT FOR AUTHORIZED IMPROVEMENTS**

### **Section 4.01. Overall Requirements**

(a) Any payment obligation of the County or the TCDA hereunder shall be payable solely from Assessment Revenues or Contract Assessment Revenues, respectively, or, if PID Bonds are issued, the proceeds of such bonds. Unless approved by the County or the TCDA, no other funds, revenues, taxes, or income of any kind other than the Assessment Revenues or Contract Assessment Revenues, respectively, or, if PID Bonds are issued, the proceeds of such bonds, shall be used to pay the County or the TCDA's obligations hereunder. The obligations of the County and the TCDA under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the County or the City or constitute a debt or other obligation of the County, the TCDA, or the City payable from any source other than the Assessment Revenues or Contract Assessment Revenues, as applicable or, if PID Bonds are issued, the proceeds of such bonds. None of the County, the TCDA, the City, or any of their elected or appointed officials or any of their respective officers, employees, consultants, or representatives shall incur any liability hereunder to the Managing Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

(b) Neither the County nor the TCDA warranties, either express or implied, that the proceeds of the PID Bonds and the Assessment Revenues or Contract Assessment

Revenues available for the payment of the Actual Cost of the Authorized Improvements to be constructed for or acquired by the County or the City, as applicable, will be sufficient for the construction or acquisition of all of those particular Authorized Improvements. The Parties anticipate that the Actual Cost to construct the Authorized Improvements may be greater than the net proceeds of the PID Bonds or the Contract Assessment Revenues, as applicable, available for Authorized Improvements. The Managing Developer shall bear one hundred percent (100%) of the Actual Costs of constructing the Authorized Improvements not paid from the proceeds of the PID Bonds, Assessment Revenues, or Contract Assessment Revenues.

(c) Upon written acceptance of an Authorized Improvement, and subject to any applicable maintenance-bond period, the Applicable Entity shall be responsible for all operation and maintenance of such Authorized Improvement, including all costs thereof and relating thereto.

(d) The procedures set forth in Section 4.02 below shall apply to all Certifications for Payment regardless of which account within the applicable Project Fund the actual funds are being paid from.

(e) The procedures provided below in Section 4.02 shall apply to each Improvement Area on a stand-alone basis. The procedures therein shall be read to apply independently to each Improvement Area (e.g., if reference is made to an Acquisition and Reimbursement Agreement, to Assessment Revenues, or to PID Bonds, such reference applies only to an Acquisition and Reimbursement Agreement, to Assessment Revenues, or to PID Bonds applicable to that Improvement Area).

#### **Section 4.02. Payment for Authorized Improvements**

(a) Upon completion of an Authorized Improvement, the Managing Developer shall dedicate or convey, and the Applicable Entity shall accept or acquire, as more particularly described in Article III above, the given Authorized Improvement for the Actual Cost. The general process for funding of Authorized Improvements is detailed in this Section 4.02.

(b) Collection of Initial Assessment. Unless specified otherwise in an Assessment Order, once levied, Assessments shall be collected in annual installments, with the initial collection of the annual installment determined as follows:

(1) If the Commissioners Court adopts an Assessment Order and levies an Assessment on or before June 30, the first installment of the Assessment shall be due upon receipt in the then-current year and delinquent if not paid by January 31 of the first year following the levy of the Assessment in that Improvement Area.

(2) If the Commissioners Court adopts an Assessment Order and levies an Assessment after June 30, then the first installment of the Assessments shall be due upon receipt in the following year and delinquent if not paid by January 31 of the second year following the initial sale of a home to a homeowner in that Improvement Area.

(3) The Managing Developer shall provide the anticipated date of the initial sale to a homeowner in that Improvement Area in its Assessment Levy Request.

(c) Payment Pursuant to Acquisition and Reimbursement Agreement

(1) Subject to Section 2.02(b) above, the costs of the Authorized Improvements will be initially financed through the applicable Acquisition and Reimbursement Agreement. Pursuant to the terms of such Acquisition and Reimbursement Agreement, the Managing Developer shall dedicate or convey, and the Applicable Entity shall accept or acquire, as more particularly described in Article III of the Agreement, the Authorized Improvement for the Actual Cost thereof. The general process for funding the Authorized Improvements before the issuance of PID Bonds is described in this Section 4.02(c), and more specifically described in the Acquisition and Reimbursement Agreement.

(2) Pursuant to an Acquisition and Reimbursement Agreement, the TCDA will reimburse the Managing Developer for Actual Costs incurred in connection with the applicable Authorized Improvements until PID Bonds (including Parity Bonds if necessary), are issued in an amount necessary to reimburse Managing Developer for the Actual Costs of the applicable Authorized Improvements less any amounts already reimbursed to Managing Developer pursuant to the Acquisition and Reimbursement Agreement. The Managing Developer will be reimbursed for only those Actual Costs for which Contract Assessment Revenues or PID Bond proceeds are available.

(3) If the Commissioners Court adopts an Assessment Order, the County will collect the Assessments in accordance with Sections 2.03 and this Section 4.02. Upon collection of such Assessments and in accordance with the applicable Funding Agreement, the County will transfer or cause to be transferred the Assessment Revenues to the TCDA to be held in a designated account separate from the TCDA's other accounts (the "**Operating Account**"), such funds to be used to reimburse the Managing Developer for the Actual Costs of the applicable Authorized Improvements pursuant to the terms of the Acquisition and Reimbursement Agreement.

(4) Pursuant to the Acquisition and Reimbursement Agreement, and as more fully described therein, the Managing Developer may submit a Certification for Payment, substantially in the form provided in Exhibit "C," to the TCDA for payment of the Actual Costs of an Authorized Improvement from funds then available in the appropriate subaccount of the Operating Account held by the TCDA Depository Bank. The Managing Developer may submit no more than one Certification for Payment per month; however, the Managing Developer must submit a Certification for Payment at least once per quarter.

(d) PID Bond Issuance; Payment from PID Bonds Proceeds at Issuance

(1) Upon completion of some or all of the Authorized Improvements, the Managing Developer may submit to the County and the TCDA a written request to issue PID Bonds (a "**Bond Issuance Request**"). Subject to meeting the requirements and conditions stated in Article II and Article V of this Agreement, the County will consider the adoption of a resolution consenting to the issuance of PID Bonds by the TCDA. Upon consent by the County, the TCDA will consider the adoption of a resolution authorizing the issuance of such PID Bonds, the proceeds of such PID Bonds to be used to reimburse the Managing Developer for the Actual Costs of the Authorized Improvements, less any amounts already reimbursed to Managing Developer pursuant to the Acquisition and Reimbursement Agreement, if any. Following consent by the County, the TCDA shall commence the documentation and preparation for sale of the PID Bonds in accordance with the Bond Issuance Request from the Managing Developer and Section 5.01 hereof.

(2) At least 30 days prior to the closing of a series of PID Bonds, the Managing Developer may submit a Closing Disbursement Request, substantially in the form provided in Exhibit "D" to this Agreement, to the TCDA to be reimbursed for those Managing Developer-Expended Funds accrued to date and not previously reimbursed pursuant to the Acquisition and Reimbursement Agreement, if any. Prior to disbursement of proceeds, the TCDA shall review the Closing Disbursement Request, and if Managing Developer's expenses are qualifying expenses, sign the Closing Disbursement Request and deliver that Closing Disbursement Request to the Bond Trustee. At the closing of the applicable PID Bonds, Managing Developer shall be reimbursed an amount equal to the applicable Managing Developer-Expended Funds and such amount shall be distributed by the Bond Trustee to the Managing Developer or the Managing Developer's designee. If payment of all or a portion of the Managing Developer-Expended Funds is to be paid to the Managing Developer's designee, the Managing Developer shall provide written notice thereof in the Closing Disbursement Request.

(3) At least 45 days prior to the closing of a series of PID Bonds, the Managing Developer may submit a Certification for Payment, substantially in the form provided in Exhibit "C" (as well as the other items described in Section 4.02(c)(4) above) to this Agreement, to the TCDA to be reimbursed at the time of PID Bond issuance for those Actual Costs incurred to date and not previously reimbursed pursuant to the Acquisition and Reimbursement Agreement.

(e) Progress Payments Following PID Bond Issuance

(1) If any of the Authorized Improvements have not been completed by Managing Developer and accepted by the Applicable Entity by the time the PID Bonds are issued, then payments will be made to Managing Developer, periodically, but no more than one (1) per month as construction progresses. The procedures for such progress payments are contained in this Section 4.02(e) and the Indenture.

(2) The proceeds from the issuance of the PID Bonds remaining after payment of amounts under Section 4.02(d) of this Agreement will be held by the Bond Trustee in various segregated accounts under the Project Fund established pursuant to the Indenture. Those sums held in the various segregated accounts will be advanced to the Managing Developer by the Bond Trustee to fund the Actual Costs of the Authorized Improvements (as more particularly specified herein and in the Service and Assessment Plan) upon receipt of a completed Certification for Payment substantially in the form as attached hereto in Exhibit "C".

(A) Except as provided for in subsections (3) and (4) below, and as will be set forth in the Indenture, progress payments shall be made by the Bond Trustee on a monthly basis within five (5) business days after receiving a signed Certification for Payment. Upon receipt of a Certification for Payment and required submittal items from the Managing Developer pursuant to this Section 4.02(e), the TCDA Representative shall sign the Certification for Payment and forward the same to the Bond Trustee within fifteen (15) calendar days after receiving a signed Certification for Payment. If TCDA disapproves any Certification for Payment, TCDA shall provide a written explanation of the reasons for such disapproval so that if the Certification for Payment is revised in accordance with TCDA's comments, the Certification for Payment can be approved. Upon receipt of such revised Certification for Payment, the TCDA shall thereafter have an additional ten (10) calendar days to forward the executed, revised Certification for Payment to the Bond Trustee for payment. The Parties agree that if said disapproval represents only a portion of the amount sought under a Certification for Payment, the Managing Developer may submit a revised Certification for Payment for that amount not in controversy so that the Certification for Payment can be approved and promptly forwarded to the Bond Trustee for Payment.

(B) For any Authorized Improvement to be funded by PID Bonds under this Section 4.02(e), Managing Developer shall be entitled to receive draws from the available proceeds of such PID Bond (not to exceed one (1) per month) based on the Actual Cost of the construction completed. The TCDA is not obligated to authorize a construction payment until such time that the Applicable Entity has approved the plans and specifications for the applicable Authorized Improvement (if such approval is required pursuant to this Agreement).

(3) Final Payment for Authorized Improvements Accepted by County. In addition to the submitted items required in Section 4.02(e)(2), to obtain the final payment for an Authorized Improvement funded by the PID Bonds pursuant to this Section 4.02, the following are required:

(A) The Managing Developer shall have provided to the County or the Applicable Entity an assignment of the warranties and guaranties, if applicable, for the Authorized Improvement.

(B) Final Certification for Payment. Before the final Certification for Payment is submitted to the County and the TCDA, the Project Engineer shall conduct a review for the County, the Applicable Entity, and the TCDA Construction Administrator to confirm that such Authorized Improvement was constructed in accordance with the plans therefor, and the Project Engineer will verify and approve the Actual Cost of such Authorized Improvement specified in such Certification for Payment. The Managing Developer shall require each such review be completed by the Project Engineer before the Managing Developer submits the final Certification for Payment to the TCDA.

(C) Upon confirmation by the Project Engineer to the Managing Developer, the County, and the TCDA Construction Administrator and the Managing Developer's submission of the final Certification for Payment indicating that such Authorized Improvement has been constructed in accordance with the plans therefor (including evidence that the Authorized Improvement has been accepted by the Applicable Entity), and verification and approval of the Actual Cost of such Authorized Improvement and concurrence by the TCDA Construction Administrator of such Actual Costs, the TCDA Construction Administrator shall within ten (10) business days thereafter conduct a final inspection of the Authorized Improvement, and if the TCDA Construction Administrator finds that the Authorized Improvement has been completed in accordance with the terms of the final approved Final Plans and Specifications and this Agreement in all material respects, the TCDA Construction Administrator shall sign the Certification for Payment and forward the same to the TCDA Representative; and

(D) The Managing Developer shall not be delinquent on any Assessments or County ad valorem taxes due and payable with respect to land owned by the Managing Developer within the County.

(4) Final Payment for Authorized Improvements accepted by Non-County Entity. With respect to the Authorized Improvements that are to be dedicated to and accepted by the Applicable Entity other than the County, the terms, conditions, and procedures set forth in Article III of this Agreement shall apply except as set forth below:

(A) The Applicable Entity (not the County) will be accepting such Authorized Improvements;

(B) The Applicable Entity (not the County) will be approving the plans and specifications for such Authorized Improvements;

(C) The Applicable Entity (not the County) will be inspecting such Authorized Improvements subject to County and/or TCDA participation as described in Section 3.09 of this Agreement; and

(D) In order to obtain the final payment for such Authorized Improvements, the Managing Developer will obtain from the Applicable Entity, and provide to the TCDA Construction Administrator, a written acknowledgement that all requirements for acceptance of such Authorized Improvements (save and except any applicable maintenance-bond period) have been complied with. Upon receipt of such written acknowledgment of the Applicable Entity, the TCDA Construction Administrator, within 15 business days thereafter, shall sign the Certification for Payment and forward the same to the County and the TCDA Representative. The TCDA Representative shall then have up to 5 business days to forward the executed Certification for Payment to the Bond Trustee for payment.

(f) Parity Bonds

(1) Any Actual Costs of the Authorized Improvements not paid or reimbursed from the proceeds of the initial series of PID Bonds may be paid or reimbursed from the proceeds of Parity Bonds. The County or TCDA, in its sole discretion, may determine whether to issue Parity Bonds.

(2) If the initial series of PID Bonds and the Parity Bonds, if issued, are sufficient to fully reimburse Managing Developer for the unreimbursed Actual Costs, then Managing Developer's right under the Acquisition and Reimbursement Agreement to receive any portion of the Contract Assessment Revenues for such purposes shall automatically terminate. However, if the aggregate proceeds of the initial series of PID Bonds and the Parity Bonds, if issued, are not sufficient to reimburse Managing Developer for the unreimbursed Actual Costs eligible to be paid from Contract Assessment Revenues available after the payment of debt service on the initial series of PID Bonds and the Parity Bonds, if issued, the Managing Developer shall continue to be paid the unreimbursed Actual Costs from Contract Assessment Revenues on a cash-flow basis under the Acquisition and Reimbursement Agreement.

## **ARTICLE V PID BONDS**

### **Section 5.01. Issuance of PID Bonds**

(a) Subject to the terms and conditions set forth in this Article V, for each Improvement Area, the County intends to pay for the Authorized Improvements by PID Bonds issued by the TCDA in one or more series.

(b) Procedure. Upon the receipt of a Bond Issuance Request and the County's confirmation that the Managing Developer has complied with the requirements set forth in Section 2.02 for a given Improvement Area, the County will consider a resolution consenting to the issuance of PID Bonds for that Improvement Area by the TCDA and TCDA will consider authorizing the issuance of the PID Bonds within six months after

receiving a Bond Issuance Request to finance the Actual Costs of the Authorized Improvements for that Improvement Area subject to the following conditions:

(1) Managing Developer can reasonably demonstrate to the County, the TCDA, and the County and the TCDA's respective financial advisors the following:

(A) The Managing Developer has met or will meet the requirements of the County's PID Policy, except as modified by this Agreement.

(B) There is sufficient security for the PID Bonds, based upon the bond market conditions existing at the time of such proposed sale.

(C) Solely for the purposes of Parity Bonds, the applicable Additional Bonds Test, if any, has been satisfied.

(D) Solely for the purposes of Future Improvement Area Bonds, the applicable Future Improvement Area Bonds Test, if any, has been satisfied.

(E) In addition to the criteria outlined in any applicable Additional Bonds Test or Future Improvement Area Bonds Test, the County may consider additional requirements prior to authorizing the issuance of any PID Bonds, including but not limited to a market condition assessment (including market study update), development of the District, the current status of Managing Developer, and related builder positions.

(F) The TCDA may require a recommendation from County staff, advisors, and consultants.

(G) The Managing Developer is not delinquent on any County assessments or ad valorem taxes due and payable due and payable with respect to land owned by the Managing Developer within the County.

(2) Notwithstanding any provision to the contrary, the failure of the County to consider a resolution consenting to the issuance of PID Bonds by the TCDA for an Improvement Area shall not be considered to be a default under this Agreement. The failure of the TCDA to issue the PID Bonds within six months after receiving a Bond Issuance Request shall not be considered to be a default under this Agreement.

(c) For each Improvement Area, aggregate principal amount of PID Bonds required to be issued hereunder shall not exceed an amount sufficient to fund: (i) the Actual Costs of the Authorized Improvements, (ii) required reserves and capitalized interest during the period of construction and not more than 12 months after the completion of construction of the applicable Authorized Improvements funded by the PID Bond issue in question and in no event for a period greater than 24 months from the date of the initial delivery of the applicable PID Bonds, and (iii) District Formation and Bond Issuance Costs. Notwithstanding any provision to the contrary, to the extent the law(s) which limit the period of capitalized interest to 12 months after completion of construction change, the

foregoing limitation may be adjusted to reflect the law(s) in effect at the time of future PID Bond issuances and be applicable to such future bond issuances.

(d) The final maturity for any series of PID Bonds (including Parity Bonds) shall not exceed 30 years from the date of issuance of the respective series of PID Bonds.

(e) The minimum appraised value to lien ratio of any series of PID Bonds shall be at least 3 to 1 as measured by an independent Appraisal prepared by an appraiser selected by the TCDA and provided no earlier than four months prior to the Issue Date.

(f) Notwithstanding any provision in this Agreement to the contrary, in connection with the issuance of PID Bonds, the Managing Developer shall execute and deliver any documents, agreements, or certificates requested by the TCDA, counsel to the TCDA, the Underwriter, or Underwriter's counsel to order to demonstrate that the PID Bonds will be issued in compliance with State and federal law.

#### **Section 5.02. Project Fund**

For each Improvement Area, the County and the TCDA hereby covenant and agree that if PID Bonds are issued, the Indenture will establish a Project Fund as a separate fund to be held by the Bond Trustee under the applicable Indenture. The portion of the proceeds of the PID Bonds issued to pay Actual Costs of Authorized Improvements and District Formation and Bond Issuance Costs shall be deposited as described in the applicable Indenture.

#### **Section 5.03. Denomination, Maturity, Interest, and Security for Bonds**

(a) Each series of PID Bonds, including Parity Bonds, shall be finally authorized by the TCDA and shall be issued in the denominations, mature and be prepaid, bear interest, and be secured by and payable solely from the applicable PID Bond Security, all to be as described and provided in the applicable PID Bond Resolution or Indenture.

(b) The final and adopted versions of each PID Bond Resolution and Indenture (and all documents incorporated or approved therein) will contain provisions relating to the withdrawal, application, and uses of the proceeds of such PID Bonds when and as issued and delivered and otherwise contain such terms and provisions approved by the TCDA.

#### **Section 5.04. Sale of PID Bonds.**

The PID Bonds, if issued by the TCDA, shall be marketed and sold by an Underwriter from the TCDA's approved Underwriter pool, selected by the TCDA with the cooperation and assistance of the Managing Developer and the County, or such other method of sale mutually agreed upon by the TCDA, the County, and the Managing Developer. In the event that the Parties cannot mutually agree to the method of sale, the TCDA shall designate the method of sale. The Managing Developer agrees to fully cooperate with the TCDA and the County with respect to the preparation of marketing/offering documents, such as preliminary and final official statements.

**ARTICLE VI  
ADDITIONAL COUNTY REQUIREMENTS**

**Section 6.01. Affordable Housing**

(a) Initial Affordability Analysis; Subsequent Affordability Analyses.

(1) In accordance with the PID Policy, the Travis County Affordable Housing Policy Committee (the “**Committee**”), conducted an affordability, opportunity, and fair housing analysis (an “**Affordability Analysis**”) of the District before the Commissioners Court approved the creation of the District.

(2) In its initial Affordability Analysis, the Committee concluded that the District is located in a Low Opportunity Area of the County and recommended that the development of affordable multi-family housing in the District despite the District’s low opportunity designation.

(3) Initial Opportunity Area Designation. The Commissioners Court agrees with:

(A) the Committee’s conclusion, that as of the Effective Date of this Agreement, the District is located in a Low Opportunity Area and

(B) the Committee’s recommendation that affordable multi-family housing be developed in the District despite the District’s location in a Low Opportunity Area.

(4) Notification of Subsequent Phases/Subsequent Affordability Analyses.

(A) At least 90 days before beginning construction on a new phase in the District, the Managing Developer will notify the County and the TCDA of the anticipated home prices for that new phase. If those home prices for that subsequent phase increase by 10% or more of the Managing Developer’s previously designated sales prices for those homes, the County may conduct a new Affordability Analysis or update the current Affordability Analysis in accordance with Section 6.01(c) to determine if the housing affordability or the opportunity level for the District has changed.

(B) If, after the first Assessments have been levied, the Managing Developer submits a subsequent Assessment Levy Request or subsequent Bond Issuance Request, the County may conduct another affordability analysis or update the current Affordability Analysis to determine the opportunity level in the District and, unless and until the County determines that the opportunity level in the District has changed such that the District is in a Moderate to High Opportunity Area or High Opportunity Area rather than in a Low Opportunity Area, or, if the Commissioners Court determines that it would be appropriate to require the Managing Developer to provide on-site Affordable Housing or other on-site community benefit, the

Managing Developer agrees to pay a PID Community Benefit Fee with respect to that subsequent Assessment Levy Request or subsequent Bond Issuance Request in accordance with this Section 6.01 and the procedure set forth in Section 2.02(b).

(5) Designated Affordable Housing Process. To recognize and accommodate the facts and circumstances unique to the District, the Parties have agreed to comply with the terms and conditions set forth in **Exhibit “M”** attached hereto.

(b) PID Community Benefit Fee. If the Commissioners Court determines that, as of the date an Assessment Levy Request or a Bond Issuance Request is received by the County, the area in which the District is located is still a Very Low or Low Opportunity Area, the Managing Developer is required to pay, and the Managing Developer agrees to pay to the Capital Economic Progress Corporation, a PID Community Benefit Fee, in accordance with the procedure set forth in Section 2.02(b), that is equal to 10% of the Assessments levied less the value of any on-site Affordable Housing that the Managing Developer is required to contribute or 10% of Net PID Bond Proceeds being issued less the value of any on-site Affordable Housing that the Managing Developer is required to contribute. If the Managing Developer is seeking reimbursement pursuant to an Acquisition and Reimbursement Agreement:

(1) The Managing Developer must pay a PID Community Fee that is equal to 10% of the principal of the reimbursement amount approved by the TCDA Administrator with respect to that Certification for Payment, and the Managing Developer must escrow the PID Community Benefit Fee via ACH or check to the TCDA Depository Bank no later than three business days after receiving written notice of the TCDA Administrator’s approval.

(2) If the TCDA does not make payment of the approved reimbursement amount to the Managing Developer on or before 10 business days after the date the Managing Developer escrows the PID Community Benefit Fee, the TCDA shall direct the TCDA Depository Bank to return the PID Community Benefit Fee to the Managing Developer. On or before three business days after disbursement of the approved reimbursement amount to the Managing Developer, the escrowed PID Community Benefit Fee will be paid to the Capital Economic Progress Corporation via ACH or cashier’s check.

(c) Subsequent Affordability Analyses with Subsequent Phases and with Each Bond Issuance Request

(1) Because opportunity levels in the District may change based on new investments in public improvements or changes in market conditions, the Committee may conduct a new Affordability Analysis or update the current Affordability Analysis each time the County receives an Assessment Levy Request or a Bond Issuance Request and each time the Managing Developer notifies the County and the TCDA that the housing prices for the next phase of construction

will be 10% or more of the previous estimated home prices provided by the Managing Developer for that phase.

(2) The Committee will complete its new Affordability Analysis or update the current Affordability Analysis no later than 60 days after the County's receipt of a Bond Issuance Request or notification of home price change as described in Section 6.01(d) above.

(3) If the Committee determines that the opportunity level in the District has changed so that the District is in a Moderate to High Opportunity Area or High Opportunity Area and the Commissioners Court agrees with the Committee's determination, the Commissioners Court may require the Managing Developer and the Consenting Parties to:

(A) Provide on-site Affordable Housing in a subsequent phase of the Project development, and the Managing Developer and the Consenting Parties agree to execute binding legal agreements with all subdevelopers to provide the Affordable Housing in accordance with the schedule set forth by the Commissioners Court, or

(B) Convey one or more parcels (which will be identified by TCDA to the Capital Economic Progress Corporation no later than 90 days after completion of the water and wastewater improvements that will serve the parcel(s). The value of the parcel(s) will be calculated in accordance with the PID Policy.

(d) Designated Affordable Housing Process. To recognize and accommodate the facts and circumstances unique to the District, the terms and conditions set forth in **Exhibit "M"** attached hereto shall apply with respect to the levy of Assessments and the issuance of PID Bonds under this Agreement.

(e) Valuation of on-site Affordable Housing. If the Commissioners Court determines that the Managing Developer and the Consenting Parties must provide on-site Affordable Housing, the value of on-site Affordable Housing to be contributed by the Managing Developer and the Consenting Parties will be calculated in accordance with the PID Policy and shall equal at least 10% of the Net PID Bond Proceeds at each issuance.

(f) Affirmative Marketing. If the Commissioners Court, after considering an Affordability Analysis, determines that the Managing Developer should engage in Affirmative Marketing to inform targeted communities regarding housing opportunities in the District, the Managing Developer must create an Affirmative Marketing plan, and then implement the Affirmative Marketing plan after obtaining the County's written approval of the Affirmative Marketing Plan.

(1) The County will provide a standard form for the Affirmative Marketing plan and will make it available to the Managing Developer electronically.

(2) The County will evaluate each Affirmative Marketing plan on an annual basis to determine whether the property is affirmatively furthering fair housing. The Managing Developer must implement any changes the County recommends regarding the Affirmative Marketing plan.

(3) The Managing Developer must continue to implement the Affirmative Marketing plan during each year this Agreement is effective until the Managing Developer receives written notice from the County that an Affirmative Marketing plan is no longer necessary.

(g) Limitations on Use of Assessment Revenues, Contract Assessment Revenues, and Proceeds of PID Bonds.

(1) The payment of a PID Community Benefit Fee is not considered an Authorized Improvement as defined in Section 372.003(15) of the PID Act.

(2) Assessment Revenues, Contract Assessment Revenues, and proceeds of PID Bonds are not allowed to be used to pay for:

(A) A PID Community Benefit Fee or

(B) On-site Affordable Housing; or

(C) Any highly desirable community benefit recommended by the Committee to be paid by the Managing Developer pursuant to Section 481.103(b)(4)(A) of the PID Policy.

(h) Affordable Housing Development Agreement. (If the Managing Developer or the Consenting Parties are required to provide on-site Affordable Housing).

(1) Neither the County nor TCDA will approve payment of any Assessment Revenues, Contract Assessment Revenues, or proceeds of PID Bonds, to the Managing Developer or the Managing Developer's successors or assigns, for Actual Costs until after each Landowner has entered into an Affordable Housing development agreement with the County and the TCDA, in a form provided by the County, that sets forth the terms and conditions relating to the Affordable Housing requirement.

(2) Each Affordable Housing development agreement will include a provision that requires that the respective Landowner execute any and all documents deemed necessary by the County and in a form established by the County, including, without limitation, deed restrictions, and related instruments to ensure the Long-Term Affordability of Affordable Housing products within the District, including, if required by the TCDA, an agreement to transfer or donate one or more of the Landowner's parcels in the District at market value (as determined by an independent real estate appraiser selected by the TCDA) that the Capital Economic Progress Corporation will develop for affordable housing purposes or other purposes that support programs and projects that provide Affordable

Housing and/or Affirmatively Further Fair Housing in Travis County, as approved by the Commissioners Court and the Capital Economic Progress Corporation's board of directors. The Capital Economic Progress Corporation is permitted to record any Purchase Option Agreement or a memorandum thereof in the public records of any public office without notifying or obtaining consent from Managing Developer or the Landowners.

(3) Among other things, the County may require that the Affordable Housing development agreement include:

- (A) Standards for determining affordable rent or affordable ownership cost;
- (B) The location, unit size in square feet, and number of bedrooms for Affordable Housing types to ensure affordable units are not isolated from market rate units and affordable units include a mix of sizes that can accommodate families with children, or senior citizens or single persons, or persons with disabilities, as appropriate.
- (C) A schedule for completion and occupancy of Affordable Housing units in relation to construction of market rate units;
- (D) A description of remedies for breach of the development agreement;
- (E) Provisions that require the Managing Developer to maintain an inventory of Affordable Housing in the District;
- (F) Provisions requiring that the Managing Developer maintain records to demonstrate compliance with this Subchapter and to allow the County or someone designated by the County, to audit the Managing Developer's records; and
- (G) Any other provisions to ensure implementation and compliance with the County's PID Policy.

## **Section 6.02. Homebuyer Disclosure**

(a) The Managing Developer shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the County) any party who purchases any Assessed Property owned by such Managing Developer, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on Exhibit "F". Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of

constructing and/or selling residences to individual home buyers (a “**Builder**”) but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

(b) The Managing Developer shall contractually obligate each Builder who purchases any Assessed Property owned by the Managing Developer, or any portion thereof, for the purpose of constructing residential properties that are eligible for “homestead” designations under State law, to provide individual home buyers written notice, at or before closing, that the home buyer may ask the home buyer’s mortgage company to include the Annual Installments in the home buyer’s monthly escrow payment. The notice that must be provided to individual home buyers is attached as Exhibit “F-1”.

### **Section 6.03. Community Benefits**

(a) As required by the County’s PID Policy, attached hereto as Exhibit “E-2” is a list of community benefits to be provided by the Project.

(b) The Managing Developer acknowledges that the Commissioners Court was willing to create the District because the petitioners for creation of the District had represented to the County that the District would provide for community benefits to a degree that is superior to the level of community benefits typically generated by real estate development projects that do not involve PID financing.

(c) The Managing Developer represents and warrants that it will act in good faith to expeditiously provide the community benefits listed in Exhibit “E-2”.

(d) By March 31 of each year following the levy of Assessments or the issuance of any PID Bonds, the Managing Developer will provide a written report to the Commissioners Court as to whether the community benefits listed in Exhibit “E-2” have been achieved during the calendar year preceding that March 31. Notwithstanding the foregoing, the Managing Developer agrees to provide information relating to the status of the District’s community benefits, including, if requested, supporting information relating to the written report, no later than ten business days after receiving a written request from the Commissioners Court or the TCDA. This obligation shall terminate when all community benefits have been achieved, as determined by mutual agreement of the County and Managing Developer, such agreement to not be unreasonably withheld or conditioned. This obligation shall also terminate if it is reasonably determined by the County and Managing Developer that a particular community benefit is no longer reasonably attainable.

## **ARTICLE VII REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION**

### **Section 7.01. Representations and Warranties of County and TCDA**

The County and the TCDA make the following covenants, representations, and warranties for the benefit of the Managing Developer:

(a) The TCDA will deliver, prior to the issuance of any PID Bonds, a certificate relating to the PID 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 Sections 103 and 141 through 150, inclusive, of the Tax Code and the income tax regulations issued thereunder relating to the use of the proceeds of the PID 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 PID Bonds within the meaning of Section 148 of the Tax Code.

(b) The County represents and warrants that the County is a political subdivision of the State of Texas and has full legal right, power, and authority under the PID Act and other applicable law (i) to enter into, execute, and deliver this Agreement, (ii) to adopt each Assessment Order, and (iii) to carry out and consummate the transactions contemplated by this Agreement.

(c) The TCDA represents and warrants that the TCDA is nonprofit corporation created by the County pursuant to the LGC Act, incorporated, organized, and existing under the general laws of the State, and has full legal right, power, and authority under the LGC Act to:

(1) enter into, execute, and deliver this Agreement; and

(2) carry out and consummate the transactions contemplated by this Agreement.

## **Section 7.02. Covenants, Representations, and Warranties of Managing Developer**

The Managing Developer makes the following representations, warranties, and covenants for the benefit of the County and the TCDA:

(a) The Managing Developer represents and warrants that the Managing Developer is a limited liability company duly organized and validly existing under the laws of the State of Arizona, is authorized to conduct business and enter into and perform under this Agreement in compliance pursuant to the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) The Managing Developer represents and warrants that the Managing 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 on behalf of the Managing Developer.

(c) The Managing Developer represents and warrants that this Agreement is valid and enforceable obligation of the Managing Developer and is enforceable against the Managing Developer in accordance with its terms, subject to bankruptcy, insolvency,

reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) The Managing Developer covenants that once it commences construction of an Authorized Improvement it will use its diligent, good faith efforts to do all things which may be lawfully required of it in order to cause such Authorized Improvements to be completed in accordance with this Agreement.

(e) The Managing Developer covenants that it will not commit or knowingly permit any act in, upon, or to the Property or the Project in violation of any law, order, ordinance, rule, regulation, or order of any governmental authority or any covenant, condition, or restriction now or hereafter affecting the Property or the Project.

(f) The Managing Developer covenants that it will not commit or knowingly permit any act in, upon, or to the Property or the Project in violation of any law, order, ordinance, rule, regulation, or order of any governmental authority or any covenant, condition, or restriction now or hereafter materially affecting the Property or the Project.

(g) For a period of four (4) years after (i) the final Acceptance Date of each applicable Authorized Improvement, or (ii) claims filed upon completion, whichever is later, the Managing Developer covenants to maintain proper books of record and account for the Authorized Improvements and all costs related thereto. The Managing Developer shall provide copies (including electronic copies in a form acceptable to the County and the TCDA if electronic copies are requested) of such records to the County and the TCDA upon written request to the Managing Developer, and those copies shall be provided no later than ten (10) business days after receipt of a written request from the County or the TCDA at a cost that is no more than the rates applicable to copies provided pursuant to the Texas Public Information Act.

(h) The Managing Developer agrees to provide the information required pursuant to the Managing Developer Continuing Disclosure Agreement executed by the Managing Developer in connection with the public issuance of PID Bonds.

(i) The Managing Developer covenants to provide, or cause to be provided, such facts and estimates as the County or the TCDA reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Managing Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of PID Bonds and will be, to the best of the knowledge of the officers of the Managing Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Managing Developer will make reasonable inquiries to ensure such truth, correctness and completeness. The Managing 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 that would cause any of the covenants or agreements of the TCDA 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 PID Bonds for federal income tax purposes.

(j) The Managing Developer certifies that (i) it is not in receivership and does not contemplate same, (ii) it has not filed for bankruptcy, and (iii) is not currently delinquent with respect to payment of property taxes within Travis County.

### **Section 7.03. Indemnification**

(a) The Managing Developer will (without using any Assessment Revenues, Contract Assessment Revenues, or PID Bond Proceeds) defend, indemnify, and hold harmless the County, the TCDA, and their officials, employees, officers, representatives, and agents (individually, an “Indemnified Party,” and collectively, the “Indemnified Parties”) against and from, and will pay to the Indemnified Parties, all without waiving any sovereign or governmental immunity available to any Indemnified Party under Texas or federal law, and without waiving any defenses or remedies under Texas or federal law, the amount of, all actions, damages, claims, losses, fees, fines, penalties, or expense of any type, whether or not involving a third-party claim (collectively, “Damages”), arising directly or indirectly, from:

- (1) the breach of any provision of this Agreement by the Managing Developer;
  - (2) the Managing Developer’s nonpayment under contracts with the general contractor or subcontractors for any Authorized Improvement under this Agreement; or
  - (3) any third-party claims relating to events occurring during the construction of any Authorized Improvement acquired under this Agreement.
- (b) The Managing Developer will defend the Indemnified Parties against all claims described in this section, and the Indemnified Parties will reasonably cooperate and assist in providing such defense.
- (c) The Indemnified Parties will have the right to approve or select defense counsel to be retained by the Managing Developer in fulfilling its obligations hereunder.
- (d) The Indemnified Parties reserve the right, but are not required, to provide a portion or all of their own defense at their own expense.
- (e) The Managing Developer shall retain Indemnified Party-approved defense counsel within 10 business days of written notice that the County or the TCDA is invoking its right to indemnification, and if the Managing Developer does not do so, the Indemnified Party may retain its own defense counsel and the Managing Developer will be liable for all such costs.
- (f) This section survives the termination of this Agreement indefinitely, subject to appropriate statutes of limitations, as they may be tolled or extended by agreement or operation of law.

## **ARTICLE VIII**

## DEFAULT AND REMEDIES

### Section 8.01. Default

A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe, or comply with any of its covenants, agreements, or obligations hereunder or breaches or violates any of its representations contained in this Agreement. **Notwithstanding any provision to the contrary, neither the failure of the County to levy Assessments nor the failure of the TCDA to issue PID Bonds shall constitute a default or a breach under this Agreement.**

### Section 8.02. Breach

Before any failure of any Party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify, in writing, the Party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within thirty (30) days of the receipt of such notice (or five (5) days in the case of a monetary default). Upon a breach of this Agreement, the non-defaulting Party in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained (and/or an action for mandamus as and if appropriate). Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Article VIII or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and nonexclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other Party. Notwithstanding any provision contained herein to the contrary, the Managing Developer shall not be required to construct any portion of the Authorized Improvements (or take any other action related to or in furtherance of same) while the County or the TCDA is in default under this Agreement).

### Section 8.03. Force Majeure

Notwithstanding any provision in this Agreement to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed as a result of (a) circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending litigation (but not pending litigation between the Parties), acts of God, war, acts of civil disobedience, widespread pestilence, fire or other casualty, shortage of materials, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or tornadoes, labor action, strikes, changes in the law affecting the obligations of the Parties hereunder, or similar acts), or (b) COVID-19 or any pandemic or other event declared a disaster (including a disaster declared by the County Judge, the time for such performance shall be extended by the amount of time of the delay directly caused by and relating to such uncontrolled

circumstances. The Party claiming delay of performance as a result of any of the foregoing “force majeure” events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming Party becomes aware of the same, and if the claiming Party fails to so notify the other Party of the occurrence of a “force majeure” event causing such delay, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Article. Notwithstanding any provision to the contrary, Force Majeure will not excuse any obligation to make payment under this Agreement unless the event of Force Majeure affects the ability of financial institutions generally to transfer funds in the normal course of business.

**Section 8.04. No Waiver**

No provision of this Agreement shall affect or waive any sovereign or governmental immunity available to the County or the TCDA and/or its elected officials, officers, employees and agents under Federal or Texas law not waive any defenses or remedies at law available to the County or the TCDA and/or its elected officials, employees and agents under Federal or Texas law.

**ARTICLE IX  
GENERAL PROVISIONS**

**Section 9.01. Notices**

Any notice, communication, or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent, and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to County:	Andy Brown, Travis County Judge
Street Address:	700 Lavaca, Suite 2.300 Austin, Texas 78701
Mailing Address:	PO Box 1748 Austin, Texas 78767 Email: andy.brown@traviscountytexas.gov Facsimile: (512) 854-9535
With a Copy to:	Travis County, Texas Attn: Christy Moffett,

Economic & Strategic Managing Director  
700 Lavaca, Suite 1560  
Austin, Texas 78701  
Email: [Christy.Moffett@traviscountytexas.gov](mailto:Christy.Moffett@traviscountytexas.gov)  
Facsimile: (512) 854-4210

With a Copy to:

Office of the Travis County Attorney  
Attn: Tom Nuckols, Assistant County Attorney  
314 W. 11<sup>th</sup> St., Suite 500  
Austin, Texas 78701  
Email: [tom.nuckols@traviscountytexas.gov](mailto:tom.nuckols@traviscountytexas.gov)  
Facsimile: (512) 854-4808

If to TCDA:

Travis County Corporations  
Attn: Andrea Shields, Managing Director  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701  
Email:  
Facsimile: (512) 854-4210

With a Copy to:

TCDA Construction Administrator  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
Austin, Texas \_\_\_\_\_  
Email: \_\_\_\_\_

If to Managing  
Developer:

Meritage Homes of Texas, LLC  
  
Attn: Elliot Jones  
8920 Business Park Dr.,  
Suite 350  
Austin, TX 78759  
Email: [elliott.jones@meritagehomes.com](mailto:elliott.jones@meritagehomes.com)

With a copy to:

Metcalf Wolff Stuart & Williams, LLP  
Attn: Steve Metcalfe  
221 W. 6th, Suite 1300  
Austin, Texas 78701  
Email: [smetcalfe@mwswtexas.com](mailto:smetcalfe@mwswtexas.com)

With a copy to:

Taylor Morrison of Texas, Inc  
Attn: Michael Lack, VP Land Resources  
11200 Lakeline Boulevard, Suite 150A  
Austin, Texas 78717

Email: [mslack@taylormossison.com](mailto:mslack@taylormossison.com)

With a copy to:

Tri Pointe Homes, Inc  
Attn: John Stanley  
13640 Briarwick Dr., Suite 170  
Austin, Texas 78729  
Email: [john.stanley@tripointehomes.com](mailto:john.stanley@tripointehomes.com)

## **Section 9.02. Fee Arrangement /Administration of District**

### **(a) Payment of County and TCDA's Expenses.**

- (1) The Managing Developer agrees that it will pay all of the County's and the TCDA's costs and expenses (including the County's and the TCDA's respective third party advisors, attorneys, and consultants) related to the creation and administration of the District, as well as costs and expenses relating to the development and review of the Service and Assessment Plan, each Acquisition and Reimbursement Agreement, and this Agreement ("**County and TCDA PID Costs**") pursuant to the terms of that certain Escrow Agreement Regarding Payment of Expenses Related to the Turner's Crossing Public Improvement District, dated June 1, 2018, and any subsequent amendments to that agreement.
- (2) Prior to the Effective Date hereof, the Managing Developer established an escrow account with the TCDA Depository Bank as "Escrow Agent".
- (3) The Managing Developer, the County, and the TCDA will make best efforts to agree to a budget for the County and the TCDA's costs and expenses, which amount the Managing Developer shall fund into the escrow account.
- (4) Prior to the issuance of PID Bonds and pursuant to the terms of the applicable escrow agreement, the TCDA shall:
  - (A) submit to the Escrow Agent (with copies to Managing Developer) invoices and other supporting documentation evidencing County and TCDA PID Costs, and
  - (B) direct the Escrow Agent to pay these fees, as applicable, to the County and the TCDA or on behalf of the County and the TCDA, from funds on deposit in the escrow account, subject to review and approval by Managing Developer.
- (5) In addition to any County and TCDA PID Costs pursuant to the preceding sentences, all fees of the County and the TCDA financial advisory and legal counsel related to the issuance of the PID Bonds, including fees for the preparation of the offering document and the customary bond documents and the obtaining of

Attorney General approval for the PID Bonds, will be paid at closing from proceeds of the PID Bonds subject to review and approval by Managing Developer.

(6) Notwithstanding any provision to the contrary, if the amount of proceeds of the PID Bonds that can be used by the TCDA to pay the costs of issuance of the PID Bonds may be limited under the Internal Revenue Code, or the regulations relating thereto, the costs of issuance not paid from the proceeds of the PID Bonds (the “**Remaining Costs of Issuance**”) shall be paid by the Managing Developer.

(7) On or before the closing date of a series of PID Bonds, the Managing Developer shall deposit funds in the escrow account with the TCDA Depository Bank in an amount sufficient to pay the Remaining Costs of Issuance.

(8) The Managing Developer agrees that it will be responsible for paying the Annual Collection Costs not paid through the District.

(9) Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

(b) The County and the TCDA may enter into a separate agreement with an Administrator to administer the District. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts set forth in the Service and Assessment Plan.

### **Section 9.03. Assignment**

(a) Managing Developer may, in its sole and absolute discretion, assign this Agreement with respect to all or part of the Project from time to time so long as the assigned rights and obligations are assumed without modifications to this Agreement. Managing Developer shall provide the County and the TCDA thirty (30) days prior written notice of any such assignment, which notice must include the name, address, and facsimile number for the Designated Successor or Assign or assignee. Upon such assignment or partial assignment, Managing Developer will be fully released from any and all obligations under this Agreement and will have no further liability with respect to this Agreement for the part of the Project so assigned, subject to Section 9.03(d) below.

(b) The County and the TCDA hereby acknowledge and agree that Managing Developer shall have the right to make a collateral assignment of any reimbursements and/or proceeds under this Agreement to any lender on the Project and the County and the TCDA shall execute any documentation reasonably requested by such lender evidencing such fact.

(c) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

(d) Upon a sale of a portion of the Property or assignment of any right hereunder, the TCDA shall not be required to release fiscal security to the Managing Developer until the assignee provides the TCDA replacement fiscal security in the form and amount required by the Applicable Entity to secure the completion of Authorized Improvements.

(e) Any transfer of Managing Developer's rights to receive PID Bond proceeds or Contract Assessment Revenues (not involving an assignment of this Agreement) are addressed in the applicable Acquisition and Reimbursement Agreement.

#### **Section 9.04. Term of Agreement**

This Agreement will terminate on the date on which the County, the TCDA, and Managing Developer discharge all of their obligations hereunder. In the case of any termination of this Agreement and/or dissolution of the District, the obligation of any Party to pay any Project Costs expended prior to the termination of this Agreement and/or dissolution of the District and remaining unpaid will survive such termination and/or dissolution; provided however, that any payment obligation of the County or the TCDA shall be payable solely from Assessment Revenues or Contract Assessment Revenues, respectively, or, if PID Bonds are issued, the proceeds of such bonds.

#### **Section 9.05. Property Taxes and Assessments**

Notwithstanding anything to the contrary in this Agreement, if any Managing Developer is delinquent in the payment of property taxes or assessments at the time payment is to be made to Managing Developer pursuant to this Agreement, the Managing Developer assigns any payments to be made hereunder to the Travis County Tax Assessor-Collector for the payment of the delinquent taxes or assessments. The Managing Developer certifies that it is not in receivership and does not contemplate same, and it has not filed for bankruptcy and is not currently delinquent with respect to payment of property taxes within Travis County.

#### **Section 9.06. Construction of Certain Terms**

(a) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

(1) Words importing a gender include either gender.

(2) Words importing the singular include the plural and vice versa.

(3) A reference to a document includes an amendment, supplement, or addition to, or replacement, substitution, or novation of, that document but, if applicable, only if such amendment, supplement, addition, replacement, substitution, or novation is permitted by and in accordance with that applicable document.

(4) Any term defined herein by reference to another instrument or document shall continue to have the meaning ascribed thereto whether or not such other instrument or document remains in effect.

(5) A reference to any Party includes, with respect to Managing Developer, its Designated Successors and Assigns, and reference to any Party in a particular capacity excludes such Party in any other capacity or individually.

(6) All references in this Agreement to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Agreement. All references in this Agreement to "Exhibits" are to the designated Exhibits to this Agreement.

(7) The words "herein," "hereof," "hereto," "hereby," "hereunder," and other words of similar import refer to this Agreement as a whole and not to the specific Section or provision where such word appears.

(8) The words "including" and "includes," and words of similar import, are deemed to be followed by the phrase "without limitation."

(9) Unless the context otherwise requires, a reference to the "Property," the "Authorized Improvements," or the "District" is deemed to be followed by the phrase "or a portion thereof."

(10) Every "request," "order," "demand," "direction," "application," "appointment," "notice," "statement," "certificate," "consent," "approval," "waiver," "identification," or similar action under this Agreement by any Party shall, unless the form of such instrument is specifically provided, be in writing duly signed by a duly authorized representative of such Party.

(b) The Parties hereto acknowledge that each such party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting party shall not apply in the interpretation of this Agreement.

#### **Section 9.07. Table of Contents; Titles and Headings**

The titles of the articles and the headings of the sections of this Agreement are solely for convenience of reference, are not a part of this Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

#### **Section 9.08. Amendments**

This Agreement may be amended, modified, revised, or changed by written instrument executed by the Parties and approved by the Commissioners Court and the board of directors of the TCDA. THE MANAGING DEVELOPER AND THE CONSENTING PARTIES ACKNOWLEDGE THAT NO OFFICER, AGENT, EMPLOYEE, OR REPRESENTATIVE OF THE COUNTY HAS ANY AUTHORITY TO CHANGE THE TERMS OF THIS AGREEMENT UNLESS EXPRESSLY GRANTED THAT AUTHORITY BY THE TRAVIS COUNTY COMMISSIONERS COURT.

#### **Section 9.09. Time**

In computing the number of days for purposes of this Agreement, if a final day falls on a day that has been designated as a holiday by the Commissioners Court, the final day will be deemed to be the next day that is not a Saturday, Sunday, or a day designated as a holiday by the Commissioners Court. "Business day" does not include Saturdays, Sundays, or any day that has been designated as a holiday by the Commissioners Court.

#### **Section 9.10. Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. Signatures transmitted electronically by e-mail in a "PDF" format, by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this Agreement.

#### **Section 9.11. Entire Agreement**

This Agreement contains the entire agreement of the Parties.

#### **Section 9.12. Severability; Waiver**

(a) If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid, or enforceable provision as is possible.

(b) Any failure by a Party to insist upon strict performance by the other party of any material provision of this Agreement will not be deemed a waiver or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

#### **Section 9.13. Managing Developer as Independent Contractor**

In performing under this Agreement, it is mutually understood that the Managing Developer is acting as an independent contractor, and not an agent of the County or the TCDA.

#### **Section 9.14. Supplemental Agreements**

Other agreements and details concerning the obligations of the Parties under and with respect to this Agreement are or will be included in the Service and Assessment Plan, Assessment Order, PID Bond Resolution, and/or Indenture. The Managing Developer will provide any continuing disclosures required under an Indenture and will execute a separate agreement outlining Managing Developer's continuing disclosure obligations, if required.

#### **Section 9.15. County's Acceptance of Authorized Improvements**

The County hereby agrees that it will not unreasonably withhold the final acceptance of any of the Authorized Improvements that are to be conveyed to the County and will work with the Managing Developer to expedite review and acceptance of such Authorized Improvements.

#### **Section 9.16. Audit**

The County and the TCDA will have the right, during normal business hours and upon the giving of three (3) business days' prior written notice to the Managing Developer, to review and make copies of all books and records of the Managing Developer pertaining to costs and expenses incurred by the Managing Developer with respect to any of the Authorized Improvements and any bids taken or received for the construction thereof or materials therefor.

#### **Section 9.17. Governing Law; Jurisdiction and Venue**

This Agreement shall be construed under and in accordance with the laws of the State of Texas. All obligations of the Parties created hereunder are performable in Travis County, Texas and venue for any action arising hereunder shall be in Travis County, Texas.

#### **Section 9.18. No Third-Party Beneficiary**

This Agreement is solely for the benefit of the Parties, and neither the TCDA, the County, nor Managing Developer intends by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit upon or enforceable rights under this Agreement or otherwise upon anyone other than the County, the TCDA, and Managing Developer.

#### **Section 9.19. Boycotts and Foreign Business Engagements**

(a) The Managing Developer and the Consenting Parties each hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal 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. The Managing Developer and the Consenting Parties each understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Managing Developer or the Consenting Parties, respectively, and exists to make a profit.

(b) The Managing Developer and the Consenting Parties each represents that neither it nor any of its respective parent companies, 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 Managing Developer and each of the Consenting Parties and each of their respective parent companies, 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 Managing Developer and the Consenting Parties each understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Managing Developer and the Consenting Parties, respectively, and exists to make a profit.

#### **Section 9.20. Claims Notification**

If any Party receives notice or becomes aware of any claim or other action, including proceedings before an administrative agency, which is made or brought by any person, firm, corporation, or other entity against a Party in relation to this Agreement, the Party receiving such notice must give written notice to the other Parties of the claim or other action within three business days after being notified of it or the threat of it; the name and address of the person, firm, corporation or other entity that made or threatened to make a claim or that instituted or threatened to institute any type of action or proceeding; the basis of the claim, action, or proceeding; the court or administrative tribunal, if any, where the claim, action, or proceeding was instituted; and the name or names of any person against whom this claim is being made or threatened. This written notice must be given in the manner provided in this Agreement. Except as otherwise directed, the notifying Party must furnish to the other Parties copies of all pertinent papers received by that Party with respect to these claims or actions.

#### **Section 9.21. Texas Public Information Act**

The Parties agree that this Agreement, all performance under this Agreement, and all information obtained by County in connection with this Agreement is subject to applicable provisions of the Texas Public Information Act, Texas Government Code Chapter 552, and all legal authorities relating to the Texas Public Information Act, including decisions and letter rulings issued by the Texas Attorney General's Office; and Managing Developer agrees to provide County, citizens, public agencies, and other interested parties with reasonable access to all records pertaining to this Agreement subject to and in accordance with the Texas Public Information Act. Notwithstanding any provision to the contrary, nothing in this Agreement requires a Party to waive any applicable exceptions to disclosure under the Texas Public Information Act.

## **Section 9.22. Correction of Technical Errors**

If, by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Agreement in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

## **Section 9.23. Exhibits**

The following exhibits are attached to and incorporated into this Agreement for all purposes:

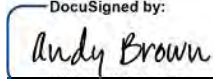
Exhibit "A"	-	Definitions
Exhibit "B"	-	Map and Legal Description of the District
Exhibit "B-1"	-	Map and Legal Description of Improvement Area #1
Exhibit "B-2"	-	Map and Legal Description of Improvement Area #2
Exhibit "B-3"	-	Map and Legal Description of Improvement Area #3
Exhibit "B-4"	-	Map and Legal Description of Improvement Area #4
Exhibit "C"	-	Form of Certification for Payment
Exhibit "D"	-	Form of Closing Disbursement Request
Exhibit "E-1"	-	Table of Authorized Improvements
Exhibit "E-2"	-	Community Benefits
Exhibit "F"	-	Homebuyer Disclosure Program
Exhibit "F-1"	-	Homebuyer Disclosure
Exhibits "G-1" to "G-3"	-	County's Procurement Requirements
Exhibits "H-1" to "H-12"	-	County's Worker Protection Requirements
Exhibit "I"	-	Form of Acquisition and Reimbursement Agreement
Exhibit "J"	-	Form of Landowner Agreement
Exhibit "K"	-	HUB Requirements
Exhibit "L"	-	CBF Escrow Agreement
Exhibit "M"	-	Designated Affordable Housing Process

***[Signature Pages to Follow]***

**COUNTY:**

**Travis County, Texas,**

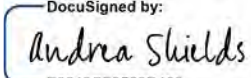
a political subdivision of the State of Texas

By:   
Name: Andy Brown  
Title: Travis County Judge

**TCDA:**

**Travis County Development Authority,**

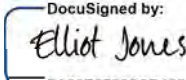
a Texas local government corporation

By:   
Name: Andrea Shields  
Title: Managing Director

**MANAGING DEVELOPER:**

**Meritage Homes of Texas, LLC**

an Arizona limited liability company

By:   
Elliot Jones, Vice President of Land  
Acquisition

It is hereby acknowledged that the Consenting Parties are executing this Agreement solely due to the fact that they, together with Meritage, jointly own the Property, and, except for their obligations expressly set forth under the Landowner Agreement, the Consenting Parties have no rights, duties, or obligations under this Agreement.

**CONSENTING PARTIES:**

**Taylor Morrison of Texas, Inc.**  
a Texas corporation

DocuSigned by:  
By: Michael Slack  
Name: Michael Slack  
Title: Vice President

**Tri Pointe Homes of Texas, Inc.**  
a Texas corporation

DocuSigned by:  
By: Bryan Havel  
Name: Bryan R Havel  
Title: Division President

## Exhibit “A” to Financing Agreement

### DEFINITIONS

Unless the context requires otherwise, and in addition to the terms defined above, each of the following terms and phrases used in this Agreement has the meaning ascribed thereto below:

**“Acceptance Date”** means, with respect to an Authorized Improvement, the date that the Actual Cost thereof is paid to the Managing Developer pursuant to the terms hereof.

**“Acquisition and Reimbursement Agreement”** means, individually or collectively, each of the Turner’s Crossing Public Improvement District Acquisition and Reimbursement Agreement applicable to a given Improvement Area, the form of which is provided in Exhibit “I” attached hereto, whereby the Actual Costs will be paid to the Managing Developer from Contract Assessment Revenues from the Improvement Area to reimburse the Managing Developer for Actual Costs paid by the Managing Developer, plus interest until PID Bonds for that Improvement Area are issued, and thereafter will pay for the portion of the Actual Costs not paid for from such PID Bond proceeds.

**“Actual Cost(s)”** means, with respect to each Authorized Improvement, the Managing Developer’s demonstrated, reasonable, allocable, and allowable costs of constructing the Authorized Improvement, as specified in a payment request in a form that has been reviewed and approved by the County or the TCDA and:

- (a) in an amount not to exceed the amount for the Authorized Improvement as set forth in the Service and Assessment Plan;
- (b) do not include the costs for any change orders that affect a Community Benefit listed in Exhibit I that have not been approved by either the County and the TCDA or by an Applicable Entity, but may include the following costs incurred by or on behalf of the Managing Developer (either directly or through affiliates):
  - (1) the cost to plan, design, acquire, construct, install, and dedicate such improvements to the Applicable Entity;
  - (2) the cost to prepare plans, specifications (including bid packages), contracts, and as-built drawings;
  - (3) the cost to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals;
  - (4) the cost to acquire easements and other right-of-way;
  - (5) the cost to relocate a utility when the relocation costs are not the responsibility of the utility owner;

(6) the costs for third-party professional consulting services including, but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisal services;

(7) the costs of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums;

(8) fees charged by an Applicable Entity or any other political subdivision or governmental authority; and

(9) a Construction Management Fee to implement, administer, and manage the activities described in Paragraphs (1) through (8) above and equal to 4% of the costs incurred by or on behalf of the Managing Developer for the construction of such Authorized Improvement, but excluding:

(A) the costs described in Paragraphs (3), (6), and (8), and

(B) taxes, insurance premiums, and financing costs

**“Additional Bonds Test”** means the conditions that must be met prior to the County considering to consent to the issuance of a Parity Bond, with such conditions to be described in an Indenture for the initial PID Bonds for an Improvement Area.

**“Administrator”** means an employee or designee of the County who shall have the responsibilities provided in the Service and Assessment Plan, the applicable Indenture, or any other agreement or document approved by the County related to the duties and responsibilities of the administration of the District.

**“Affordable Housing”** means, in general, housing for which the occupant is paying no more than 30 percent of his or her gross income for housing costs, including utilities, as established by the United States Department of Housing and Urban Development.

**“Agreed Limit”** has the meaning given in Section 3.06(a) of this Agreement.

**“Agreement”** has the meaning given in the recitals to this Agreement.

**“Annual Collection Costs”** means the actual or budgeted costs and expenses related to the creation and operation of the District, the issuance and sale of PID Bonds, and the construction, operation, and maintenance of the Authorized Improvements, including, but not limited to costs and expenses for:

(1) the Administrator;

(2) County staff;

(3) TCDA staff;

- (4) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the County and the TCDA;
- (5) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments;
- (6) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates;
- (7) issuing, paying, and redeeming PID Bonds;
- (8) investing or depositing Assessments, Contract Assessment Revenues, and Annual Installments;
- (9) complying with the Service and Assessment Plan and the PID Act with respect to the issuance and sale of PID Bonds, including continuing disclosure requirements;
- (10) the paying agent/registrar and Bond Trustee in connection with PID Bonds, including their respective legal counsel; and
- (11) administering the construction of the Authorized Improvements.

**“Annual Installment”** means the annual installment payment on the Assessment as calculated pursuant to the Service and Assessment Plan and approved by the Commissioners Court, that includes: (1) principal; (2) interest; and (3) Annual Collection Costs.

**“Applicable Entity”** has the meaning given in the Recitals to this Agreement.

**“Appraisal”** means an appraisal of the Property, or a portion thereof, as may be required by Section 2.02(b) hereof.

**“Assessed Property”** means any Parcel within the District against which an Assessment is levied.

**“Assessment Levy Request”** has the meaning given in Section 2.02(a) of this Agreement.

**“Assessment Order”** means an order adopted by the Commissioners Court in accordance with the PID Act that levies Assessments on benefited property in a particular Improvement Area.

**“Assessment Revenues”** means money collected by or on behalf of the County from any one or more of the following:

- (1) an Assessment levied against the Assessed Property as defined in the Service and Assessment Plan, or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency,
- (2) a Prepayment,
- (3) Delinquent Collection Costs (as defined in the Indenture), and

(4) Foreclosure Proceeds (as defined in the Indenture).

**“Assessments”** means the assessments levied against properties in the District, as provided for in the applicable Assessment Order and in the Service and Assessment Plan, including any supplemental assessments or reallocation of assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

**“Attorney General”** means the Texas Attorney General’s Office.

**“Authorized Improvements”** shall mean those improvements authorized by Section 372.003 of the PID Act, specifically the improvements identified in the Service and Assessment Plan, including any Segment thereof.

**“Bond Counsel”** means Orrick, Herrington & Sutcliffe LLP or a successor bond counsel firm selected by the TCDA.

**“Bond Issuance Request”** has the meaning given in Section 4.02(d) of this Agreement.

**“Bond Trustee”** means the trustee (or successor trustee) under the Indenture.

**“Capital Economic Progress Corporation”** means the Texas nonprofit corporation formed by the Commissioners Court.

**“Certification for Payment”** means the certificate (whether one or more) in substantially the same form as Exhibit “C” attached hereto.

**“City”** means the City of Austin, Texas.

**“City Construction Representative”** means the person selected by the City to oversee the construction of the Authorized Improvements on behalf of the City.

**“Change Order”** has the meaning given in Section 3.06(i) of this Agreement.

**“Closing Disbursement Request”** means the request (whether one or more) in substantially the same form as Exhibit “D” attached hereto.

**“Commissioners Court”** means the Commissioners Court of Travis County, Texas.

**“Consenting Party”** has the meaning given in the preamble of this Agreement.

**“Contract Assessment Revenue”** means the Assessment Revenues required to be paid by the County to the TCDA pursuant to the provisions of the applicable Funding Agreement for deposit into a segregated account held by the TCDA Depository Bank for the payment of Actual Costs of the Authorized Improvements, or if PID Bonds are issued, for deposit into a segregated fund held by the Bond Trustee for the payment of PID Bonds under the applicable Indenture.

**“Construction Contract”** means the approved contract described in Section 3.06(g).

**“Construction Contractor”** has the meaning given in Section 3.06(g).

**“Construction Management Services”** has the meaning given in Section 3.03(f).

**“Construction Costs”** means the actual cost for a selected construction contractor to construct an Authorized Improvement, excluding Preconstruction Costs, Construction Management Fees, and Non-Eligible Costs.

**“Construction Management Fee”** means the costs, incurred by or on behalf of the Managing Developer or a third party construction manager, for general oversight of preconstruction and construction of an Authorized Improvement, including testing and materials, inspection, quality assurance/quality control, permitting, change order and claim investigations and resolutions, warranty period monitoring and reporting of deficiencies, and other construction management services and is equal to no more than four percent of Construction Costs.

**“Construction Manager”** means initially the Managing Developer, and thereafter subject to change in accordance with Section 3.03 of this Agreement. The County acknowledges and agrees that (i) the Managing Developer intends to subcontract out the duties of Construction Manager to a third party and (ii) Managing Developer’s hiring of the initial subcontractor to serve as the Construction Manager shall not be deemed a change in the Construction Manager pursuant to the terms and conditions of Section 3.03.

**“Construction Manager Subcontractor”** means an unrelated or unaffiliated third party to whom some or all of the duties of the Construction Manager have been subcontracted to pursuant to Section 3.03.

**“Construction Costs”** means the actual cost for a selected construction contractor to construct an Authorized Improvement, excluding Preconstruction Costs, Construction Management Fees, and Non-Eligible Costs.

**“Cost of Issuance Account”** shall have the meaning given in the applicable Indenture.

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

**“County and TCDA PID Costs”** shall have the meaning given in Section 9.02 of this Agreement.

**“Delivery Date Expenses”** means the sum of the cost of issuance and underwriter’s discount, except for capitalized interest or reserve funds.

**“Designated Affordable Housing Process”** shall have the meaning given in Section 6.01 of this Agreement.

**“Designated Successors and Assigns”** means (i) any entity which is the successor by merger or otherwise to all or substantially all of Managing Developer’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (ii) any entity which may have acquired all of the outstanding stock or ownership of assets of The Managing Developer.

**“District”** has the meaning given in the recitals to this Agreement.

**“District Formation and Bond Issuance Costs”** means the costs associated with forming the District and issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, County costs, capitalized interest, reserve fund requirements, first-year District administration reserves, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of PID Bonds.

**“Effective Date”** has the meaning given in the recitals to this Agreement.

**“Engineering Services and Deliverables”** has the meaning given in Section 3.04(g).

**“Final Plans and Specifications”** has the meaning given in Section 3.04(g).

**“Force Majeure”** means

(1) circumstances which are beyond the reasonable control of the performing Party (which circumstances may include, without limitation, pending litigation (but not pending litigation between the Parties), acts of God, war, acts of civil disobedience, widespread pestilence, fire or other casualty, shortage of materials, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or tornadoes, labor action, strikes, changes in the law affecting the obligations of the Parties hereunder, or similar acts), or

(2) COVID-19 or any pandemic or other event declared a disaster (including a disaster declared by the County Judge).

**“Funding Agreement”** means a funding agreement by and between the County and TCDA and relating to an Improvement Area under which the County will make or cause to be made payments of Contract Assessment Revenues to TCDA.

**“Future Improvement Area Bonds Test”** means the conditions that must be met prior to the County considering to consent to the issuance of Future Improvement Area Bonds, with such conditions to be described in an Indenture for the PID Bonds relating to a preceding Improvement Area. By way of example, the Indenture relating to PID Bonds issued to finance the Actual Costs of Authorized Improvements benefiting the property in Improvement Area #1, may contain a Future Improvement Area Bonds Test containing conditions that must be met prior to the County considering to consent to the Issuance of PID Bonds issued to finance the Actual Costs of Authorized Improvements benefiting the property in Improvement Area #2, Improvement Area #3 and/or Improvement Area #4.

**“Future Improvement Area Bonds”** mean PID Bonds issued to finance the Actual Costs of Authorized Improvements benefiting property in the next succeeding Improvement Area or Improvement Areas. By way of example, upon the issuance of PID Bonds issued to finance the Actual Costs of Authorized Improvements benefiting the property in Improvement Area #1, the next succeeding Improvement Areas will include Improvement Area #2, Improvement Area #3 and Improvement Area #4.

**“HUB Program”** has the meaning given in Section 3.03(d).

**“Improvement Area”** has the meaning given in the Recitals to this Agreement.

**“Improvement Area #1”** has the meaning given in the Recitals to this Agreement.

**“Improvement Area #2”** has the meaning given in the Recitals to this Agreement.

**“Improvement Area #3”** has the meaning given in the Recitals to this Agreement

**“Improvement Area #4”** has the meaning given in the Recitals to this Agreement.

**“Indenture”** means any Indenture of Trust entered into in connection with the issuance of PID Bonds for an Improvement Area, as amended from time to time, between the TCDA and the Bond Trustee setting forth terms and conditions related to such PID Bonds.

**“Issue Date”** means the date of the initial delivery of any of the PID Bonds.

**“Land Development Code”** means the joint land development code of the County and the City, Title 30 of the County Code and Title 30 of the City Code, as amended, governing development of land within the County and the extraterritorial jurisdiction of the City

**“Landowner Agreement”** shall mean an agreement by the landowners within the Project, generally in the form attached hereto as Exhibit “J”.

**“LGC Act”** means subchapter D of Chapter 431 of the Texas Transportation Code, as amended.

**“Management Contract”** means the Contract for Management and Administrative Services between Travis County and the TCDA entered into dated April 24, 2018 pursuant to which the TCDA agrees to manage and administer public improvement districts established by the County.

**“Managing Developer Expended Funds”** means any qualified District Formation and Bond Issuance Costs approved by the County and TCDA, which costs may be paid pursuant to a Closing Disbursement Request.

**“Net PID Bond Proceeds”** means the par amount of the PID Bonds less Delivery Date Expenses.

**“Non-Benefited Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property identified as Non-Benefited Property at the time the Special Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel is not assessed.

**“Non-Eligible Costs”** means the cost of improvements that are not Authorized Improvements.

**“Operating Account”** shall have the meaning given in Section 4.02(c) of this Agreement.

**“Owner”** has the meaning given in the recitals to this Agreement.

**“Owner Continuing Disclosure Agreement”** shall have the meaning given in any purchase agreement relating to the sale of PID Bonds.

**“Owners’ Association”** means a homeowner’s association or property owner’s association.

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

**“Parity Bonds”** shall mean bonds issued to reimburse The Managing Developer for any Actual Costs of the Authorized Improvements that remain unreimbursed after issuance of the initial series of PID Bonds for the applicable Improvement Area.

**“Parties”** means collectively the Managing Developer, the TCDA, and the County.

**“Party”** means the Managing Developer, the TCDA, or the County, as parties to this Agreement.

**“PID”** means Public Improvement District.

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

**“PID Bond Proceeds”** means the par amount of a series of PID Bonds less Delivery Date Expenses.

**“PID Bond Resolution”** means and refers to the resolution(s) of the Board of Directors of the TCDA that will authorize and approve the issuance and sale of the PID Bonds and provide for their security and payment, either under the terms of the bond resolution or a trust indenture related to the PID Bonds.

**“PID Bond Security”** means the funds that are to be pledged in or pursuant to a PID Bond Resolution or Indenture to the payment of the debt service requirements on the applicable PID Bonds, consisting of all or a portion of the Contract Assessment Revenues, including earnings and income derived from the investment or deposit of Contract Assessment Revenues in the special funds or accounts created and established for the payment and security of such PID Bonds, unless such earnings are required to be deposited into a rebate fund for payment to the federal government.

**“PID Bonds”** means the bonds expected to be issued by the TCDA, including any Parity Bonds, and to be secured by Contract Assessment Revenue received by the TCDA pursuant to a Funding Agreement.

**“PID Community Benefit Fee”** means a fee paid by the Managing Developer in lieu of providing on-site Affordable Housing.

**“Prepayment”** means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment that represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Assessment.

**“Project”** has the meaning given in the recitals to this Agreement.

**“Project Costs”** means the total of all Actual Costs.

**“Project Engineer”** means the civil engineer or firm of civil engineers selected by the Managing Developer to perform the duties set forth herein.

**“Project Fund”** means the separate and unique fund established by the County under such name pursuant to an Indenture as described in Section 5.02 hereof.

**“Property”** has the meaning given in the recitals to this Agreement.

**“Real Property Interests”** has the meaning given in Section 3.05(a).

**“Reimbursement Obligation”** means the amount to be paid to Managing Developer pursuant to an Acquisition and Reimbursement Agreement.

**“Remaining Costs of Issuance”** shall have the meaning given in Section 9.02(a)(6) of this Agreement.

**“Segment”** means an identifiable portion of an Authorized Improvement.

**“Service and Assessment Plan”** means the Service and Assessment Plan (as such plan is amended, supplemented and updated from time to time), to be approved by the County.

**“State”** means the State of Texas.

**“Tax Certificate”** shall have the meaning given in Section 7.01(a) of this Agreement.

**“Tax Code”** means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

**“TCDA”** means the Travis County Development Authority, a Texas local government corporation organized under the LGC Act, its successors, and assigns.

**“TCDA Depository Bank”** means the depository bank selected by the TCDA.

**“TCDA Representative”** means the person selected by the TCDA to oversee the issuance of PID Bonds and the use of Contract Assessment Revenues or the proceeds of PID Bonds to pay the Actual Costs of the Authorized Improvements on behalf of the County.

**“Underwriter”** means a duly qualified bond underwriter selected by the County and/or TCDA.

**Exhibit “B” to Financing Agreement**

**PROPERTY DESCRIPTION OF THE DISTRICT**

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

**A METES AND BOUNDS  
DESCRIPTION OF A  
231.969 ACRE TRACT OF LAND**

**BEING** a 231.969 acre (10,104,569 square feet) tract of land situated in the Elijah Caples Survey, Abstract No. 155, Travis County, Texas; and being a portion of a called 529.31 acre tract of land described in instrument to Harriet "Hatsy" Heep Shaffer in Document No. 2000089761 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a TXDOT monument found marking the westerly southwest corner of the herein described tract, at the intersection of the northerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45 and along the easterly right-of-way line of said North Turnersville Road, the following two (2) courses and distances:

1. North 2°40'43" West, 535.14 feet to a 1/2-inch iron rod found for corner;
2. North 2°14'27" West, 2442.36 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at the intersection of the easterly right-of-way line of said North Turnersville Road with the southerly right-of-way line of F.M. 1327 (80 feet wide);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said F.M. 1327, the following two (2) courses and distances:

1. in a southeasterly direction, along a non-tangent curve to the right having a central angle of 14°41'53", a radius of 676.20 feet, a chord bearing and distance of South 69°45'52" East, 172.99 feet, and a total arc length of 173.47 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at a point of tangency;
2. South 62°24'54" East, 3836.98 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set marking the northwesterly corner of a called 100.278 acre tract of land described in instrument to Metis Capital, LLC in Document No. 2012215596 of the Official Public Records of Travis County, Texas;

**THENCE**, South 11°53'06" West, 3056.34 feet departing the southerly right-of-way line of said F.M. 1327 and along the westerly line of said 100.278 acre tract to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found on the northerly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northerly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North 69°52'23" West, 811.43 feet to a TXDOT monument found for corner;
2. in a northwesterly direction, along a non-tangent curve to the right having a central angle of 1°10'19", a radius of 14618.20 feet, a chord bearing and distance of North 67°22'47" West, 299.01 feet, and a total arc length of 299.01 feet to a TXDOT monument found for corner;
3. North 43°45'32" West, 107.80 feet to a TXDOT monument found for corner;
4. North 65°21'56" West, 180.55 feet to a TXDOT monument found for corner;
5. North 57°18'33" West, 52.16 feet to a point for corner;

**THENCE**, into and across the aforesaid 529.31 acre tract the following eleven (11) courses and distances:

1. North 40°29'41" East, 281.37 feet to a point for corner;
2. North 16°55'01" East, 414.84 feet to a point for corner;
3. North 89°24'16" West, 120.16 feet to a point for corner;
4. North 78°31'45" West, 201.20 feet to a point for corner;

JCM  
10/18/2018

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

5. in a northwesterly direction, along a non-tangent curve to the right, a central angle of 33°02'49", a radius of 919.75 feet, a chord bearing and distance of North 73°50'02" West, 523.17 feet, and a total arc length of 530.49 feet to a point of tangency;
6. North 57°18'46" West, 390.77 feet to a point for corner;
7. North 32°41'14" East, 120.00 feet to a point for corner;
8. North 56°05'44" West, 61.37 feet to a point for corner;
9. South 37°56'52" West, 289.95 feet to a point for corner;
10. South 57°18'46" East, 152.95 feet to a point for corner;
11. South 32°41'14" West, 225.06 feet to a point for corner on the northeasterly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northeasterly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North 57°18'33" West, 97.88 feet to a point for corner;
2. North 81°04'19" West, 270.74 feet to a point for corner;
3. North 44°08'40" West, 45.40 feet to a point for corner;
4. North 2°57'59" West, 510.90 feet to a point for corner;
5. South 87°04'31" West, 82.40 feet to the **POINT OF BEGINNING** and containing 231.969 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.



*John G. Mosier* 10/18/2018

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

**A METES AND BOUNDS  
DESCRIPTION OF A  
213.421 ACRE TRACT OF LAND**

**BEING** a 213.421 acre (9,296,611 square feet) tract of land situated in the William P. Corben Survey, Abstract No. 159, Travis County, Texas; and being a portion of a called 529.31 acre tract of land described in instrument to Harriet "Hatsy" Heep Shaffer in Document No. 2000089761 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found marking the easterly, northeast corner of the herein described tract, at the intersection of the southerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said State Highway No. 45, the following fourteen (14) courses and distances:

1. North 87°09'52" East, 78.16 feet to a TXDOT monument found for corner;
2. North 3°02'16" West, 155.83 feet to a TXDOT monument found for corner;
3. North 62°09'44" East, 94.12 feet to a TXDOT monument found for corner;
4. South 62°37'49" East, 204.30 feet to a TXDOT monument found for corner;
5. South 53°55'35" East, 517.98 feet to a TXDOT monument found for corner;
6. South 67°52'36" East, 212.44 feet to a TXDOT monument found for corner;
7. South 43°50'02" East, 106.62 feet to a TXDOT monument found for corner;
8. South 65°18'54" East, 121.55 feet to a TXDOT monument found for corner;
9. South 88°23'42" East, 139.54 feet to a TXDOT monument found for corner;
10. South 67°53'17" East, 715.52 feet to a TXDOT monument found for corner;
11. South 86°10'11" East, 215.41 feet to a TXDOT monument found for corner;
12. South 70°03'00" East, 973.87 feet to a TXDOT monument found for corner;
13. South 69°45'00" East, 754.88 feet to a TXDOT monument found for corner;
14. South 72°28'08" East, 185.43 feet to a TXDOT monument found for corner marking the northwesterly corner of a called 115.77 acre tract of land described in instrument to BGICO, LLC in Document No. 2008058832 of the Official Public Records of Travis County, Texas;

**THENCE**, departing the southerly right-of-way line of said State Highway No. 45 and along the westerly line of said 115.77 acre tract, the following two (2) courses and distances:

1. South 27°17'46" West, 1976.88 feet to a 3/4-inch iron pipe found for corner;
2. South 62°47'41" East, 136.86 feet to a 1-inch iron pipe found marking the northerly corner of Lot 1 of Turnersville Estates, recorded in Volume 84, Pages 123B-213C of the Plat Records of Travis County, Texas;

**THENCE**, South 27°27'17" West, 1004.58 feet along the westerly line of said Lot 1 to a 1/2-inch iron rod found on the northeasterly right-of-way line of Turnersville Road (variable width);

*JGM*  
*10/19/2018*

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

**THENCE**, North 62°31'08" West, 2904.05 feet along the northeasterly right-of-way line of said Turnersville Road to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found at the intersection of the northeasterly right-of-way line of said Turnersville Road with the easterly right-of-way line of aforesaid North Turnersville Road;

**THENCE**, North 2°41'42" West, 1933.97 feet along the said easterly right-of-way line of North Turnersville Road to a point for corner;

**THENCE**, into and across the aforesaid 529.31 the following six (6) courses and distances:

1. South 87°52'59" East, 533.80 feet to a point for corner;
2. North 35°58'41" East, 631.16 feet to a point for corner;
3. North 67°52'36" West, 210.62 feet to a point for corner;
4. North 53°55'35" West, 107.59 feet to a point for corner;
5. South 63°41'27" West, 303.45 feet to a point for corner;
6. South 86°56'45" West, 373.23 feet to a point for corner on the said easterly right-of-way line of North Turnersville Road to a point for corner;

**THENCE**, North 2°41'42" West, 300.05 feet along the said easterly right-of-way line of North Turnersville Road to the **POINT OF BEGINNING** and containing 213.421 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.



*John G. Mosier 10/18/2018*

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

**Exhibit “C” to Financing Agreement**

**FORM OF CERTIFICATION FOR PAYMENT**

**[Note: this form and the spreadsheets that comprise the attachments referenced in this form will be provided by the Administrator and may be revised and updated periodically by the Administrator]**

**(TURNER’S CROSSING PUBLIC IMPROVEMENT DISTRICT)**

Certification No. \_\_\_\_\_

\_\_\_\_\_ (“**Construction Manager**”) hereby requests payment (a) for the percentage of design costs completed (the “**Design Actual Costs**”), as further described in Attachment A-1 attached hereto and (b) of the Actual Cost of the work (the “**Construction Draw Actual Costs**”), as further described in Attachment A-2 attached hereto. Capitalized undefined terms shall have the meanings ascribed thereto in Turner’s Crossing Public Improvement District Financing Agreement between Meritage Homes of Texas, LLC, Travis County, Texas (the “**County**”) and the Travis County Development Authority, a Texas local government corporation (the “**TCDA**”), dated as of \_\_\_\_\_. In connection with this Certification for Payment, the undersigned, in his or her capacity as the \_\_\_\_\_ of Construction Manager, to his or her knowledge, hereby represents and warrants to the County and the TCDA as follows:

The undersigned is an authorized representative of Construction Manager, is qualified to execute this request for payment on behalf of the Construction Manager and any co-owners pursuant to the Joint Ownership and Development Agreement, if applicable, and is knowledgeable as to the matters forth herein.

The true and correct (a) Design Actual Costs for which payment is requested is set forth in Attachment A-1 and (b) Construction Draw Actual Costs for which payment is requested is set forth in Attachment A-2, and payment for such requested amounts and purposes has not been subject to any previously submitted request for payment.

The amount listed for the Authorized Improvements below is a true and accurate representation of the Actual Costs associated with the creation, acquisition, or construction of those Authorized Improvements and such costs are in compliance with (a) the PID Financing Agreement, and (b) the Service and Assessment Plan.

The Managing Developer is in compliance with the terms and provisions of the PID Financing Agreement and the Service and Assessment Plan.

The Managing Developer has timely paid all ad valorem taxes and Annual Installments of Assessments it owes, or that entity under common control with the Managing Developer owes, located in Travis County and has no outstanding delinquencies for such assessments.

The work with respect to the Authorized Improvements referenced below has been completed in accordance with the plans therefor, and the City of Austin, Texas (the “**City**”) or the

County, as applicable has inspected such Authorized Improvements. The design work described in Attachment A-1 has been completed in the percentages stated therein.

No more than ninety-five percent (95%) of the budgeted or contracted hard costs for the Authorized Improvements identified may be paid until the work with respect to such Authorized Improvements has been completed and the City or the County, as applicable, has accepted such Authorized Improvements. One hundred percent (100%) of soft costs (e.g. engineering costs, inspection fees, and the like) may be paid prior to the City or County acceptance of such Authorized Improvement.

Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed (a) design work described in Attachment A-1 and/or (b) work on an Authorized Improvement described in Attachment A-2 has been paid in full for all work completed through the previous Certification for Payment.

Attached hereto as Attachment C are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow the County to verify the (a) Construction Draw Costs of each Authorized Improvement and/or (b) Design Costs for which payment is requested.

Attached hereto as Attachment D is proof of Managing Developer's compliance with Section 3.07 (Special County Provisions Applicable to Construction Contracts).

Attached hereto as Attachment E is documentation that proves Managing Developer's compliance with Section 3.12 (Construction Worker Protection Standards).

Attached hereto as Attachment F is documentation that proves Managing Developer's compliance with the County's HUB Program goals.

Payments previously requested and paid under prior Certifications for Payment are as follows:

Certification No.	Date by TCDA Representative	Approved	Amount Requested	Amount Paid
----------------------	--------------------------------	----------	------------------	-------------

[Signature Page Follows]

SIGNATURE PAGE TO  
FORM OF CERTIFICATION FOR PAYMENT  
Certification No. \_\_\_\_\_

Date: \_\_\_\_\_

[Construction Manager Signature Block to be  
added]

## JOINDER OF PROJECT ENGINEER

The undersigned Project Engineer joins this Certification for Payment solely for the purposes of certifying that the representations made by Construction Manager in Paragraph 2 above are true and correct in all material respects.

\_\_\_\_\_  
Name of Project Engineer

\_\_\_\_\_  
*[Signature of Person Signing on Behalf of Project Engineer]*

Name of Individual Signing on Behalf of Project Engineer: \_\_\_\_\_

Title of Individual Signing on Behalf of Project Engineer: \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT A-1 TO CERTIFICATION FOR PAYMENT (DESIGN)

### Certificate for Payment Line Items

[illegible]

ATTACHMENT A-2 TO CERTIFICATION FOR PAYMENT (CONSTRUCTION)

### Certificate for Payment Line Items

[illegible]

ATTACHMENT B TO CERTIFICATION FOR PAYMENT

[attached – bills paid affidavit]

ATTACHMENT C TO CERTIFICATION FOR PAYMENT

[attached – receipts]

## ATTACHMENT D TO CERTIFICATION FOR PAYMENT

[attached – documentation proving Managing Developer’s compliance with Section 3.07  
(Special County Provisions Applicable to Construction Contracts)]

## ATTACHMENT E TO CERTIFICATION FOR PAYMENT

[attached – documentation proving Managing Developer’s compliance with Section 3.11 (Construction Worker Protection Standards)]

The Contract Compliance Program has confirmed the Managing Developer’s compliance with all worker protection standards for the period of construction covered by the Managing Developer’s Certification for Payment.

Travis County Purchasing Office Contract Compliance Program

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT F TO CERTIFICATION FOR PAYMENT

The HUB Program has confirmed the Managing Developer's compliance with all HUB requirements for the period covered by the Managing Developer's Certification for Payment.

Travis County Purchasing Office HUB Program

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### APPROVAL BY THE COUNTY

The Design Costs described in Attachment A-1 have been reviewed, verified and approved by the County. Payment of the Design Costs is hereby approved.

The Construction Draw Costs of each Authorized Improvement described in Attachment A-2 have been reviewed, verified and approved by the County. Payment of the Construction Draw Costs of each such Authorized Improvement is hereby approved.

Date: \_\_\_\_\_

**TRAVIS COUNTY, TEXAS**  
a political subdivision of the State of Texas

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

### APPROVAL FOR PAYMENT BY TCDA REPRESENTATIVE

The TCDA is in receipt of the attached Certification for Payment, acknowledges such Certification for Payment that the Authorized Improvements (or completed portion thereof) covered by such Certification for Payment have been inspected by the Applicable Entity, and the County finds such Certification for Payment to be in order. After reviewing such Certification for Payment, the TCDA approves the attached Certification for Payment and directs payments to be made from the Authorized Improvement Account of the Project Fund to the Managing Developer or payee(s) set forth in such Certification for Payment.

Date: \_\_\_\_\_

**TRAVIS COUNTY DEVELOPMENT  
AUTHORITY**, a local government corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## Exhibit “D” to Financing Agreement

**[Note: this form will be provided by the Administrator and may be revised and updated periodically by the Administrator]**

### FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is a lawfully authorized representative for Meritage Homes of Texas, LLC (the “**Managing Developer**”) and requests payment from the Costs of Issuance Account of the Project Fund (as defined in Turner’s Crossing Public Improvement District Financing Agreement) from \_\_\_\_\_ (the “**Bond Trustee**”) in the amount of \_\_\_\_\_ (\$\_\_\_\_\_) to be transferred from the [Cost of Issuance Account of the Project Fund] upon the delivery of the [title of bonds] (the “**Bonds**”) for costs incurred relating to the issuance and sale of the Bonds for the Turner’s Crossing Public Improvement District (the “**District**”), as follows.

In connection to the above referenced payment, the Managing Developer represents and warrants to the County as follows:

1. The undersigned is a duly authorized officer of the Managing Developer and any co-owners pursuant to the Joint Ownership and Development Agreement, if applicable, is qualified to execute this Closing Disbursement Request on behalf of the Managing Developer, and is knowledgeable as to the matters set forth herein.

The payment requested for the below referenced costs of issuance at the time of the delivery of the Bonds has not been the subject of any prior payment request submitted to the County.

The amount listed for the below itemized costs is a true and accurate representation of the Costs of Issuance incurred by Managing Developer at the time of the delivery of the Bonds, and such costs are in compliance with the Service and Assessment Plan. The itemized costs are as follows:

***[insert itemized list of costs here]***

TOTAL REQUESTED: \$\_\_\_\_\_

The Managing Developer is in compliance with the terms and provisions of Turner’s Crossing Public Improvement District Financing Agreement, the applicable Indenture, and the Service and Assessment Plan.

All conditions set forth in the applicable Indenture and [the Acquisition and Reimbursement Agreement for \_\_\_\_\_] for the payment hereby requested have been satisfied.

The Managing Developer agrees to cooperate with the TCDA and/or the County in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the County and/or the TCDA to complete its review.

**Payments requested hereunder shall be made as directed below:**

[Information regarding Payee, amount, and deposit instructions]

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

**Meritage Homes of Texas, LLC**  
an Arizona limited liability company

By: \_\_\_\_\_  
Elliot Jones, Vice President of Land Acquisition

### **APPROVAL OF REQUEST BY TCDA**

The TCDA is in receipt of the attached Closing Disbursement Request. After reviewing the Closing Disbursement Request, the TCDA approves the Closing Disbursement Request and shall include said payments in the TCDA Certificate submitted to the Bond Trustee directing payments to be made from Costs Issuance Account of the Project Fund upon delivery of the Bonds.

**TRAVIS COUNTY DEVELOPMENT  
AUTHORITY, a Texas local government  
corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit “E-1” to Financing Agreement

### Authorized Improvement

General Description of Authorized Improvement	Entity to which Authorized Improvement will be conveyed or dedicated	Type of Interest that Owner will convey (e.g., fee simple, easement, etc.)	Maintenance Responsibility	Estimated Cost of Design and Construction of Authorized Improvement	Estimated Date of Completion
<b>Roadway Improvements</b>	Travis County	Fee Simple, easement, and/or other interest, all as determined by the County	Travis County	\$3,414,174	Second Quarter 2021
<b>Water Distribution system Improvements</b>	City of Austin	Easement and/or other interest, all as determined by the City of Austin	City of Austin	\$1,653,085	Second Quarter 2021
<b>Sanitary sewer collection system improvements</b>	City of Austin	Easement and/or other interest, all as determined by the City of Austin	City of Austin	\$3,469,275	Second Quarter 2021
<b>Water quality and drainage ponds</b>	City of Austin	Fee Simple or Easement, as determined by the City of Austin	City of Austin	\$4,606,710	Second Quarter 2021
<b>Recreational parks and trails</b>	City of Austin	Fee Simple or Easement, all as determined by the City of Austin	Homeowners Association	\$338,565	Fourth Quarter 2021
<b>Entryway/ Landscaping</b>	Travis County	Dedicated ROW with license agreement with Homeowners Association	Homeowners Association	\$1,244,103	Third Quarter 2021

## **Exhibit “E-2” to Financing Agreement**

### **COMMUNITY BENEFITS**

The Managing Developer represents and warrants that it will act in good faith to expeditiously provide the following community benefits that are superior to the level of community benefits typically generated by real estate development projects that do not involve public improvement district financing:

Payment of an affordable housing fee-in-lieu in accordance with Travis County Code Chapter 481.

The Travis County Development Authority will have a right of first refusal to purchase an approximately 14.124 acre multi-family tract located just outside the boundaries of the Turner's Crossing Public Improvement District for a future Low Income Housing Tax Credit community. Under the right-of-first refusal agreement, the Travis County Development Authority may opt to waive its right of first refusal if the Managing Developer sells the 14.124 acre tract to a national developer of affordable housing properties pursuant to a sale that is subject to the approval of the Travis County Development Authority and the waiver is specifically limited to and for the sole purpose of allowing the sale to the national developer for a transaction that will include the Travis County Housing Finance Corporation ("TCHFC") or TCHFC affiliates owning the 14.124 acre tract and acting as general partner or managing member of the entity that will construct and operate the multifamily housing development on that 14.124 acre tract.

Although the Managing Developer and the Consenting Parties are not required to comply with the County's Atlas 14 floodplain requirements with respect to Phase One of the Project, the Managing Developer and the Consenting Parties have nonetheless agreed to comply with the County's Atlas 14 requirements for Phase One. The Managing Developer and the Consenting Parties are required to comply with the County's Atlas 14 floodplain requirements for subsequent phases of the Project.

The Managing Developer and the Consenting Parties have committed to constructing each of their single family detached homes so that they will be Energy Star certified, and they will provide Energy Star certificates for completed homes prior to each bond sale.

**Exhibit “F” to Financing Agreement**

**TURNER’S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #\_\_\_ - LOT TYPE \_\_\_\_  
HOMEBUYER DISCLOSURE**

**HOMEBUYER DISCLOSURE PROGRAM**

A Builder<sup>1</sup> for an Assessed Property shall provide each residential homebuyer with the “Notice of Obligation to Pay Public Improvement District Assessment to Travis County”, the form of which is attached hereto as Exhibit “F-1”.

A Builder for an Assessed Property shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the County upon receipt of written request by the County or the Builder which sets forth the County’s mailing address and other contact information.

A Builder for an Assessed Property shall prominently display signage utilizing language and information provided by the Administrator in the Builder’s model homes, if any, located within the Property.

If prepared and provided by the County and approved by Managing Developer (such approval not to be unreasonably withheld), a Builder for an Assessed Property shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

A Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers for an Assessed Property.

The Managing Developer must post signage along the main entry/exits located at the boundaries of the District that identifies the area as a public improvement district. All signage shall be clearly visible to all motorists entering and exiting the District.

---

<sup>1</sup> Builder” means a commercial builder who is in the business of constructing and/or selling residences to individual home buyers.

**Exhibit “F-1” to Financing Agreement**

**TURNER’S CROSSING PID – LOT TYPE [ ]: HOMEBUYER DISCLOSURE**

**NOTICE OF OBLIGATION TO PAY  
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS  
TO TRAVIS COUNTY, TEXAS**

**CONCERNING THE PROPERTY AT:**

---

**STREET ADDRESS**

**OUTSTANDING PRINCIPAL OF ASSESSMENT FOR AUTHORIZED  
IMPROVEMENT: \$[ ]**

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to Travis County, Texas, for the costs of a portion of Authorized Improvements (the “**Authorized Improvements**”), undertaken for the benefit of the property within the Turner’s Crossing Public Improvement District (the “**District**”), also known as “Turner’s Crossing”, a public improvement district created under Subchapter A, Chapter 372, Local Government Code, as amended.

**THE OUTSTANDING PRINCIPAL OF THE ASSESSMENT AGAINST YOUR  
PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS [\$ ], WHICH MAY  
BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE  
DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH MAY VARY FROM  
YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID,  
COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.**

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments, including the annual installments thereof, will be approved each year by the Travis County Commissioners Court in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from Travis County.

You may ask your mortgage company to include the Annual Installments in your monthly escrow payment.

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

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate on the date specified below my signature.

**PURCHASER:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF TEXAS                   §  
   §  
TRAVIS COUNTY                   §

The foregoing instrument was acknowledged before me by \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

\_\_\_\_\_  
Notary Public, State of Texas

STATE OF TEXAS                   §  
   §  
TRAVIS COUNTY                   §

The foregoing instrument was acknowledged before me by \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

\_\_\_\_\_  
Notary Public, State of Texas

**PROJECTED ANNUAL INSTALLMENTS – LOT TYPE [ ]**

[WILL INSERT SCHEDULE OF PROJECTED ANNUAL INSTALLMENTS ONCE  
FINALIZED]

**Exhibit "G-1" to Financing Agreement**

**COLLATERAL ASSIGNMENT  
COLLATERAL ASSIGNMENT OF CONTRACT AND CONTRACT RIGHTS**

**DATE:** \_\_\_\_\_, 20\_\_

**ASSIGNOR:** \_\_\_\_\_

**ASSIGNOR'S ADDRESS:** \_\_\_\_\_

**BENEFICIARY:** Travis County, Texas

**BENEFICIARY'S ADDRESS:** P.O. Box 1748, Austin, Texas 78767

**FINANCING AGREEMENT:** The Financing Agreement between Assignor and Beneficiary dated \_\_\_\_\_, 20\_\_.

**CONTRACT:** One or more of the following described contracts (collectively, the "**Contracts**");

- (a) The Construction Contract between \_\_\_\_\_ and Assignor dated as of \_\_\_\_\_, 20\_\_, a copy of which is attached hereto as Exhibit 1;
- (b) The Engineering Contract between \_\_\_\_\_ and Assignor dated as of \_\_\_\_\_, 20\_\_, a copy of which is attached as Exhibit 2; and
- (c) The Project Construction Management Contract between \_\_\_\_\_ and Assignor dated as of \_\_\_\_\_, 20\_\_, a copy of which is attached as Exhibit 3.

**Agreement.** To the extent authorized by law and subject to the terms and conditions of this Collateral Assignment of Contract and Contract Rights (this "**Assignment**"), in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which Assignor acknowledges, Assignor hereby grants, assigns, transfers, and conveys to Beneficiary the Contracts, and all powers, benefits, right, title, and interest accruing and to accrue to Assignor and to which Assignor is or may hereafter become entitled to by virtue of the Contracts.

**Secured Obligations.** This assignment is made to Beneficiary to secure the performance by Assignor of all of Assignor's duties and obligations under the Financing Agreement.

**License.** Assignor hereby grants to Beneficiary a limited license (the "**License**") to exercise and enjoy all of Assignor's rights and benefits under the Contracts. Upon the occurrence of an Event of Default (as defined below), Beneficiary will have the complete right, power and authority hereunder, then or thereafter, to terminate this License, in its own name or in the name of Assignor, and to exercise, assume, and enjoy all of Assignor's rights, title, interest, and benefits under the Contracts.

**Assumption Date.** Upon the occurrence of an Event of Default, as defined below, Beneficiary may, at its option, given written notice to Assignor and assume Assignor's rights, duties and obligations under the Contracts, subject to the terms

and conditions of this Assignment, as of the date of such notice (the “**Assumption Date**”).

After the Assumption Date, all of Assignor’s rights and benefits under the Contracts will terminate without notice of any kind to Assignor, and Beneficiary will succeed to all of Assignor’s rights, benefits, duties, and obligations under the Contracts EXCEPT THAT ASSIGNOR SHALL REMAIN RESPONSIBLE FOR ALL COSTS, CLAIMS, LIABILITIES, AND EXPENSES THAT AROSE ON OR BEFORE THE ASSUMPTION DATE.

The other parties to the Contracts will recognize and attorn to Beneficiary as if Beneficiary had originally been a party to such Contracts. In the event of a conflict between the terms of the Contracts and the terms of the Financing Agreement, the terms of the Financing Agreement will control.

**Assignor’s Representations and Warranties and Related Covenants.** Assignor represents and warrants to Beneficiary as follows:

Assignor’s execution, delivery and performance of this Assignment does not require the consent or approval of any governmental body and are not in contravention of, or in conflict with, any law or regulation or any term or provision of the Contracts. This Assignment is a valid, binding, and legally enforceable obligation of Assignor in accordance with its terms, except to the extent, if any, that enforceability may be affected or limited by creditors’ rights, legislation, and court decisions of general application.

The execution and delivery of this Assignment is not, and the performance of this Assignment will not be, in contravention of, or in conflict with, any agreement, indenture or undertaking to which Assignor is a party or by which Assignor or any of its property is or may be bound or affected, and do not and will not cause any security interest, lien or other encumbrance to be created or imposed or accelerated upon or in connection with any such property.

To the Assignor’s current actual knowledge, there is no litigation or other proceeding pending against or affecting Assignor or its properties which, if determined adversely to Assignor, would have a materially adverse effect on Assignor’s financial condition, properties, or operations. Assignor is not in default in any materially adverse manner with respect to any law, restriction, order, writ, injunction, decree, or demand of any court or other governmental or regulatory authority or with respect to any agreement, indenture or undertaking to which it or any of its property is bound or affected.

Except for this Assignment (which Assignor has authority to grant): Assignor has not previously assigned, transferred, conveyed, sold, pledged, or hypothecated any of the Contracts.

**Assignor's Agreements.** Assignor agrees as follows:

To perform all of its obligations under the Financing Agreement.

To perform or cause to be performed each and every obligation and duty imposed upon Assignor by the Contracts and to not do any act or not omit to do any act which would constitute a breach of, default under or noncompliance with the Contracts.

Not to execute any amendment or modification of the Contracts or otherwise change or alter any of the terms and provisions of the Contracts without Beneficiary's prior written consent.

To promptly notify Beneficiary of the occurrence of any event which constitutes a breach of, default under, or noncompliance with, or which with the passage of time, notice, or both, will constitute a breach of, default under, or noncompliance with any of the terms and provisions of the Contracts.

To send, with reasonable promptness, to Beneficiary copies of any and all notices of default, breach or material alteration sent or received by Assignor under the Contracts or in connection with Assignor's interest in the Contracts.

**Events of Default.** Any one or more of the following events or conditions constitutes an "Event of Default" for purposes of this Assignment:

Any event of default which occurs under the Financing Agreement which is not cured within any applicable grace or notice and opportunity to cure period;

Material breach of, noncompliance with, or default under any of the terms and provisions of the Contracts which is not cured within any applicable grace or notice and opportunity to cure period.

**Beneficiary's Rights and Remedies.**

To the extent authorized by law and subject to the terms and conditions set forth herein, Assignor hereby irrevocably appoints Beneficiary as Assignor's true and lawful agent and attorney-in-fact, with full power of substitution, in Beneficiary's own name or in the name of Assignor, for Beneficiary's sole use and benefit, but at Assignor's cost and expense, to exercise, upon the occurrence of an Event of Default, all or any of the following powers and rights with respect to the Contracts (without any obligation on the part of Beneficiary to exercise any of the following powers and rights): (1) to demand, receive, collect, sue and give acquittance for, settle, compromise, compound, prosecute or defend any action or proceeding with respect to the

Contracts; (2) to exercise, enforce, enjoy, carry out, receive, and/or perform any and all rights, powers, duties, benefits, obligations and remedies of Assignor with respect to and arising under the Contracts, provided, however, Beneficiary's exercise of or Beneficiary's failure to exercise any such authority will in no manner affect Assignor's liability hereunder or under the Financing Agreement, and provided, further, that Beneficiary will be under no obligation or duty to exercise any of the powers hereby conferred upon it and will be without liability for any act or failure to act in connection with the preservation of any rights under, any of the Contracts. . To the extent authorized by law, the agency and authority hereby granted and created is an agency coupled with an interest.

Upon the occurrence of an Event of Default and at any time thereafter, Beneficiary will have the rights and remedies provided by law. After the Assumption Date, Assignor shall be without further duty, obligation, or liability of any kind with respect to the Contracts, including any costs arising thereunder except that Assignor shall remain liable for those obligations, liabilities, and costs incurred on or before the Assumption Date. After the Assumption Date, Beneficiary shall assume sole and absolute responsibility for performance of Assignor's obligations under the Contracts, and Assignor shall have no duty, liability or responsibility for any costs, claims, or expenses arising out of or related to the Contracts, including payment to any other parties to the Contracts, except for those costs, claims, and expenses incurred on or before the Assumption Date, or for personal injury or property damage arising out of the services that are the subject of the Contracts, except for personal injury or property damage arising out of services that were rendered on or before the Assumption Date.

All recitals in any instrument of assignment or any other instrument executed by Beneficiary incident to the Contracts or any part thereof will be full proof of the matters stated therein and no other proof will be requisite to establish full legal propriety of the action taken by Beneficiary or of any fact, condition or thing incident thereto, and all prerequisites of such action will be presumed conclusively to have been performed or to have occurred.

Assignor waives demand, notice, protest, and all demands and notices of any action taken by Beneficiary under this Assignment. The provisions of this section shall survive termination of the Contracts and Financing Agreement.

**General.** Assignor and Beneficiary agree as follows:

Upon the full performance of Assignor's obligations under the Financing Agreement, this Assignment and the interests created hereby will automatically terminate. Upon termination of this Assignment, Beneficiary will, at Assignor's sole cost and expense, execute and deliver to Assignor such documents as Assignor may reasonably request to evidence such termination.

Beneficiary is not, by entering into this Assignment or accepting the assignment of and security interest in the Contracts, assuming or agreeing to assume any obligation or liabilities on the part of Assignor under the Contracts.

Beneficiary's remedies hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein will not be construed as a waiver of any of Beneficiary's other remedies.

Notice mailed to Assignor's address as reflected above, or to Assignor's most recent changed address on file with Beneficiary, at least ten days prior to the related action, will be deemed reasonable.

THIS ASSIGNMENT HAS BEEN MADE IN, AND THE INTEREST GRANTED HEREBY IS GRANTED IN, AND BOTH WILL BE GOVERNED BY, THE LAWS OF THE STATE OF TEXAS IN ALL RESPECTS, INCLUDING WITHOUT LIMITATION MATTERS OF CONSTRUCTION, VALIDITY, ENFORCEMENT, AND PERFORMANCE. This Assignment may not be modified, altered, or amended except in writing duly signed by an authorized representative of Beneficiary and by Assignor. If any provision of this Assignment is rendered or declared illegal or unenforceable by reason of any existing or subsequently enacted statute, rule or regulation, or by order of or judgment of a court, any and all other terms and provisions of this Assignment will remain in full force and effect as stated and set forth herein.

All notices, demands, requests and other communications required or permitted hereunder will be in writing and may be personally served or sent by mail, and if given by personal service, it will be deemed to have been given upon receipt, and if sent by mail, it will be deemed to have been given upon its deposit in the mail, postage prepaid, registered or certified, return receipt requested, addressed to Assignor or Beneficiary, as the case may be. The addresses of the parties to this Assignment are set forth on page 1 of this Assignment. Any of the parties to this Assignment will have the right to change their respective addresses by designating a new address in a written notice to the other parties as herein required.

This Assignment may be executed in multiple original counterparts.

In the event of a conflict between the terms of this Assignment and the Financing Agreement, the Financing Agreement shall control.

In Witness Whereof, the Beneficiary and the Assignor have executed this Assignment effective as of the later date of signing as indicated below.

BENEFICIARY:

TRAVIS COUNTY, TEXAS

By: \_\_\_\_\_  
Andy Brown, County Judge

Date: \_\_\_\_\_

ASSIGNOR:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BY ITS SIGNATURE BELOW, THE UNDERSIGNED SIGNIFIES ITS CONSENT TO  
AND APPROVAL OF THIS ASSIGNMENT FROM \_\_\_\_\_ TO  
TRAVIS COUNTY:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Exhibit “G-2” to Financing Agreement**

### **ENGINEERING SERVICES AND DELIVERABLES**

#### **PROJECT DESIGN**

The Project Engineer shall provide professional services to produce both Preliminary Plan Documents and final plans, specifications and estimates for construction documents for the applicable Authorized Improvements. These services generally will include, but are not limited to the following; storm water drainage system analysis and design (may include water quality and detention); preparing schematic and final right-of-way and easement Parcel exhibits; preparing construction documents; completing land surveys, geotechnical investigations and reports with analysis needed for pavement design, structure foundation design, and evaluating slope stability; completing alignment and intersection plans and analysis; developing roadway signage and pavement marking plans, traffic control plans, and plans for utility relocation and landscaping; completing environmental assessments and mitigation plans; monitoring project cost and applying cost recovery methodologies such as value engineering; attending and leading public meetings; and, acquiring all appropriate regulatory permits and clearances.

1. The Project Engineer will perform the following services:

a. Develop all Plans, Specifications, and Estimates (PS&E documents) within the project’s allotted budget, to standards stipulated by Travis County.

b. Develop and submit a construction cost estimate at each phase of the design project.

c. Use generally recognized engineering methodology and standards of care.

d. For each required permit or approval, either obtain the permit or approval or identify the permit or approval for the Construction Contractor and direct the Construction Contractor to obtain it.

e. Conduct and provide reports for all applicable environmental studies, evaluations, assessments, and calculation/negotiations for mitigation.

f. Establish and provide a detailed project design task completion report. Monitor and provide task completion report to the Managing Developer and the County.

g. Produce a utility relocation plan and coordinate ALL utility relocation efforts with the appropriate utility company.

h. Provide on call or total technical assistance during the bidding and construction periods.

i. Prepare appropriate displays and attend meetings with Travis County staff, regulatory agencies, and public groups, both as a technical advisor and as a project presenter.

j. Provide all geotechnical reports and analyses.

k. Provide required services, as determined by the County and the Managing Developer, for construction administration.

2. The Project Engineer will provide six (6) specific work products with each requiring a separate "Notice to Proceed" under the same contract. Authorization to proceed to the next work product or phase must be in writing in the form of a "Notice to Proceed" from the County. The required work products include:

a. Work Product 1: Design Summary Report, including a conceptual design.

b. Work Product 2: 30% complete design documents.

c. Work Product 3: 60% complete design documents.

d. Work Product 4: 100% bid-ready set of construction documents.

e. Work Product 5: Construction bidding and award services.

f. Work Product 6: Construction Management Services. Work Product 6 shall be optional and included at the discretion of the Managing Developer and the County.

Managing Developer and County may mutually agree to combine all or a few of Work Products 1, 2, 3 and 4 above to help reduce engineering cost and review time.

3. Subject to Article III of the Agreement, Work Products 1 through 4 shall be submitted for review and written notice-to-proceed must be issued before proceeding to the next Work Product. The review process shall consist of submitting two sets of the plans 24" by 36" (or at such other dimensions as is otherwise agreed), specifications, and estimates of probable construction costs to the Managing Developer and the County when the design and construction documents are 30%, 60% and 100% completed. Allow two weeks for the Managing Developer and the County to review and provide written comments

and/or approval for each submittal. Submit two sets final check sets and allow one week for the Managing Developer and the County to review and provide written comments and/or approval.

4. Work Product 1: Design Schematic Report (DSR).

2. The DSR shall summarize basic project information and include a schematic design for the Project. The conceptual level design of the ultimate six-lane section is to be prepared to approximate the future alignment, right-of-way and detention and water quality ponds.

5. Work Product 2: 30% Complete Design Documents.

3. The 30% submittal should be presented in two phases if alternative analyses are included in the scope of work. The first phase will be the results of the analyses and the Project Engineer's recommendations. The second phase will be the 30% complete design documents for the selected alternative. Public meetings may be required in the development of Work Product 2. The 30% design submittal is to include preliminary engineering for the design elements required to fully address the project scope. The requirements for the 30% design submittals shall as a minimum include the following:

a. Cover sheet indicating project name and number; site location; design speed; project limits with beginning and ending stations; names and signature blocks for the project owners/partners; symbology legend; and the proposed index of drawings to be included in the plan set;

b. Site layout drawing;

c. Typical sections showing proposed and existing conditions;

d. Plan and profile sheets showing existing conditions and how design speed, site distance, drainage, and environmental requirements are planned to be met as well as the proposed type and location of any significant structures to be included;

e. Cross-sections for roadways showing existing ground conditions and depicting proposed conditions based upon preliminary alignments and typical sections;

f. Identification of limits of construction and properties that could be affected by the proposed construction;

g. Identification of existing easements and utilities that could be affected by the proposed construction;

h. Engineer's estimate of costs along with an explanation of the method used and any assumptions that were made. Recommended changes for the parties to consider if a problem has been identified that could adversely affect the project schedule or budget;

i. Preliminary list of required regulatory approvals and right-of-way takings; and

j. Updated project schedule with status tracking.

4. Total projected time for completion of Work Product 2 is sixty (60) calendar days.

6. Work Product 3: 60% complete design documents:

5. The 60% complete documents should address all major design issues and set direction for completion of the construction documents. A public meeting may be required. The requirements for the 60% design submittals shall as a minimum include the following:

a. Completed site layout drawings;

b. Drawings that represent all items of work in the scope of services for the project including coordinates for proposed alignment (no blank pages or missing pages). Revised typical sections and cross sections to reflect more complete design;

c. Draft specifications;

d. Proposed construction schedule and sequence of work;

e. List of permits required and schedule for obtaining all permits/approvals/utility coordination required prior to bidding;

f. Engineering calculations, studies, and reports used in design (drainage report, geotechnical report, environmental studies & reports, slope stability analysis, preliminary quantities, structural design, etc.);

g. Drawings should demonstrate coordination between prime consultant and sub-consultants (no missing design components to be provided by sub-consultants);

h. Engineer's estimate of costs along with an explanation of the method used and any assumptions that were made.

Recommended changes for the parties to consider if a problem has been identified that could adversely affect the project schedule or budget;

i. Draft ROW strip maps, sketches, & field notes. Final ROW documents to be submitted within 30 days of receiving review comments from Travis County, if required and

j. Updated project schedule with status tracking.

6. Total projected time for completion of Work Product 3 is sixty (60) calendar days.

7. Work Product 4: 100% complete construction documents:

7. Provide final plans, specifications, estimates, quantities, bid schedule, permits, and verification of property acquisitions and/or right-of-entries for the Construction Contract, and a list of any outstanding issues to be resolved before or during project bidding process (total projected time is 165 calendar day after notice to proceed date)

8. Total projected time for completion of Work Product 4 is fifteen (15) calendar days.

8. Work Product 5: Construction Contract bidding and award services:

9. Provide assistance with responding to bidder questions, preparing addenda, tabulating and evaluating bids, and providing recommendation for award.

10. Total projected time for completion of Work Product 5 is to be determined at the time the project is approved for bidding.

9. Work Product 6: Construction Phase Services:

11. Construction phase services are to be provided in accordance with Exhibit "G-3" throughout the period of construction to provide technical interpretations and clarifications of the contract documents; to provide technical reviews and approvals of construction submittals; to observe that the work is proceeding in accordance with the contract documents and to document the progress and effort; to prepare, reproduce, and distribute supplemental drawings and specifications in response to requests for information by the Construction Contractor; to inform the Construction Contractor, the County and the Managing Developer immediately upon identifying unacceptable deviations from the contract documents and document such deviations; to resolve problems which arise during performance of the work by the Construction Contractor; and, to perform all other duties that are included in the contract. Construction phase services shall extend through the Construction Contractor's warranty of construction, starting after the

County and the Managing Developer issue the project Completion Certificate or from the date of the notice of Substantial Completion. The warranty period during which the Project Engineer's services shall be provided shall not exceed one year unless otherwise specified herein.

### **UTILITY RELOCATION SERVICES**

Research records of properties within project limits of construction

10. identify all utility companies that serve the properties;
11. identify easements on the property and obtain descriptions and copies of any dedication instruments and plats; and
12. identify owners of utilities and contact information

Obtain existing condition and proposed improvement information from utility companies

13. determine type, size, and approximate location of existing utilities.

- a. interview appropriate utility company representatives

- b. obtain as-built drawings if available

14. determine future plans for utility work within the limits of construction

- a. interview appropriate utility company representatives

- b. if available, obtain preliminary utility engineering plans and schedule for future improvements

- c. If no engineering plans are available, obtain description of proposed improvements including design criteria that will be used including but not limited to:

- (i) utility assignment

- (ii) depth requirements

- (iii) design requirements for separation from other utilities, structures, or activities

Review project design information for existing and potential conflicts

15. plan sheets showing existing and proposed conditions for roadways, bridges, buildings, utilities, topography, fences, walls, storm sewer systems, etc.

16. profile sheets showing existing and proposed conditions

17. detail sheets for foundations showing size and depth requirements

18. cross sections showing existing ground and proposed improvement including excavations, embankments, drainage channels, etc.

Coordinate the relocation, protection, upgrading, or abandonment of utilities

19. Identify with the County Contract Representative apparent conflicts between existing or proposed utilities and the project improvements shown in the design documents.

20. Provide copies of design documents to all utility service providers along with list of conflicts identified.

21. Maintain database of utility companies provided with design information, contact persons and numbers, information transmittals, written and verbal communications, and any other pertinent information showing who was involved in the coordination, the decisions made, and the time taken to complete the process.

22. Meet with utility company representatives to determine their proposed method for reconciling conflicts and communicate the information to the County.

23. Meet with the County and Assistant County Attorneys and/or the utility company representatives and other public entities as needed to assist with reconciling conflicts between utilities and the proposed improvements, and record and distribute minutes of such meetings;

24. Prepare draft of elements to be included in any utility agreements or memorandum of understandings to be developed between the County and utility service providers. Include responsibilities for relocation, upgrading, or protection; specifics related to costs, scheduling, sizes and types, vertical and horizontal locations; and, any special construction and/or protection requirements.

25. Provide documentation of correspondence and coordination effort to the County upon completion of assignment

Additional Services, if approved by the County:

26. Field-check locations of above-ground utilities and visible components of below-ground utilities and mark locations relative to existing topographic features on mapping to be provided by the County.

27. Provide, or contract with companies that can provide, underground utility locating services.

28. Hand excavate to verify location of utilities.

29. Represent the County at Austin Area Utility Coordinating Committee meetings.

30. Attend pre-construction and construction meetings.

31. Provide documentation and testimony as needed to help resolve claims related to utility work or property condemnation cases.

## **Exhibit “G-3” to Financing Agreement**

### **CONSTRUCTION MANAGEMENT SERVICES**

The items below marked with an asterisk (\*) shall be performed or provided by a Texas Licensed Professional Engineer.

#### **1. Coordination and Pre-Construction Meeting Services**

32. Technical Submittals and Samples Prepares for the coordination meeting with the County and the Managing Developer a list of all technical submittals required by the Construction Contractor. This list shall be distributed at the pre-construction meeting among the Project Engineer and the Construction Contractor and others.

33. Permits Prepares for the coordination meeting, a list of all permits to be obtained by the Construction Contractor. This list shall be distributed at the pre-construction meeting.

(a)\* Material Testing and Inspections Prepares for the coordination meeting recommendations for the project construction and material testing protocols and oversees Project testing and inspection.

(b)\* Pre-construction Submittals Provides review comments on Construction Contractor’s pre-construction submittals to the Construction Contractor at the pre-construction meeting. Pre-construction submittals include the Construction Contractor’s construction schedule, division of contract, subcontractor list, material supplier list, or any special submittals requested of the Construction Contractor prior to the pre-construction meeting.

#### **Administrative Tasks**

34. Prepares draft agenda for pre-construction meeting;

35. Determines the project communication, reporting, submittal approval/rejection protocol, and documentation requirements;

36. Conducts weekly job site meetings; determines the format for scheduling and conducting, and recording construction meeting minutes;

37. Reviews and becomes knowledgeable of any required Managing Developer or County construction administration processes;

38. Records meeting minutes;

39. Maintains Project construction records consisting of all correspondence related to the construction of the project including but not limited to:

- a. all approved technical submittals and a technical submittal checklist;
- b. all approved field orders and change orders;
- c. contract specifications and drawings;
- d. daily log;
- e. job meeting minutes;
- f. clarifications drawings;
- g. daily progress reports; and
- h. processed pay requests

40. The daily log, as a minimum, shall contain information regarding weather conditions, ambient temperatures, Construction Contractor manpower levels, sub-Construction Contractors manpower levels, daily hours of inspection, travel time, conversations, work items being performed, material delivery information and other observations.

41. Daily logs must be completed and include a statement as to whether or not the Construction Contractor is behind schedule or delaying the progress of the work and, if so, the steps the Construction Contractor should take to get back on schedule. Copies of daily logs shall be made available to the County upon request.

42. Maintain complete files of all Project-related documents at the Project site.

43. Upon the completion of each calendar month, furnish the County and the Managing Developer with a typed statement summarizing the status of the work. In the event the work is behind schedule, the statement shall also delineate what efforts the Construction Contractor must take to get back on schedule. A copy of this statement shall also be delivered to the Construction Contractor.

44. After the Project has been completed, submit the Project files, along with the original daily logs to the County.

#### Construction Phase Services

##### (c)\* Submittals

12. Process submittals, including receipt, review of, and appropriate action on shop drawings, samples and other submittals. Provide recommendations for the

County and Managing Developer approvals of “or equal” substitutions along with any recommended cost adjustments.

(d)\* Contract Modifications

13. For modifications required by the County and/or the Managing Developer to resolve design errors or omissions, the Project Construction Manager shall coordinate with the Project Engineer to provide the following services: Provide recommendations to the County and/or the Managing Developer concerning potential changes and modifications to the project, which are encountered during construction. Identify and investigate feasible alternatives, to the extent practical, and prepare necessary plans, details, etc. required to obtain firm cost and schedule impact statements from the Construction Contractor. Evaluate the Construction Contractor’s impact statements and in conjunction with the Managing Developer and the County negotiate costs for any contemplated changes with the Construction Contractor. The Project Construction Manager shall prepare and distribute change orders and jointly sign all Change Orders with the County and the Managing Developer

(e)\* Construction Contractor Pay Requests

14. Upon receipt of a pay request from a Construction Contractor, jointly review each line item with the Construction Contractor and advise the Construction Contractor’s representative of any discrepancies or conflicts in the pay requests. Verify the accuracy of quantities of installed, delivered, and stored materials. Advise the County and the Managing Developer of any issues that may warrant withholding, reducing, or delaying payment to the Construction Contractor and provide supporting documentation.

(f)\* Interpretation of the Contract Documents

15. Upon request, provide interpretation or clarification of the construction documents to the County, the Managing Developer, or the Construction Contractor. Determine an acceptable method for communicating interpretations and clarifications directly to the Construction Contractor beforehand.

(g)\* Observation

16. Site visits are to be performed to the extent necessary to:

a. Observe, document, and report to the County, the Managing Developer, and the Construction Contractor whether the project is being constructed in accordance with the contract documents.

b. Observe, document, and report to the County, the Managing Developer, and the Construction Contractor whether the proper measure of unit price bid quantities is being implemented, and confirm percentage completion of lump sum items.

c. Observe, document, and report to the County and the Managing Developer the progress of the Construction Contractor and resources committed to the project by the Construction Contractor.

(h)\* Materials Testing and Inspections

d. Establish and administer a materials sampling and testing program to provide quality control and compliance with the construction plans and specifications. Utilizing the list of required testing developed from the construction documents, jointly develop with the Project Engineer and the Construction Contractor a testing program for the project. The testing program must designate what services are to be provided by the Project Engineer and the Construction Contractor. Services shall include, but not be limited to soils compaction testing, concrete cylinder compression strength tests, gradation analysis, miscellaneous shop inspection, and other testing required by the Construction Contract documents, or as specifically requested by the County and the Managing Developer. A copy of the proposed testing program shall be prepared for review by the County and the Managing Developer prior to beginning work.

e. Review all laboratory and field-testing results to determine whether results are in compliance with the Construction Contract documents and provide recommendations for correction of substandard materials and workmanship revealed during testing.

(i)\* Claims

17. Assist the County and the Managing Developer with claim reviews and negotiations upon request and with the preparation of related correspondence and documentation.

(j)\* Contract Enforcement

18. Examine Construction Contractor workmanship, materials, progress, and overall compliance with requirements of the contract documents and immediately report any observed deficiencies to the Construction Contractor, the County, and the Managing Developer. Communicate to the Construction Contractor, the County, and the Managing Developer what may be necessary to effect corrective action. Document deficiencies and actions taken by Construction Contractor to correct them. Assist the County and the Managing Developer with evaluating impacts of potential contract termination upon project costs and schedule.

(k)\* Contract Termination

19. Upon request, assist the County and the Managing Developer with completion of an assessment of the status of the Construction Contractor's contract, the development of an agreement with the Construction Contractor's Surety to complete the work, and preparing and holding a pre-construction meeting with the

replacement Construction Contractor. Unless otherwise specified in the contract, these services shall be considered additional scope of work for which the scope, methodology, and fee must be negotiated with the County and the Managing Developer before proceeding.

(1)\* Project Acceptance and Close-out

f. Jointly perform with the County the Managing Developer, and the Construction Contractor substantial completion and final inspections and compile and distribute related punch requiring correction. When properly completed, submit O&M manuals to lists.

g. Compile and review for completeness all Operation and Maintenance Manuals to be submitted by the Construction Contractor and inform Construction Contractor of any deficiencies.

h. Review and comment on final pay request and supporting close-out documents, and provide recommendation for approval or rejection to the County and the Managing Developer.

i. Upon Project completion, obtain the original drawings from the Project Engineer, incorporate all as-built conditions on the original drawings, and provide copies to the County and the Managing Developer at project close-out.

2.\* Post Construction Services

45. Warranty Period Services

a. Meet with County and the Managing Developer upon request during the warranty period to investigate problems with material, equipment, and/or workmanship that may arise. Determine whether or not such problems are warranty issues or design issues and recommend solutions.

b. Coordinate and attend with the County and the Managing Developer a final warranty inspection no less than sixty days prior to expiration of Construction Contractor warranty period. Develop list of deficiencies, if any, and determine if deficiencies are caused by inferior workmanship, equipment, and/or materials or caused by other reasons. Provide recommendations for resolving each deficiency. Complete a follow-up inspection with the County to determine whether deficiencies have been corrected by the Construction Contractor prior to expiration of the warranty period.

## Exhibit “H-1” to Financing Agreement

### TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM MANAGING DEVELOPER/PRIME CONTRACTOR CERTIFICATIONS TURNER’S CROSSING PID

The Public Improvement District (PID) Developer (the “**Managing Developer**”) must complete the Living Wage Certification (one time only) and the Workforce Training Program Certification (for each prime contractor engaged by the Managing Developer) listed below. The Managing Developer must also cause all prime contractors to complete the remaining certifications listed below. These certifications derive directly from the Travis County’s PID Policy (Chapter 481 of the Travis County Code). For the Turner’s Crossing Project (the “**Project**”), each certification (other than the Living Wage Certification) must be submitted before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement:

- |    |                                    |                       |                      |
|----|------------------------------------|-----------------------|----------------------|
| 1. | <u>Living</u>                      | <u>Wage</u>           | <u>Certification</u> |
| 2. | <u>Workforce</u>                   | <u>Training</u>       | <u>Program</u>       |
| 3. | <u>Employee</u>                    | <u>Classification</u> | <u>Certification</u> |
| 4. | <u>Apprentice</u>                  | <u>Designation</u>    | <u>Certification</u> |
| 5. | <u>OSHA Training Certification</u> |                       |                      |

Each prime contractor must also provide:

1. A site-specific OSHA-compliant Safety and Health Plan
2. All OSHA 300 and 300A Logs and Summaries for the previous three years for all of its jobsites

If a prime contractor’s business entity has not been in existence for 3 years, that prime contractor must submit the OSHA 300/300A Certification.

**Exhibit “H-2” to Financing Agreement**

**LIVING WAGE CERTIFICATION**

*This Living Wage Certification must be submitted to Travis County by the Managing Developer before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement. The Managing Developer must complete this Certification one time only.*

***Required for PID Developer***

**Project Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Business Name:** \_\_\_\_\_  
**Business Address:** \_\_\_\_\_

**County of PID Developer:** \_\_\_\_\_

**STATE OF TEXAS**

I, \_\_\_\_\_, certify that:

I am the \_\_\_\_\_ (position) of \_\_\_\_\_ (“**Managing Developer**” or “**PID Developer**”) and have the authority to execute this Certification on behalf of PID Developer.

I understand that, while the Travis County PID Policy provides that Travis County prefers, but does not mandate, that PID Developer pay, at a minimum, the Travis County living wage (currently \$13.00 per hour) to all construction workers performing work on PID Developer’s construction projects, the County is committed to encouraging PID Developer to include this requirement in its construction contracts.

I understand that a living wage is defined as the minimum income necessary for workers to meet their basic needs, and that a living wage should be substantial enough to ensure that no more than 30% of it is spent on housing.

I understand that the goal of a living wage is to allow workers to earn enough income for a satisfactory standard of living.

I understand that I can obtain additional information about the benefits of a living wage by visiting the Travis County Purchasing Office Contract Compliance Program webpage, found here: <https://www.traviscountytexas.gov/purchasing/contract-compliance-program>.

**PID Developer:**

☐ **Will require all contractors and all subcontractors employed by the contractors to pay at least the Travis County living wage in effect on the date**

**set forth below (currently \$13.00 per hour) to all individuals performing construction work on the Authorized Improvements within the Project that are to be reimbursed by the PID, including but not limited to demolition, remodel, or renovation.**

- ☐ **Will NOT require contractors and subcontractors to pay at least the Travis County living wage in effect on the date set forth below (currently \$13.00 per hour) to all individuals performing construction work on the Authorized Improvements within the Project that are to be reimbursed by the PID, including but not limited to demolition, remodel, or renovation.**

The information provided in this Living Wage Certification is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Exhibit "H-3" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
WORKFORCE TRAINING PROGRAM CERTIFICATION

*This Workforce Training Program Certification must be provided to Travis County by the Managing Developer (or, at the Managing Developer's option, by the Managing Developer's prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

*Required for PID Developer*

Project

Title:

Name:

Title:

Business

Name:

Business

Address:

County of PID Developer:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Managing Developer" or "PID Developer") and have the authority to execute this Certification on behalf of PID Developer.

I understand and acknowledge that pursuant to the Travis County PID Policy (Chapter 481, County Code), I must require my Prime Contractor to recruit 30% of its project workforce (i.e., employees of the Prime or employees of its subcontractors) from construction workforce training programs approved by Travis County ("**Workforce Training Programs**"). The County will approve all Workforce Training Programs that are registered with the Department of Labor (DOL).

The Prime Contractor made Good Faith Efforts (as defined in Par. 4) to satisfy this 30% hiring requirement and [ ] was able to do so OR [ ] was unable to do so because: (Please choose A, B, or both, whichever applies):

There were no DOL-registered apprenticeship programs in all or some construction trades relevant to this project. Those trades are listed below or attached to this Certification.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The following statements apply to the subcontractors I notified: (Please Check All that Apply)

- ☐ Subcontractors solicited were not competitive.
- ☐ Subcontractors solicited did not respond.
- ☐ Subcontractors solicited were unavailable for one or more trades.

I understand that “Good Faith Efforts,” at a minimum, means the Prime Contractor has done, and is able to provide documentation that it has done, the following:

Reviewed the list of DOL-registered Apprenticeship Programs located in Texas provided by the Contract Compliance Program to find programs that offer training in construction trades relevant to this Project.

Contacted other workforce training programs such as on-the-job training programs sponsored by industry associations or educational institutions in an effort to identify subcontractors who hire from such programs.

Shared information about the Prime Contractor’s experience using workers who are enrolled in or have completed other workforce training programs. If the Prime Contractor has not collected such information prior to the date of this Project, the Prime Contractor will cooperate with the Contract Compliance Program staff in their efforts to collect this type of information during construction of the Project.

The information provided in this Workforce Training Program Certification is true and correct.

---

Signature

---

Date

Exhibit "H-4" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
EMPLOYEE CLASSIFICATION CERTIFICATION  
(PRIME CONTRACTOR)

*This Employee Classification Certification must be submitted to Travis County by the Managing Developer (or, at the Managing Developer's option, by the Managing Developer's prime contractors), before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

Project

Title:

Name:

Title:

Business

Name:

County of Prime Contractor:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("**Prime Contractor**") and have the authority to execute this Employee Classification Certification on behalf of Prime Contractor.

To the best of my knowledge, information and belief, each worker performing work on the project on behalf of Prime Contractor is properly classified under all applicable state and federal laws, including all laws concerning workers compensation insurance coverage, unemployment taxes, Social Security taxes, and income taxes as either (A) an employee or (B) an independent contractor.

The information provided in this Employee Classification Certification is true, correct and accurately reflects all employee classification information pertaining to workers performing work on the project on behalf of Prime Contractor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Exhibit "H-5" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
APPRENTICE DESIGNATION CERTIFICATION  
(PRIME CONTRACTOR)

*This Apprentice Designation Certification (Prime Contractor) must be provided to Travis County by the Managing Developer (or, at the Managing Developer's option, by the Managing Developer's prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

Name:

Title:

Business

Business

County of Prime Contractor:

Name:

Address:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

2. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Prime Contractor") and have the authority to execute this Apprentice Designation Certification on behalf of Prime Contractor.

[Place an "X" in the appropriate box]

- ☐ All apprentices employed on this construction project meet the following definition in accordance with 29 C.F.R. §5.2(n)(1):

20. "(1) Apprentice means (i) a person employed and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Bureau, or (ii) a person in the first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice."

OR

- ☐ To the best of my knowledge and belief, no construction workers employed on this Project are "apprentices" meeting the above definition.

The information provided in this Apprentice Designation Certification is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Exhibit "H-6" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
OSHA TRAINING CERTIFICATION  
(PRIME CONTRACTOR)

*This OSHA Training Certification (Prime Contractor) must be provided to Travis County by the Managing Developer (or, at the Managing Developer's option, by the Managing Developer's prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

Project

Title:

Name:

Title:

Business

Name:

County of Prime Contractor:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("**Prime Contractor**") and have the authority to execute this OSHA Training Certification on behalf of Prime Contractor.

To the best of my knowledge, information and belief, all workers performing work on the project on behalf of Prime Contractor have received OSHA 10-hour safety training and all project safety managers or supervisors have received OSHA 30-hour safety training.

The information provided in this OSHA Training Certification is true, correct, and accurately reflects all OSHA training received by workers and safety managers or supervisors performing work on the project on behalf of Prime Contractor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Exhibit "H-7" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
OSHA 300/300A CERTIFICATION  
(PRIME CONTRACTOR)

*If applicable, this OSHA 300/300A Certification (Prime Contractor) must be provided to Travis County by the PID Developer (or, at the PID Developer's option, by its prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

Project

Title:

Name:

Title:

Date:

Business Name:

County of Prime Contractor:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Prime Contractor") and have the authority to execute this statement on behalf of Prime Contractor.

Prime Contractor is exempt from submitting OSHA 300 Logs and OSHA 300A Summaries for the previous three (3) years because Prime Contractor has been legally incorporated for thirty-six (36) months or less. Prime Contractor was legally incorporated on \_\_\_\_\_, \_\_\_\_\_ in the State of \_\_\_\_\_.

The information provided in this OSHA 300/300A Certification is true and correct.

\_\_\_\_\_  
Signature

## **Exhibit “H-8” to Financing Agreement**

### **TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM SUBCONTRACTOR CERTIFICATIONS TURNER’S CROSSING PID**

The Public Improvement District (PID) Developer must cause its Prime Contractors to require their selected subcontractors to complete the following certifications. These certifications derive directly from the Travis County PID Policy (Chapter 481 of the Travis County Code) and must be submitted before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement:

1. Employee Classification Certification

Apprentice Designation Certification

OSHA Training Certification

The Prime Contractor must also cause its selected subcontractors to provide:

1. A site-specific OSHA-compliant Safety and Health Plan

All OSHA 300 and 300A Logs and Summaries for the previous three years for all of their jobsites

If the subcontractor’s business entity has not been in existence for 3 years, the subcontractor must submit the OSHA 300/300A Certification.

**Exhibit "H-9" to Financing Agreement**

**TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
EMPLOYEE CLASSIFICATION CERTIFICATION  
(SUBCONTRACTOR)**

*This Employee Classification Certification (Subcontractor) must be submitted to Travis County by the PID Developer (or, at the PID Developer's option, by its prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

**Project**

**Title:**

**Name:**

**Title:**

**Business**

**Name:**

**County of Subcontractor:**

**STATE OF TEXAS**

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Subcontractor") and have the authority to execute this Employee Classification Certification on behalf of Subcontractor.

To the best of my knowledge, information and belief, each worker performing work on the project on behalf of Subcontractor is properly classified under all applicable state and federal laws, including all laws concerning workers compensation insurance coverage, unemployment taxes, Social Security taxes, and income taxes as either (A) an employee or (B) an independent contractor.

The information provided in this Employee Classification Certification is true, correct, and accurately reflects all employee classification information pertaining to workers performing work on the project on behalf of Subcontractor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Exhibit “H-10” to Financing Agreement**

**TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
APPRENTICE DESIGNATION CERTIFICATION  
(SUBCONTRACTOR)**

*This Apprentice Designation Certification (Subcontractor) must be provided to Travis County by the PID Developer (or, at the PID Developer’s option, by its prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

**Name of Subcontractor:**

**Title:**

**Business Name:**

**Business Address:**

**County of Subcontractor: Travis**

**STATE OF TEXAS**

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ (“Subcontractor”) and have the authority to execute this Apprentice Designation Certification on behalf of Subcontractor.

[Place an “X” in the appropriate box]

- ☐ All apprentices employed on this construction project meet the following definition in accordance with 29 C.F.R. §5.2(n)(1):

21. “(1) Apprentice means (i) a person employed and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Bureau, or (ii) a person in the first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.”

OR

- ☐ To the best of my knowledge and belief, no construction workers employed on this Project are “apprentices” meeting the above definition.

The information provided in this Apprentice Designation Certification is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Exhibit "H-11" to Financing Agreement

TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
OSHA TRAINING CERTIFICATION  
(SUBCONTRACTOR)

*This OSHA Training Certification (Subcontractor) must be provided to Travis County by the PID Developer (or, at the PID Developer's option, by its prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

Project Title:

Name: Title:

Business Name:

County of Subcontractor:

STATE OF TEXAS

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Subcontractor") and have the authority to execute this OSHA Training Certification on behalf of Subcontractor.

To the best of my knowledge, information and belief, all workers performing work on the project on behalf of Subcontractor have received OSHA 10-hour safety training and all project safety managers or supervisors have received OSHA 30-hour safety training.

The information provided in this OSHA Training Certification is true, correct and accurately reflects all OSHA training received by workers and safety managers or supervisors performing work on the project on behalf of Subcontractor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Exhibit "H-12" to Financing Agreement**

**TRAVIS COUNTY CONTRACT COMPLIANCE PROGRAM  
OSHA 300/300A CERTIFICATION  
(SUBCONTRACTOR)**

*If applicable, this OSHA 300/300A Certification (Subcontractor) must be provided to Travis County by the PID Developer (or, at the PID Developer's option, by its prime contractors) before construction work commences on any Authorized Improvement for which the Managing Developer will seek reimbursement.*

**Project Title:**

**Name:**

**Title:**

**Date:**

**Business Name:**

**County of Subcontractor:**

**STATE OF TEXAS**

I, \_\_\_\_\_, certify that:

1. I am the \_\_\_\_\_ (position) of \_\_\_\_\_ ("Subcontractor") and have the authority to execute this statement on behalf of Subcontractor.

Subcontractor is exempt from submitting OSHA 300 Logs and OSHA 300a Summaries for the previous three (3) years because Subcontracting Entity has been legally incorporated for thirty-six (36) months or less. Subcontractor was legally incorporated on \_\_\_\_\_, \_\_\_\_\_ in the State of \_\_\_\_\_.

The information provided in this OSHA 300/300A Certification is true and correct.

\_\_\_\_\_  
Signature

## **Exhibit “I” to Financing Agreement**

### **FORM OF ACQUISITION AND REIMBURSEMENT AGREEMENT**

#### **TURNER’S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #\_\_ ACQUISITION AND REIMBURSEMENT AGREEMENT**

This Turner’s Crossing Public Improvement District Improvement Area #\_\_ Acquisition and Reimbursement Agreement, (this “Acquisition and Reimbursement Agreement”) is executed by and among Meritage Homes of Texas, LLC, an Arizona limited liability company (including its Designated Successors and Assigns, the “Managing Developer”), the Travis County Development Authority, a Texas local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code (the “TCDA”), and Travis County, Texas, a political subdivision of the State of Texas (the “County”) (each individually referred to as a “Party” and collectively as the “Parties”) to be effective \_\_\_\_, 20\_\_ (the “Effective Date”). Capitalized terms not defined herein shall have the meaning ascribed to them in the Turner’s Crossing Public Improvement District Financing Agreement dated \_\_\_\_, 2021, by and among the Managing Developer, the TCDA, and the County (the “Financing Agreement”).

#### **RECITALS**

1. The County is a political subdivision of the State of Texas with full authority to enter into and perform its obligations under this Acquisition and Reimbursement Agreement.
2. The TCDA is a local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code with full authority to enter into and perform its obligations under this Acquisition and Reimbursement Agreement.
3. The Managing Developer is an Arizona limited liability company with full authority to enter into and perform its obligations under this Acquisition and Reimbursement Agreement.
4. Managing Developer, Taylor Morrison of Texas, Inc. (“Taylor Morrison”), and Trendmaker Homes, Inc. (“Trendmaker”) (each individually referred to as an “Owner” and collectively as the “Owners”) have entered into that certain Joint Ownership and Development Agreement effective of July 2, 2019 (the “Joint Ownership and Development Agreement”), relating to the development of the Property (defined below), pursuant to which the Owners designated Meritage Homes of Texas, LLC, as the “Managing Developer” and authorized Managing Developer to act on behalf of the Owners in all respects with regard to the PID Financing Agreement and this Acquisition and Reimbursement Agreement. Tri Point Homes of Texas, Inc. (“Tri Pointe”), a Texas corporation, is the successor in interest to Trendmaker.

5. The PID Act authorizes the County to create a public improvement district within its boundaries.
6. The PID Act authorizes the County, or the TCDA on its behalf, to undertake public improvement projects that confer a special benefit on the property within the public improvement district and to pay for such projects by levying special assessments against property within the public improvement district that is specially benefitted by the improvements.
7. On November 13, 2018, the Travis County Commissioners Court (the “Commissioners Court”) authorized the formation of the Turner’s Crossing Public Improvement District (the “District”) pursuant to a resolution in accordance with Chapter 372 of the Texas Local Government Code (the “PID Act”) covering approximately 445 acres of land located within the County and the extraterritorial jurisdiction of the City of Austin, Texas (the “Property”).
8. The City did not object to the formation of the District within its extraterritorial jurisdiction.
9. The County entered into a Contract for Management and Administrative Services under which the TCDA agreed to manage and administer public improvement districts created by the Commissioners Court, including the District.
10. The County and the TCDA entered into an Agreement for Billing and Collections Services, dated \_\_\_\_\_, 2021, (the “Billing and Collections Services Agreement”) authorizing the County, acting through the County Tax Assessor-Collector, to bill and collect the special assessments.
11. On \_\_\_\_\_, 2021, the Commissioners Court approved the Financing Agreement, which contemplates that upon the County’s receipt of an Assessment Levy Request from the Managing Developer, the Commissioners Court will consider (i) approving an Acquisition and Reimbursement Agreement for Improvement Area #\_\_\_; (ii) approving a Service and Assessment Plan (or update thereto) (as the same may be amended, supplemented or updated from time to time, the “Service and Assessment Plan”) identifying, among other things, (A) the costs of the Authorized Improvements benefiting such Improvement Area and (B) the special assessments to be levied on the Parcels within such Improvement Area receiving a benefit from such Authorized Improvements.
12. The Managing Developer may submit an Assessment Levy Request after the Managing Developer obtains the permits necessary to begin constructing the Authorized Improvements for that given Improvement Area but prior to the earlier of (A) the date any Authorized Improvement for that Improvement Area has been dedicated to the Applicable

Entity and (B) the date that is three (3) months before an Owner intends to close on the sale of a home to a homeowner in that Improvement Area.

13. On \_\_\_\_\_, 20\_\_ the Managing Developer submitted an Assessment Levy Request relating to Improvement Area #\_\_, requesting that the Commissioners Court consider (i) the approval of the Improvement Area #\_\_ Acquisition and Reimbursement Agreement; (ii) the adoption of an Order (the "Assessment Order") that (A) approves the Service and Assessment Plan (or update thereto) (as the same may be amended, supplemented or updated from time to time, the "Service and Assessment Plan") identifying, among other things, the costs of the Authorized Improvements benefiting Improvement Area #\_\_ (the "Improvement Area #\_\_ Improvements") and the special assessments to be levied on Parcels within Improvement Area #\_\_ receiving a benefit from such Improvement Area #\_\_ Improvements (the "Improvement Area #\_\_ Assessments"), (B) levies said Improvement Area #\_\_ Assessments, and (C) establishes the timeframe for collection of said Improvement Area #\_\_ Assessments.
14. Improvement Area #\_\_ consists of approximately \_\_\_\_\_ acres of land and is more particularly described in **Exhibit A** attached hereto and depicted on the map in **Exhibit B** attached hereto. The Improvement Area #\_\_ Improvements are more particularly described in the Service and Assessment Plan and generally described in **Exhibit C** attached hereto.
15. Concurrently with approval of the Assessment Order, the County and the TCDA intend to enter into a Turner's Crossing Public Improvement District Improvement Area #\_\_ Funding Agreement (the "Improvement Area #\_\_ Funding Agreement") whereby the County will make or cause to be made payments of Contract Assessment Revenues for Improvement Area #\_\_ (the "Improvement Area #\_\_ Contract Assessment Revenues") to the TCDA to be deposited into a segregated account held by the TCDA Depository Bank for the payment of the Actual Cost of the Improvement Area #\_\_ Improvements or to secure PID Bonds issued with respect to Improvement Area #\_\_ for the payment thereof (the "Improvement Area #\_\_ Bonds").
16. The Parties intend for all or a portion of the Actual Cost of the Improvement Area #\_\_ Improvements to be reimbursed to Managing Developer, in accordance with the terms of this Acquisition and Reimbursement Agreement, the Financing Agreement, and, if Improvement Area #\_\_ Bonds are issued, the Indenture for Improvement Area #\_\_ (the "Improvement Area #\_\_ Indenture") from (i) Improvement Area #\_\_ Contract Assessment Revenues on deposit with the TCDA Depository Bank; (ii) the proceeds of Improvement Area #\_\_ Bonds issued by the TCDA pursuant to the Improvement Area #\_\_ Indenture; or (iii) a combination of (i) and (ii) above.

17. Upon the County's receipt of a Bond Issuance Request from the Managing Developer and evidence that the conditions precedent in Article II and Article V of the Financing Agreement have been satisfied, the County will consider a resolution consenting to the issuance of Improvement Area #\_\_ Bonds by the TCDA, and upon such consent by the County, the TCDA will consider the adoption of a resolution authorizing the issuance and sale of Improvement Area #\_\_ Bonds to finance all or a portion of the Actual Costs of the Improvement Area #\_\_ Improvements, which Improvement Area #\_\_ Bonds shall be secured by a first lien and security interest in the Trust Estate (defined below) established pursuant to the Improvement Area #\_\_ Indenture.
18. The Parties acknowledge that the proceeds of the Improvement Area #\_\_ Bonds may be insufficient to fully reimburse the Managing Developer for the Actual Costs of the Improvement Area #\_\_ Improvements.
19. If Improvement Area #\_\_ Bonds are issued, the TCDA will deposit, or cause the TCDA Depository Bank to deposit, the Improvement Area #\_\_ Contract Assessment Revenues into a segregated fund held by the Bond Trustee under the Improvement Area #\_\_ Indenture for further transfer to the appropriate accounts pursuant to the Improvement Area #\_\_ Indenture, including accounts for the payment of debt service on the Improvement Area #\_\_ Bonds and any remaining balance due under this Acquisition and Reimbursement Agreement.
20. This Acquisition and Reimbursement Agreement is a "reimbursement agreement" authorized by the PID Act.

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Acquisition and Reimbursement Agreement are true and correct and are incorporated as part of this Acquisition and Reimbursement Agreement for all purposes.
2. Improvement Area #\_\_ Improvements. Managing Developer agrees to advance funds for the costs of constructing the Improvement Area #\_\_ Improvements in accordance with the terms of the Financing Agreement.
3. County Collection of Assessments. For so long as any Improvement Area #\_\_ Bonds issued by the TCDA are outstanding or a Reimbursement Agreement Balance (defined below) remains due and payable hereunder, the County will take and pursue all actions directed by the TCDA that are permissible under the PID Act to cause the Annual Installments of Improvement Area #\_\_ Assessments (including the foreclosure of liens

resulting from the nonpayment of the Improvement Area #\_\_ Assessments or other charges due and owing under the Service and Assessment Plan) to be collected and the liens securing the Improvement Area #\_\_ Assessments to be enforced in the manner and to the maximum extent permitted by the PID Act. The County agrees to pay or direct the County Tax Assessor-Collector to pay Improvement Area #\_\_ Contract Assessment Revenues to the TCDA upon the terms and conditions set forth in the Billing and Collections Services Agreement, the Improvement Area #\_\_ Funding Agreement and the Service and Assessment Plan.

4. Deposit of Improvement Area #\_\_ Contract Assessment Revenues.

- a. Prior to the issuance of the Improvement Area #\_\_ Bonds, the TCDA will deposit or cause to be deposited the Improvement Area #\_\_ Contract Assessment Revenues into the “Improvement Area #\_\_ Improvements Subaccount” of the “Operating Account” (both subaccounts to be established pursuant to the Improvement Area #\_\_ Funding Agreement) held by the TCDA Depository Bank in accordance the Improvement Area #\_\_ Funding Agreement. Prior to the issuance of Improvement Area #\_\_ Bonds, the Reimbursement Agreement Balance is payable solely from Improvement Area #\_\_ Contract Assessment Revenues on deposit in the Improvement Area #\_\_ Improvements Subaccount of the Operating Account.
- b. Upon the issuance of the Improvement Area #\_\_ Bonds, the TCDA will transfer or cause to be transferred the Improvement Area #\_\_ Contract Assessment Revenues on deposit in the Improvement Area #\_\_ Improvements Subaccount of the Operating Account held by the TCDA Depository Bank to the Bond Trustee for deposit to the “Pledged Revenue Fund” established under the Improvement Area #\_\_ Indenture in accordance with the provisions of the Improvement Area #\_\_ Funding Agreement and the Improvement Area #\_\_ Indenture. Any Reimbursement Agreement Balance remaining after the issuance of the Improvement Area #\_\_ Bonds (including Parity Bonds, if any) is payable, after depletion of the proceeds of Improvement Area #\_\_ Bonds on deposit in the “Project Fund” established under the Improvement Area #\_\_ Indenture, from Improvement Area #\_\_ Contract Assessment Revenues on deposit in the “Reimbursement Fund” held by the Bond Trustee in accordance with the Improvement Area #\_\_ Indenture and this Acquisition and Reimbursement Agreement on a basis subordinate to the payment of debt service on the Improvement Area #\_\_ Bonds.
- c. After issuance of the Improvement Area #\_\_ Bonds and the transfer of Improvement Area #\_\_ Contract Assessment Revenues described in subsection (b) above, the TCDA will deposit or cause to be deposited the Improvement Area #\_\_

Contract Assessment Revenues collected annually into the Pledged Revenue Fund established under the Improvement Area #\_\_ Indenture in accordance with the provisions of the Improvement Area #\_\_ Funding Agreement and the Improvement Area #\_\_ Indenture.

5. Fiscal Security. In accordance with the Financing Agreement, but in no event on or before the earlier of (a) closing of the initial Improvement Area #\_\_ Bonds or (b) as required in the Land Development Code (defined below), the Managing Developer shall provide fiscal security in the form of a letter of credit, surety bond, cash deposit, or other security acceptable to the County, the TCDA or the Applicable Entity, for the Actual Costs of the Improvement Area #\_\_ Improvements, which have not been completed and accepted by the County or the City, in excess of Improvement Area #\_\_ Bond proceeds on deposit in the "Improvement Account" of the "Project Fund" established under the Improvement Area #\_\_ Indenture (the "Fiscal Security"). Notwithstanding anything to the contrary contained herein, it is hereby acknowledged that all Fiscal Security must meet the requirements of the Travis County Code and the Code of the City of Austin, Title 30 ("Land Development Code").
6. Improvement Area #\_\_ Reimbursement Obligation. The Actual Costs of the Improvement Area #\_\_ Improvements are identified in the Service and Assessment Plan. To finance all or a portion of the Actual Costs, The County has levied the Improvement Area #\_\_ Assessments in the amount of \$\_\_\_\_\_. The Managing Developer may advance funds to pay for the Actual Costs of the Improvement Area #\_\_ Improvements and is entitled to be reimbursed for such advances in an amount not to exceed the lesser of \$\_\_\_\_\_ and the Actual Costs of the Improvement Area #\_\_ Improvements (the "Improvement Area #\_\_ Reimbursement Obligation"), plus simple interest on such advances, as provided in this Acquisition and Reimbursement Agreement.
7. Reimbursement Agreement Balance.
  - a. Subject to the terms, conditions, and requirements contained herein, the TCDA agrees to reimburse the Managing Developer, and the Managing Developer shall be entitled to receive from TCDA, an amount equal to the Actual Costs of the Improvement Area #\_\_ Improvements (in the aggregate not to exceed the Improvement Area #\_\_ Reimbursement Obligation), plus simple interest at a rate of \_\_\_\_% (the "Rate") on any unpaid principal balance of the Actual Costs of any given Improvement Area #\_\_ Authorized Improvement submitted for payment pursuant to a Certification for Payment, which interest shall begin to accrue upon the date of the TCDA's execution of such Certification for Payment and will continue to accrue until amounts due under such Certification for Payment are paid

by the TCDA to the Managing Developer. The Rate was determined by the Commissioners Court to not exceed 2% above the highest average index rate for tax-exempt bonds reported in the \_\_\_\_\_ Index published in \_\_\_\_\_ (a daily publication that publishes this interest rate index) and reported in the month before the Effective Date of this Acquisition and Reimbursement Agreement. The unpaid principal balance, together with accrued but unpaid interest is referred to herein as the “Reimbursement Agreement Balance.” Notwithstanding the foregoing, if any portion of the Reimbursement Agreement Balance remains unpaid after the TCDA issues the Improvement Area #\_\_ Bonds, the Rate at which interest shall be paid to the Managing Developer on the remaining Reimbursement Agreement Balance shall thereafter be equal to the interest rate on the initial series of Improvement Area #\_\_ Bonds. The Managing Developer hereby acknowledges that the Actual Cost of the Improvement Area #\_\_ Improvements may exceed the amount of the Improvement Area #\_\_ Contract Assessment Revenues received by the TCDA from the County. Therefore, the Managing Developer hereby acknowledges that neither the County nor the TCDA is responsible hereunder for any amount in excess of the Improvement Area #\_\_ Assessment Revenues collected by the County or the amount of the Improvement Area #\_\_ Contract Assessment Revenues transferred by the County to the TCDA or, if issued, the proceeds of Improvement Area #\_\_ Bonds.

- b. The Improvement Area #\_\_ Reimbursement Obligation, as evidenced by the Reimbursement Agreement Balance, is authorized by the PID Act, was approved by the Commissioners Court, and represents the total allowable costs to be assessed against the Parcels in Improvement Area #\_\_ for the Improvement Area #\_\_ Improvements. The Rate has been approved by the Commissioners Court and complies with the PID Act. The Improvement Area #\_\_ Reimbursement Obligation shall not exceed the amount of the Improvement Area #\_\_ Assessment.
- c. The Reimbursement Agreement Balance, as described above, is payable to the Managing Developer and secured under this Acquisition and Reimbursement Agreement solely as described herein. No other County or TCDA funds, revenue, taxes, income, or property shall be used even if the Reimbursement Agreement Balance is not paid in full by the date one (1) year after the last Annual Installment of Improvement Area #\_\_ Assessments is collected (the “Maturity Date”), and the Reimbursement Agreement Balance is not a debt of the TCDA or the County within the meaning of Article VIII, Section 9 or Article III, Section 52, of the State Constitution, as applicable.
- d. The County and TCDA acknowledge and agree that until the Reimbursement Agreement Balance is paid in full, the obligation of the TCDA to use amounts on

deposit in the TCDA Depository Bank, or to direct the Bond Trustee to use amounts on deposit in the Project Fund or the Reimbursement Fund created for repayment purposes under the Improvement Area #\_\_ Indenture to pay the Reimbursement Agreement Balance to the Managing Developer is absolute and unconditional and TCDA does not have, and will not assert, any defenses to such obligation.

8. Payment of Actual Costs prior to the Issuance of Improvement Area #\_\_ Bonds. Prior to the issuance of Improvement Area #\_\_ Bonds, the Managing Developer may elect to make advances to pay Actual Costs of the Improvement Area #\_\_ Improvements. The Reimbursement Agreement Balance shall be payable to the Managing Developer pursuant to executed and approved Certifications for Payment, in accordance with the Financing Agreement, solely from the Improvement Area #\_\_ Contract Assessment Revenues on deposit in the Improvement Area #\_\_ Improvements Subaccount of the Operating Account held by the TCDA Depository Bank pursuant to the Improvement Area #\_\_ Funding Agreement. Contract Assessment Revenues on deposit with the TCDA Depository Bank shall be transferred and used in the following order of priority:
  - a. incurred Annual Collection Cost;
  - b. unpaid interest due on the Reimbursement Agreement Balance;
  - c. unpaid principal balance of the Reimbursement Agreement Balance; or
  - d. any other costs permitted by the PID Act.
9. Payment of Actual Costs after Issuance of Improvement Area #\_\_ Bonds.
  - a. Following the issuance of Improvement Area #\_\_ Bonds, the Reimbursement Agreement Balance shall be payable to the Managing Developer solely from (i) the proceeds (after payment of costs of issuance and deposits into any reserve fund or administrative fund that may be created under the Improvement Area #\_\_ Indenture) of the Improvement Area #\_\_ Bonds issued by the TCDA; (ii) the Improvement Area #\_\_ Contract Assessment Revenues deposited in the Reimbursement Fund created by the Improvement Area #\_\_ Indenture; or (iii) a combination of items (i) and (ii).
  - b. Upon receipt of a Bond Issuance Request from the Managing Developer, the County will consider and may consent to the issuance of Improvement Area #\_\_ Bonds by the TCDA as provided for in the Financing Agreement. If consented to and if instructed by the County, the TCDA shall consider the adoption of a resolution authorizing the issuance of Improvement Area #\_\_ Bonds.

- c. The Improvement Area #\_\_ Bonds will be secured by and paid solely from the “Trust Estate” established pursuant to the Improvement Area #\_\_ Indenture, consisting primarily of the Improvement Area #\_\_ Contract Assessment Revenues transferred to the Bond Trustee for deposit as provided in the Improvement Area #\_\_ Indenture.
- d. Neither the failure of the County to consent to the issuance of Improvement Area #\_\_ Bonds nor the failure of the TCDA to issue Improvement Area #\_\_ Bonds is a “Failure” or “Default” by the County or the TCDA under this Acquisition and Reimbursement Agreement.
- e. After Improvement Area #\_\_ Bonds are issued, the Bond Trustee shall pay the Managing Developer for the Actual Costs of Improvement Area #\_\_ Improvements pursuant to executed and approved Certifications for Payment, in accordance with the Financing Agreement, from the appropriate account or fund as provided for in the Improvement Area #\_\_ Indenture and this Acquisition and Reimbursement Agreement.
  - (1) After depleting the proceeds of the Improvement Area #\_\_ Bonds on deposit in the designated fund or account to pay Actual Costs of Improvement Area #\_\_ Improvements under the Improvement Area #\_\_ Indenture and an unpaid Improvement Area #\_\_ Reimbursement Obligation Balance remains outstanding under this Acquisition and Reimbursement Agreement, the Managing Developer shall advance its own funds to pay the balance of the Actual Costs of the Improvement Area #\_\_ Improvements and continue to submit Certifications for Payment to the TCDA Representative and the Administrator.
  - (2) If the Managing Developer fails to advance funds for the payment of the Actual Costs of the Improvement Area #\_\_ Improvements, the TCDA Representative may draw upon any Fiscal Security in the County’s name and request the Applicable Entity draw down on the Fiscal Security to pay such costs.
  - (3) If after the issuance of the initial series of Improvement Area #\_\_ Bonds, the proceeds of such Improvement Area #\_\_ Bonds are not sufficient to fully reimburse the Managing Developer for the Actual Costs of the Improvement Area #\_\_ Improvements, the County in its sole discretion may determine whether to issue Parity Bonds for Improvement Area #\_\_ (the “Improvement Area #\_\_ Parity Bonds”).

- (4) If Improvement Area #\_\_ Parity Bonds are not issued, the remaining Reimbursement Agreement Balance shall be paid to the Managing Developer following the terms of Section 10(a) below.

10. Process for Payment.

- a. Prior to the issuance of Improvement Area #\_\_ Bonds, but after completion of construction of an Improvement Area #\_\_ Authorized Improvement (or a segment thereof), the Managing Developer may submit a Certification for Payment, to the TCDA Representative substantially in the form attached as Exhibit C to the Financing Agreement, for payment of the Actual Costs of an Improvement Area #\_\_ Authorized Improvement (or segment thereof) from funds then available in the Improvement Area #\_\_ Improvements Subaccount of the Operating Account held by the TCDA Depository Bank pursuant to the Improvement Area #\_\_ Funding Agreement. After the initial request, the Managing Developer may deliver additional Certifications for Payment to the TCDA Representative but not more than one (1) per month; however, the Managing Developer must submit a Certification for Payment at least once per quarter (which may be a request for zero \$0 if no payments are due). This process will continue until (i) payment in full of the Reimbursement Agreement Balance as described in this section of this Acquisition and Reimbursement Agreement or (ii) issuance of Improvement Area #\_\_ Bonds (at which time the repayment process shall be in accordance with subpart (b) below). Each payment from the Improvement Area #\_\_ Improvements Subaccount of the Operating Account shall be accompanied by a written accounting that certifies the Reimbursement Agreement Balance as of the date of the payment and itemizes all deposits to and disbursements from such Improvement Area #\_\_ Improvements Subaccount of the Operating Account since the last payment date. If the TCDA Representative disapproves any Certification for Payment, the TCDA Representative shall provide a written explanation of the reasons for such disapproval so that if the Certification for Payment is revised in accordance with TCDA Representative's comments, the Certification for Payment can be approved. The Parties agree that if said disapproval represents only a portion of the amount sought under a Certification for Payment, the Managing Developer may submit a revised Certification for Payment for such amount not in controversy so that the Certification for Payment can be approved and promptly forwarded to the TCDA Depository Bank for Payment.
- b. Following the issuance of Improvement Area #\_\_ Bonds, the Managing Developer may be reimbursed pursuant to executed and approved Certifications for Payment, in accordance with the procedures described in the Financing Agreement, from the Project Fund or the Reimbursement Fund as provided for in the Improvement Area

#\_\_ Indenture.

- c. Notwithstanding anything to the contrary in the Joint Ownership and Development Agreement, the TCDA Representative shall make payments under this Acquisition and Reimbursement Agreement or direct the Bond Trustee to make payments under the Improvement Area #\_\_ Indenture solely to the Managing Developer. The TCDA Representative, the TCDA and the County are not responsible and shall not be required to make payments to any other Owners.
- d. If there is a dispute over the amount of any payment, the TCDA Representative shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount within thirty (30) days; however, if the Parties are unable to resolve the disputed amount prior to submitting the next Certification for Payment, then the TCDA's determination of the disputed amount (as approved by its Board of Directors) shall control.

11. Termination. This Acquisition and Reimbursement Agreement shall terminate immediately at the earlier of (i) date all payments paid to the Managing Developer under this Acquisition and Reimbursement Agreement equal the Reimbursement Agreement Balance, (ii) the date that all the Improvement Area #\_\_ Contract Assessment Revenues are pledged to Improvement Area #\_\_ Bonds, or (iii) the Maturity Date; provided, however that if on the Maturity Date, any portion of the Reimbursement Agreement Balance remains unpaid, such Reimbursement Agreement Balance shall be canceled and for all purposes of this Acquisition and Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL; provided further, that if any Improvement Area #\_\_ Assessments remain due and payable and are uncollected on the Maturity Date, such Improvement Area #\_\_ Contract Assessment Revenues, when, as, and if collected after the Maturity Date, shall be applied to any amounts due in connection with outstanding Improvement Area #\_\_ Bonds, and then paid to the Managing Developer and applied to the outstanding Reimbursement Agreement Balance, if any.

12. Termination of Fiscal Security. Upon determination of the Actual Costs and that all funds within the "Reimbursement Fund" created by the Improvement Area #\_\_ Indenture, or the proceeds of the Improvement Area #\_\_ Bonds issued by the TCDA held in the "Improvement Account" of the "Project Fund" created by the Improvement Area #\_\_ Indenture have been depleted, the Fiscal Security shall be terminated in accordance with the Applicable Entity's requirements.

13. Nonrecourse Obligation. The obligations of the County or TCDA under this Acquisition and Reimbursement Agreement are nonrecourse and payable only from Improvement Area #\_\_ Contract Assessment Revenues or the proceeds of

Improvement Area #\_\_ Bonds and such obligations do not create a debt or other obligation payable from any other County or TCDA revenues, taxes, income, or property. None of the County, TCDA, or any of their elected or appointed officials or any of their employees shall incur any liability hereunder to the Managing Developer or any other party in their individual capacities by reason of this Acquisition and Reimbursement Agreement or their acts or omission under this Acquisition and Reimbursement Agreement.

14. No Waiver. Nothing in this Acquisition and Reimbursement Agreement is intended to constitute a waiver by the County or TCDA of any remedy the County or TCDA may otherwise have outside this Acquisition and Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Improvement Area #\_\_ Improvements.
15. Governing Law, Venue. This Acquisition and Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Acquisition and Reimbursement Agreement. In the event of a dispute involving this Acquisition and Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Travis County, Texas.
16. Conflict with Land Development Code. If any term of this Acquisition and Reimbursement Agreement relating to the posting of fiscal security directly conflicts with the rules of the Land Development Code in effect on the Effective Date of this Acquisition and Reimbursement Agreement, this Acquisition and Reimbursement Agreement will be adjusted accordingly.
17. Notice. Any notice required or contemplated by this Acquisition and Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one (1) business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one (1) business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address or addressee by delivering written notice of such change in accordance with this section.

If to County: Andy Brown, Travis County Judge  
Street Address: 700 Lavaca, Suite 2.300  
Austin, Texas 78701

Mailing Address: PO Box 1748  
Austin, TX 78767

Email: andy.brown@traviscountytexas.gov  
Facsimile: (512) 854-9535

With a Copy to: Travis County, Texas  
Attn: Christy Copeland Moffett,  
Managing Director, Economic Development & Strategic Planning  
700 Lavaca, Suite 1560  
Austin, Texas 78701  
Email: Christy.Moffett@traviscountytexas.gov  
Facsimile: (512) 854-4210

With a Copy to: Office of the Travis County Attorney  
Attn: Tom Nuckols, Assistant County Attorney  
314 W. 11th St., Suite 500  
Austin, Texas 78701  
Email: tom.nuckols@traviscountytexas.gov  
Facsimile: (512) 854-4808

If to TCDA: Travis County Corporations  
Attn: Andrea Shields,  
Managing Director, Travis County Corporations  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701  
Email: Andrea.Shields@traviscountytexas.gov  
Facsimile: (512) 854-4210

If to Managing  
Developer: Meritage Homes of Texas, LLC  
Attn: Elliot Jones  
8920 Business Park Dr.  
Suite 350  
Austin, TX 78759  
Email: [elliott.jones@meritagehomes.com](mailto:elliott.jones@meritagehomes.com)

With a copy to: Metcalfe Wolff Stuart & Williams, LLP  
Attn: Steve Metcalfe  
221 W. 6th, Suite 1300  
Austin, Texas 78701  
Email: [SMetcalfe@MWSWTexas.com](mailto:SMetcalfe@MWSWTexas.com)

18. Invalid Provisions; Severability. If any provision of this Acquisition and Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Acquisition and Reimbursement Agreement shall remain in full force and effect. If any provision of this Acquisition and Reimbursement Agreement directly conflicts with the terms of the Improvement Area #\_\_ Indenture, the Improvement Area #\_\_ Indenture shall control.

19. Exclusive Rights of Managing Developer.

- a. Managing Developer's right, title and interest into the payments of Reimbursement Agreement Balance, as described herein, shall be the sole and exclusive property of Managing Developer (or its Transferee), and no other Owner or third party shall have any claim or right to such funds unless Managing Developer transfers its rights to its Reimbursement Agreement Balance (whether via Improvement Area #\_\_ Bond proceeds or Improvement Area #\_\_ Contract Assessment Revenues) to a Transferee in writing and otherwise in accordance with the requirements set forth herein.
- b. Managing Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Managing Developer's right, title, or interest in and to payment of its Reimbursement Agreement Balance (whether via Improvement Area #\_\_ Bond proceeds or Improvement Area #\_\_ Contract Assessment Revenues) (a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"). Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, including (A) the name and address of the Transferee and (B) a representation by the Managing Developer that the Transfer does not and will not result in the issuance of or security for municipal securities by any other state of the United States or political subdivision thereof, is provided to the County and the TCDA.
- c. The Managing Developer agrees that the County and the TCDA may rely conclusively on any written notice of a Transfer provided by Managing Developer without any obligation to investigate or confirm the Transfer.
- d. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed a Transfer.

20. Assignment.

- a. Managing Developer may, in its sole and absolute discretion, assign this Acquisition and Reimbursement Agreement with respect to all or part of the Project from time to time to any party in connection with the sale of the Project or any portion thereof and in connection with a corresponding assignment of the rights and obligations in the Financing Agreement to any party so long as the assigned rights and obligations are assumed without modifications to this Acquisition and Reimbursement Agreement or the Financing Agreement. Managing Developer shall provide the County and the TCDA thirty (30) days prior

written notice of any such assignment. Upon such assignment or partial assignment, Managing Developer shall be fully released from any and all obligations under this Acquisition and Reimbursement Agreement and shall have no further liability with respect to this Acquisition and Reimbursement Agreement for the part of the Project so assigned.

- b. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.
- c. Notwithstanding anything to the contrary contained herein, this Section 19 shall not apply to Transfers which shall be governed by Section 19 above.

## **21. INDEMNIFICATION.**

- a. **The Managing Developer will defend, indemnify, and hold harmless the County, the TCDA, and their officials, employees, officers, representatives, and agents (individually, an “Indemnified Party,” and collectively, the “Indemnified Parties”) against and from, and will pay to the Indemnified Parties, all without waiving any sovereign or governmental immunity available to any Indemnified Party under Texas or federal law, and without waiving any defenses or remedies under Texas or federal law, the amount of, all actions, damages, claims, losses, fees, fines, penalties, or expense of any type, whether or not involving a third-party claim (collectively, “Damages”), arising directly or indirectly, from:**
  - (1) The breach of any provision of this Acquisition and Reimbursement Agreement by the Managing Developer;**
  - (2) Managing Developer’s nonpayment under contracts with the general contractor or subcontractors for any Improvement Area #\_\_ Improvements constructed and financed through the PID Financing Agreement and reimbursed through this Acquisition and Reimbursement Agreement;**

- (3) Any actions or claims initiated by Taylor Morrison or Tri Pointe relating to any of the Improvement Area #\_\_ Improvements acquired or the actual costs thereof reimbursed under this Acquisition and Reimbursement Agreement; and
- (4) Any third party actions or claims relating to events occurring during the construction of any Improvement Area #\_\_ Improvement acquired or the actual costs thereof reimbursed under this Acquisition and Reimbursement Agreement.
- b. The Managing Developer will defend the Indemnified Parties against all claims described or Damages sought in this section, and the Indemnified Parties will reasonably cooperate and assist in providing such defense.
- c. The Indemnified Parties will have the right to approve or select defense counsel to be retained by the Managing Developer in fulfilling its obligations hereunder.
- d. The Indemnified Parties reserve the right, but are not required, to provide a portion or all of their own defense at their own expense.
- e. The Managing Developer shall retain Indemnified Party-approved defense counsel within 10 business days of written notice that the County or the TCDA is invoking its right to indemnification, and if the Managing Developer does not do so, the Indemnified Party may retain its own defense counsel and the Managing Developer will be liable for all such costs.
- f. This section survives the termination of this Acquisition and Reimbursement Agreement indefinitely, subject to appropriate statutes of limitations, as they may be tolled or extended by agreement or operation of law.

## 22. Failure; Default; Remedies.

- a. If any Party fails to perform an obligation imposed on such Party by this Acquisition and Reimbursement Agreement (a “Failure”) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a “Default.” Upon the occurrence of a Failure by a nonperforming Party, any other Party may notify the nonperforming Party in writing specifying in reasonable detail the nature of the Failure. The nonperforming Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the nonperforming Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Parties that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the nonperforming Party is diligently pursuing a cure.
- b. If the Managing Developer is in Default, the County and the TCDA’s sole and exclusive remedy shall be to seek specific enforcement of this Acquisition and Reimbursement Agreement. No Default by the Managing Developer, however, shall: (1) affect the obligations of the TCDA to use the Improvement Area #\_\_\_ Contract Assessment Revenues deposited in the Improvement Area #\_\_\_ Improvements Account of the Operating Account held by the TCDA Depository Bank pursuant to the Improvement Area #\_\_\_ Funding Agreement or the Reimbursement Fund held by the Bond Trustee as provided in Sections 7 and 8 of this Acquisition and Reimbursement Agreement; or (2) entitle the County or the TCDA to terminate this Acquisition and Reimbursement Agreement. In addition to specific enforcement, the County and the TCDA shall be entitled to attorney’s fees, court costs, and other costs of the County or the TCDA to obtain specific enforcement.
- c. If the County or the TCDA is in Default, the Managing Developer’s sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the County or the TCDA; or (2) seek specific enforcement of this Acquisition and Reimbursement Agreement.

## 23. Estoppel Certificate. Within thirty (30) days after the receipt of a written request by Managing Developer or any Transferee, the County and the TCDA will certify in a written instrument duly executed and acknowledged to any person, firm, or corporation specified in such request as to:

- a. the validity and force and effect of this Acquisition and Reimbursement Agreement in accordance with its terms,

- b. modifications or amendments to this Acquisition and Reimbursement Agreement and the substance of such modification or amendments;
- c. the existence of any default to the best of the County or the TCDA's knowledge; and
- d. such other factual matters that may be reasonably requested.

24. Anti-Boycott Verification.

The Managing Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Acquisition and Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Acquisition and Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such section does not contravene applicable State or Federal 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. The Managing Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Managing Developer and exists to make a profit.

25. Iran, Sudan and Foreign Terrorist Organizations. The Managing Developer 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 State or Federal law and excludes the Managing 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 Managing Developer understands "affiliate" to mean any entity that

controls, is controlled by, or is under common control with the Managing Developer and exists to make a profit.

26. Form 1295. If the Managing Developer is not a publicly traded company at the time of execution of this Acquisition and Reimbursement Agreement, submitted herewith is a completed Form 1295 in connection with the Managing Developer's participation in the execution of this Acquisition and Reimbursement Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The County hereby confirms receipt of the Form 1295 from the Managing Developer, and the County agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Managing Developer and the County understand and agree that, with the exception of information identifying the County and the contract identification number, neither the County nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Managing Developer; and, neither the County nor its consultants have verified such information. If the Managing Developer is a publicly traded company upon the execution of this Acquisition and Reimbursement Agreement, the Parties acknowledge and agree that Section 2252.908 of the Texas Government Code is not applicable to the Managing Developer.

27. Miscellaneous.

- a. The failure by a Party to insist upon the strict performance of any provision of this Acquisition and Reimbursement Agreement by another Party, or the failure by a Party to exercise its rights upon a Default by another Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Acquisition and Reimbursement Agreement.
- b. The County does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Managing Developer to enforce its remedies under this Acquisition and Reimbursement Agreement.
- c. Nothing in this Acquisition and Reimbursement 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 County, the TCDA, and the Managing Developer any rights, remedies, or claims under or by reason of this Acquisition and Reimbursement Agreement and all covenants, conditions, promises, and agreements in this Acquisition and Reimbursement Agreement shall be for the sole and exclusive benefit of the County, the TCDA, and the Managing Developer.

- d. This Acquisition and Reimbursement Agreement may be amended only by written agreement of the Parties.
- e. This Acquisition and Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

28. Exhibits. The following Exhibits are attached to and incorporated into the Acquisition and Reimbursement Agreement.

Exhibit A	Legal Description of Improvement Area #__
Exhibit B	Map of Improvement Area #__
Exhibit C	Description of Improvement Area #__ Improvements

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Acquisition and Reimbursement Agreement to be executed to be effective as of the date written on the first page of this Acquisition and Reimbursement Agreement.

**TRAVIS COUNTY, TEXAS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF TEXAS                   §  
  §  
COUNTY OF TRAVIS           §

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_, on behalf of Travis County.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

[Signatures Continue on Next Page]

**Travis County Development Authority**

By: \_\_\_\_\_  
Name:  
Title:

STATE OF TEXAS                   §  
  §  
COUNTY OF TRAVIS           §

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_, by \_\_\_\_\_, \_\_\_\_\_, on behalf of the Travis County Development Authority.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

[Signatures Continue on Next Page]

**MANAGING DEVELOPER:**

**Meritage Homes of Texas, LLC**  
an Arizona limited liability company

By: \_\_\_\_\_  
Elliot Jones, Vice President of Land Acquisition

THE STATE OF TEXAS  
COUNTY OF TEXAS

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Elliot Jones,  
Vice President of Land Acquisition, Meritage Homes of Texas, LLC.

[SEAL]

\_\_\_\_\_  
Notary Public, State of Texas]

[Signatures Continue on Next Page]

It is hereby acknowledged that the party executing this Acquisition and Reimbursement Agreement below executes this Acquisition and Reimbursement Agreement solely due to the fact that it is an Owner, but not the Managing Developer, and except for its obligations expressly set forth under the Joint Ownership and Development Agreement, has no rights, duties, or obligations to the County, the TCDA, the Managing Developer, or otherwise in connection with this Acquisition and Reimbursement Agreement.

**Taylor Morrison of Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF TEXAS  
COUNTY OF TEXAS

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_,  
\_\_\_\_\_, on behalf of \_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public, State of Texas]

[Signatures Continue on Next Page]

It is hereby acknowledged that the party executing this Acquisition and Reimbursement Acquisition and Reimbursement Agreement below executes this Agreement solely due to the fact that it is an Owner, but not the Managing Developer, and except for its obligations expressly set forth under the Joint Ownership and Development Agreement, has no rights, duties, or obligations to the County, the TCDA, the Managing Developer, or otherwise in connection with this Acquisition and Reimbursement Agreement.

**Tri Pointe Homes of Texas, Inc.**

a Texas corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE STATE OF TEXAS

COUNTY OF TEXAS

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_,  
\_\_\_\_\_, on behalf of \_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public, State of Texas]

**EXHIBIT A to  
Turner's Crossing Public Improvement District  
Improvement Area #\_\_ Acquisition and Reimbursement Agreement**

**Property Description of Improvement Area #\_\_\_\_\_**

**EXHIBIT B to  
Turner's Crossing Public Improvement District  
Improvement Area #\_\_ Acquisition and Reimbursement Agreement**

Map of Improvement Area #\_\_

**EXHIBIT C to  
Turner's Crossing Public Improvement District  
Improvement Area #\_\_ Acquisition and Reimbursement Agreement**

Improvement Area #\_\_ Improvements

General Description of Authorized Improvement	Entity to which Authorized Improvement will be conveyed or dedicated	Maintenance Responsibility	Improvement Area	Estimated Date of Completion
Roadway Improvements				
Water Distribution system Improvements				
Sanitary sewer collection system improvements				
Water quality and drainage ponds				
Recreational parks and trails				

**Exhibit “J” to Financing Agreement**  
**FORM OF LANDOWNER AGREEMENT**

TURNER’S CROSSING PUBLIC IMPROVEMENT DISTRICT

**LANDOWNER AGREEMENT  
AND NOTICE OF ASSESSMENTS  
IMPROVEMENT AREA #\_\_\_\_\_**

between

**TRAVIS COUNTY, TEXAS**

and

**Meritage Homes of Texas, LLC  
Taylor Morrison of Texas, Inc.  
Tri Pointe Homes of Texas, Inc.**

Dated as of:

\_\_\_\_\_, 20\_\_

**LANDOWNER AGREEMENT AND NOTICE OF ASSESSMENTS  
REGARDING IMPROVEMENT AREA #\_\_  
of the Turner's Crossing Public Improvement District**

This **LANDOWNER AGREEMENT AND NOTICE OF ASSESSMENTS** (the "Agreement") dated \_\_\_\_\_ (the "Effective Date") is entered into between TRAVIS COUNTY, a political subdivision of the State of Texas (the "County"), Meritage Homes of Texas, LLC ("Meritage" or "Managing Developer"), an Arizona limited liability company, Taylor Morrison of Texas, Inc. ("Taylor Morrison"), a Texas corporation, and Tri Pointe Homes of Texas, Inc. ("Tri Pointe"), a Texas corporation, as successor in interest to Trendmaker Homes, Inc. ("Trendmaker"). The County, Meritage, Taylor Morrison, and Tri Pointe are referred to herein individually as a "Party," and collectively as the "Parties").

**RECITALS**

1. Meritage, Taylor Morrison, and Tri Pointe (each, including its respective designees and assigns, a "Landowner," and collectively, the "Landowners") jointly own approximately 445 acres of land located in Travis County, Texas and the extraterritorial jurisdiction of the City of Austin, Texas (the "City") which is more particularly described in **Exhibit A** attached hereto (the "Property") and depicted in **Exhibit B**.
2. The Property constitutes taxable, privately-owned land located within the Turner's Crossing Public Improvement District (the "District"), a public improvement district created by the Travis County Commissioners Court (the "Commissioners Court") pursuant to Chapter 372, Texas Local Government Code, as amended (the "PID Act").
3. Meritage's representatives presented an overview to the Commissioners Court on July 24, 2018 of the Landowners' plans to develop the Property (the "Project"), including among other things:
  - A. that the planned land uses for the Project were intended to include:
    - (1) 1340 single-family detached residential units;
    - (2) 456 multi-family residential units; and
    - (3) More than 1 million square feet of commercial development on approximately 23 acres
  - B. that the Project would include a "broad array of housing options and affordable price points" with home prices that ranged from \$228,446 for the smaller lots to \$306,057 for the largest lots; and
  - C. that the Project would include approximately 4.5 miles of trails and approximately 169 acres of open space.

4. At its November 13, 2018 meeting, the Commissioners Court considered whether to create the Turner's Crossing Public Improvement District (the "District"). In considering whether to create the District, the Commissioners Court reviewed and considered the information provided by Meritage's representatives that the community benefits the District would provide included, among other things, affordable housing and workforce housing.
5. Based upon information presented by Meritage's representatives, the Commissioners Court authorized the formation of the District on November 13, 2018, pursuant to a resolution and in accordance with the PID Act.
6. Public improvement districts established by the County, including the District, are managed and administered by the Travis County Development Authority, a non-profit corporation created by the County pursuant to Chapter 431 of the Texas Transportation Code (the "TCDA"), pursuant to that certain "Contract for Management and Administrative Services" dated April 24, 2018 between the County and the TCDA.
7. Meritage, the TCDA, and the County entered into that certain Turner's Crossing Public Improvement District Financing Agreement dated \_\_\_\_\_, 2021 (as such agreement may be amended from time to time as provided therein, the "PID Financing Agreement"), relating to, among other matters, the levy of special assessments on the Property (the "Assessments"), the issuance of revenue bonds by the TCDA ("PID Bonds") secured by such special assessments, and the construction of the "Authorized Improvements" as defined therein.
8. Meritage, Taylor Morrison, and Tri Pointe (then as Trendmaker) entered into that certain Joint Ownership and Development Agreement effective of July 2, 2019 (the "Joint Ownership and Development Agreement"), relating to the development of the Property, pursuant to which the Landowners designated Meritage Homes of Texas, LLC, as the "Managing Developer" and authorized Meritage to act on behalf of the Landowners in all respects with regard to the PID Financing Agreement and related documents.
9. Meritage, Taylor Morrison, and Tri Pointe have entered into that certain [Security Agreement] dated May 14, 2021, recorded as Document Number 2021109899 of the Official Public Records of Travis County, Texas, whereby Meritage has granted a security interest to Taylor Morrison and Tri Pointe in Meritage's right to receive Assessment and PID Bond proceeds.
10. The Landowners intend to develop the land within the District in phases over time, and the Landowners have acquired all permits necessary to begin construction of Authorized Improvements within the [first][second][third][fourth] development phase of the District which is more particularly described in **Exhibit C** attached hereto (the "Improvement Area #\_\_") and depicted in the map attached hereto as **Exhibit D**.
11. Contemporaneously herewith, the County, the TCDA, and Meritage entered into that certain Turner's Crossing Public Improvement District Improvement Area #\_\_ Acquisition and Reimbursement Agreement (the "Acquisition and Reimbursement Agreement") which

provides, among other things, the use of Assessments levied on the property within Improvement Area #\_\_ for the reimbursement of Authorized Improvements benefiting such improvement area (the "Improvement Area # \_\_ Improvements").

12. Contemporaneously herewith, the Commissioners Court adopted an assessment order (including all exhibits, the "Assessment Order for Improvement Area # \_\_") that levies Assessments on each property in Improvement Area #\_\_ within the District benefiting from the Improvement Area #\_\_ Improvements (the "Assessed Property") and approved the Turner's Crossing Public Improvement District Service and Assessment Plan (as amended and updated from time to time, the "Service and Assessment Plan") as an exhibit to the Assessment Order for Improvement Area #\_\_.
13. Contemporaneously with the approval of the Assessment Order for Improvement Area #\_\_, the County and the TCDA entered into that certain Turner's Crossing Funding Agreement for Improvement Area #\_\_ (the "Funding Agreement"), pursuant to which the County has agreed to levy the Assessments and collect and transfer the "Assessment Revenues" to the TCDA, who will use the "Contract Assessment Revenues" (i) to reimburse Meritage for the costs of constructing the Improvement Area #\_\_ Improvements pursuant to the Acquisition and Reimbursement Agreement, (ii) to pledge as security for the payment of PID Bonds issued by the TCDA, or (iii) for a combination of (i) and (ii).
14. A copy of the Assessment Order for Improvement Area #\_\_, including the "Improvement Area # \_\_ Assessment Roll" included in the Service and Assessment Plan approved by the Assessment Order for Improvement Area #\_\_, is attached hereto as **Exhibit E**.
15. The Improvement Area #\_\_ Assessment Roll sets forth the amount of the Assessment for each Assessed Property, including the amount of the "Improvement Area # \_\_ Annual Installment" for each Assessment paid in installments.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Parties agree as follows:

#### **ARTICLE I** **DEFINITIONS; APPROVAL OF AGREEMENTS**

- A.** **Definitions.** Capitalized terms used but not defined in this Agreement (including the exhibits hereto) have the meanings given to them in the PID Financing Agreement or in the Service and Assessment Plan.
- B.** **Affirmation of Recitals.** The matters set forth in the Recitals of this Agreement are true and correct and are incorporated in this Agreement as official findings of the Commissioners Court.

**ARTICLE II**  
**AGREEMENT OF LANDOWNERS**

- A. Affirmation and Acceptance of Agreements and Findings of Benefit. Each Landowner ratifies, confirms, accepts, agrees to, and approves:
- (1) the creation of the District, the boundaries of the District, and the boundaries of the Improvement Area #\_\_;
  - (2) the location and construction of the Improvement Area #\_\_ Improvements which confer a special benefit on Improvement Area #\_\_;
  - (3) the determinations and findings of special benefit to the Assessed Property in Improvement Area #\_\_ made by the Commissioners Court in the Assessment Order for Improvement Area #\_\_ and the Service and Assessment Plan; and
  - (4) the Assessment Order for Improvement Area #\_\_ and the Service and Assessment Plan.
- B. Acceptance and Approval of Assessments and Lien on Property. Each Landowner consents, acknowledges, accepts, and agrees:
- (1) to the Assessments to be levied against the Assessed Property in Improvement Area #\_\_ as shown on the Improvement Area #\_\_ Assessment Roll, as the Improvement Area #\_\_ Assessment Roll may be updated or amended from time to time;
  - (2) that the Improvement Area #\_\_ Improvements and administration and operation of the District confer a special benefit on the Assessed Property in Improvement Area #\_\_ in an amount that exceeds the Assessments against the Assessed Property in Improvement Area #\_\_ as shown on the Improvement Area #\_\_ Assessment Roll;
  - (3) that the Improvement Area #\_\_ Assessments against the Assessed Property in Improvement Area #\_\_ are final, conclusive, and binding upon the Landowner and its successors and assigns, regardless of whether such Landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of a Mandatory Prepayment Event (as defined herein);
  - (4) to pay the Assessments levied against the Assessed Property in Improvement Area #\_\_ owned (or jointly-owned) by such Landowner in Annual Installments when due and in the amounts stated in the Assessment Order for Improvement Area #\_\_, the Service and Assessment Plan, and Improvement Area #\_\_ Assessment Roll;
  - (5) that each Assessment or reassessment against the Assessed Property in Improvement Area #\_\_, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Assessed Property in Improvement Area #\_\_, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipality ad valorem

taxes, and is a personal liability of and charge against the owner of the Assessed Property in Improvement Area #\_\_ regardless of whether the owner is named;

- (6) that the Assessment liens on the Assessed Property in Improvement Area #\_\_ are liens and covenants that run with the land and are effective from the date of the Assessment Order for Improvement Area #\_\_ and continue until the Assessments are paid in full and may be enforced by the governing body of the County in the same manner that ad valorem tax liens against real property may be enforced;
- (7) that delinquent installments of Assessments against the Assessed Property in Improvement Area #\_\_ shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;
- (8) that the owner of an Assessed Property in Improvement Area #\_\_ may pay at any time the entire Assessment against the Assessed Property in Improvement Area #\_\_, which amount includes interest that has accrued on the Assessment to the date of such payment with no other prepayment cost unless the PID Act is amended to provide otherwise;
- (9) that Improvement Area #\_\_ Annual Installments may be adjusted, decreased, and extended and that owners of the Assessed Property shall be obligated to pay such Improvement Area #\_\_ Annual Installments as adjusted, decreased, or extended, when due and without the necessity of further action, assessments, or reassessments by the Commissioners Court; and
- (10) that the Landowner has received, or hereby waives, all notices required by State law (including, but not limited to the PID Act) in connection with the creation of the District and the adoption and approval by the Commissioners Court of the Assessment Order for Improvement Area #\_\_, the Service and Assessment Plan, and the Improvement Area #\_\_ Assessment Roll.

C. Each Landowner hereby waives:

- (1) any and all defects, irregularities, illegalities, or deficiencies in the proceedings establishing the District, defining the Assessed Property in Improvement Area #\_\_, adopting the Assessment Order for Improvement Area #\_\_, Service and Assessment Plan, and Improvement Area #\_\_ Assessment Roll, levying of the Assessments, and determining the amount of the Improvement Area #\_\_ Annual Installments of the Assessments;
- (2) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the approval of the Assessment Order for Improvement Area #\_\_, Service and Assessment Plan, and Improvement Area #\_\_ Assessment Roll and regarding the levying of the Assessments and determining the amount of the Improvement Area #\_\_ Annual Installments of the Assessments;

- (3) any and all actions and defenses against the adoption or amendment of the Assessment Order for Improvement Area #\_\_ , Service and Assessment Plan, and Improvement Area #\_\_ Assessment Roll;
- (4) any and all actions and defenses against the County's finding of "special benefit" pursuant to the PID Act and as set forth in the Service and Assessment Plan and the levying of the Assessments and determining the amount of the Improvement Area #\_\_ Annual Installment of the Assessments; and
- (5) any right to object to the legality of the Assessment Order for Improvement Area #\_\_ , the Service and Assessment Plan, the Improvement Area #\_\_ Assessment Roll, and the Assessments or to any proceedings connected therewith.

D. Mandatory Prepayment of Assessments. The Landowners agree and acknowledge that they each may have an obligation to prepay an Assessment upon the occurrence of an event described in this Article II.D. (each a "Mandatory Prepayment Event"):

- (1) If two or more Lots or Parcels of Assessed Property are consolidated and the consolidation causes the Assessment on the resulting lot to exceed the Maximum Assessment (as that term is defined in the Service and Assessment Plan) for the applicable Lot Type, the owner of the resulting lot must partially prepay, prior to the consolidation, the Assessment for the Assessed Property in an amount sufficient to reduce the Assessment to the Maximum Assessment.
- (2) If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the Maximum Assessment, the person who owned the Assessed Property before it was subdivided must partially prepay, prior to the subdivision, the Assessment for each Assessed Property that exceeds the Maximum Assessment in an amount sufficient to reduce the Assessment to the Maximum Assessment;
- (3) Prepayment as a Result of Eminent Domain Proceeding or Taking. If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding the Assessment that was levied against the Assessed Property prior to the taking shall remain in force against the remaining Assessed Property, and the owner will remain liable to pay in Annual Installments, or payable as otherwise provided by the Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the portion of the Assessed Property that was not taken, subject to an adjustment in the Annual Installments applicable to that portion after any required Prepayment as set forth in the Service and Assessment Plan.
- (4) If Assessed Property is transferred to a person or entity in a manner making Assessed Property Non-Benefitted Property, the owner transferring the Assessed Property shall pay to the County the full amount of the Assessment, plus

Prepayment Costs and Annual Collection Costs, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay the full amount of the Assessment, plus Prepayment Costs and Annual Collection Costs, prior to the change in status.

E. The Joint Ownership and Development Agreement.

- (1) Each Landowner will copy the County on any notice of material default or notice of termination the Landowner sends to the other parties to the Joint Ownership and Development Agreement.
- (2) Each Landowner will notify the County of any material changes in their respective responsibilities related to the District under the Joint Ownership and Development Agreement no later than 30 days after the change takes effect.
- (3) The County hereby acknowledges that Meritage has granted a security interest to Taylor Morrison and Tri Pointe in its right to receive Assessment and PID Bond proceeds under the Acquisition and Reimbursement Agreement and PID Financing Agreement.

F. Each Landowner certifies that it is not in receivership and does not contemplate same, and it has not filed for bankruptcy and is not currently delinquent with respect to payment of property taxes within Travis County.

G. The PID Financing Agreement. Meritage, Tri Pointe, and Taylor Morrison each agree that currently:

- (1) except for their obligations under this Agreement, Tri Pointe and Taylor Morrison have no rights, duties, or obligations to the County or the TCDA in connection with the PID Financing Agreement.
- (2) under the Joint Ownership and Development Agreement, Meritage is empowered to act on behalf of Tri Pointe and Taylor Morrison with respect to development of the Property.
- (3) neither the County nor the TCDA has any obligation under the PID Financing Agreement to make any payments to Tri Pointe or Taylor Morrison.
- (4) notwithstanding anything to the contrary in the Joint Ownership and Development Agreement, the TCDA Representative shall make payments under an Acquisition and Reimbursement Agreement or direct the Bond Trustee to make payments under the Indenture relating to Improvement Area #\_\_ Improvements solely to Meritage. The TCDA Representative, the TCDA and the County are not responsible for making and shall not be required to make payments to any other party.

The foregoing is subject to Meritage's right to make Assignments and Transfers pursuant to the terms of the PID Financing Agreement and the Acquisition and Reimbursement Agreement to Tri Pointe and/or Taylor Morrison.

H. Meritage agrees that:

- (1) No more than once every six months, upon written request of the County it shall provide information regarding the current house pricing per product type within the Project within 10 calendar days after such written request by the County is received.
- (2) Meritage shall not modify the currently approved preliminary plan for the Property in a manner which results in an increase or decrease of the number of single-family residential lots by 5% without providing at least 30 days' prior written notice to the County.

### **ARTICLE III**

#### **TEXAS PROPERTY CODE SECTION 5.014 NOTICE; NOTICE TO PURCHASER**

A. Notice of Assessments. The Landowners further agree as follows:

Each Landowner agrees to comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the County) any party who purchases any Assessed Property owned by the Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit "F"** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "**Builder**") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder that, as a seller of "residential real property" as defined in Section 5.014 of the Texas Property Code, it must provide the following notice to each purchaser of a parcel of residential real property:

#### **NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO TRAVIS COUNTY, TEXAS CONCERNING ASSESSED PROPERTY**

As the purchaser of a parcel of residential real property located in a public improvement district, you are obligated to pay a special assessment to the County for improvement projects undertaken by the District under Subchapter A, Chapter 372, Local Government Code. The special assessment against your parcel may be paid in full at any time together with interest through the date of payment. If you do not elect to pay the special assessment in full, it will be due and payable in annual payments, including interest and collection

costs. More information about the special assessment (such as its due date or how it is paid) may be obtained by contacting the County. Your failure to pay the special assessment or any annual payment could result in a lien on and the foreclosure of your parcel.

- B. In addition to the notice required by Section 5.014 of the Texas Property Code, as the property in Improvement Area #\_\_ of the District is developed, each Landowner will provide a notice substantially in the form as the notice attached hereto as Exhibit F-1 (as may be updated from time to time) to any purchaser of a parcel of real property located in Improvement Area #\_\_ of the District.

#### **ARTICLE IV** **DEDICATION OF AUTHORIZED IMPROVEMENTS**

Each Landowner acknowledges that the Improvement Area #\_\_ Improvements, together with the land, easements, or other rights-of-way needed for the Improvement Area #\_\_ Improvements, shall be dedicated, conveyed, leased, or otherwise provided to or for the benefit of the County, the City, or other political subdivision as provided in the PID Financing Agreement or Service and Assessment Plan. Each Landowner agrees to execute such conveyances and/or dedications as may be required by the County, City, or other political subdivision to evidence the same.

#### **ARTICLE V** **MISCELLANEOUS**

- A. Notices. Any notice or other communication (a “Notice”) required or contemplated by this Agreement shall be given at the addresses set forth below. Notices as to one or more Assessed Properties in Improvement Area #\_\_ shall only be given to the Landowner that owns the applicable Assessed Property in Improvement Area #\_\_\_. Notices as to all of the property in Improvement Area #\_\_ shall be given to all Landowners. Notices shall be in writing and shall be deemed given: (i) five business days after being deposited in the United States Mail, Registered or Certified Mail, Return Receipt Requested; or (ii) when delivered by a nationally recognized private delivery service (e.g., FedEx or UPS) with evidence of delivery signed by any person at the delivery address. Each Party may change its address by written notice to the other Parties in accordance with this section.

If to Meritage:                      Meritage Homes of Texas, LLC  
   Attn: Elliot Jones  
   8920 Business Park Dr.,  
   Suite 350  
   Austin, TX 78759  
   Email: [elliott.jones@meritagehomes.com](mailto:elliott.jones@meritagehomes.com)

With a copy to:                      Metcalfe Wolff Stuart & Williams, LLP  
   Attn: Steve Metcalfe  
   221 W. 6th, Suite 1300  
   Austin, Texas 78701  
   Email: [smetcalfe@mwswtexas.com](mailto:smetcalfe@mwswtexas.com)

If to Taylor Morrison: Taylor Morrison of Texas, Inc  
Attn: Michael Lack, VP Land Resources  
11200 Lakeline Boulevard, Suite 150A  
Austin, Texas 78717  
Email: mslack@taylormossison.com

If to Tri Pointe: Tri Pointe Homes, Inc  
Attn: John Stanley  
13640 Briarwick Dr., Suite 170  
Austin, Texas 78729  
Email: john.stanley@tripointehomes.com

If to County: Andy Brown, Travis County Judge  
Street Address: 700 Lavaca, Suite 2.300  
Austin, TX 78701  
Mailing Address: PO Box 1748  
Austin, TX 78767  
Email: Andy.Brown@traviscountytexas.gov  
Facsimile: (512) 854-9535

With a Copy to: Travis County, Texas  
Attn: Christy Moffett  
Managing Director, Economic & Strategic Planning  
700 Lavaca, Suite #1560  
Austin, Texas 78701  
Email: Christy.Moffett@traviscountytexas.gov  
Facsimile: (512) 854-4210

With a Copy to: Office of the Travis County Attorney  
Attn: Tom Nuckols, Assistant County Attorney  
314 W. 11<sup>th</sup> St., #500  
Austin, TX 78701  
Email: [tom.nuckols@traviscountytexas.gov](mailto:tom.nuckols@traviscountytexas.gov)  
Facsimile: (512) 854-4808

If to TCDA: Travis County Corporations  
Attn: Andrea Shields, Managing Director  
700 Lavaca Street, Suite #1560  
Email: Andrea.Shields@traviscountytexas.gov  
Facsimile: (512) 854-4210

- B. Parties in Interest. In the event of the sale or transfer of an Assessed Property in Improvement Area #\_\_ or any portion thereof, the purchaser or transferee shall be deemed to have assumed the obligations of the Landowner with respect to such Assessed Property in Improvement Area #\_\_ or such portion thereof and the seller or transferor shall be released with respect to such Assessed Property in Improvement Area #\_\_ or portion thereof. Notwithstanding the foregoing, the holders of PID Bonds are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the Parties, subject to the limitations set forth in the Indenture relating to Improvement Area #\_\_.
- C. Amendments. This Agreement may be amended only by a written instrument executed by all the Parties. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the Property and recorded in the Official Public Records of Travis County, Texas.
- D. Estoppels. Within 10 days after written request from any Party, the other Parties shall provide a written certification indicating whether this Agreement remains in effect as to an Assessed Property and whether any Party is then in default hereunder. This requirement to provide estoppel certificates shall not apply to end use home buyers.
- E. Anti-Boycott Verification. Each Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal or State 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. Each Landowner understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.
- F. Iran, Sudan, and Foreign Terrorist Organizations. Each Landowner 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 or State law and excludes the Landowner 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 Landowner understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

G. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Landowner 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.

H. INDEMNIFICATION.

(1) Each Landowner will defend, indemnify, and hold harmless the County and the TCDA, and their officials, employees, officers, representatives, and agents (individually, an “Indemnified Party,” and collectively, the “Indemnified Parties”) against and from, and will pay to the Indemnified Parties, all without waiving any sovereign or governmental immunity available to any Indemnified Party under Texas or federal law, and without waiving any defenses or remedies under Texas or federal law, the amount of, all actions, damages, claims, losses, fees, fines, penalties, or expense of any type, whether or not involving a third-party claim (collectively, “Damages”), arising directly or indirectly, from:

the breach of any provision of this Agreement by such Landowner;

the breach of any provision of the joint ownership and development agreement by such Landowner;

Each Landowner will defend the Indemnified Parties against all claims described in this section, and the Indemnified Parties will reasonably cooperate and assist in providing such defense.

The Indemnified Parties will have the right to approve or select defense counsel to be retained by a Landowner in fulfilling its obligations hereunder.

The Indemnified Parties reserve the right, but are not required, to provide a portion or all of their own defense at their own expense.

This section survives the termination of this Agreement indefinitely, subject to appropriate statutes of limitations, as they may be tolled or extended by agreement or operation of law.

- I. Termination. This Agreement shall terminate as to each Assessed Property in Improvement Area #\_\_ upon payment in full of the Assessment against the Assessed Property in Improvement Area #\_\_.
- J. Complete Agreement; Modification. This Agreement is the entire understanding and agreement between the parties concerning the matters set forth herein and supersedes all prior agreements and understandings, if any, regarding the subject matter hereof. No modification of this Agreement shall be effective unless in writing and signed by both parties.
- K. Applicable Law and Venue. The interpretation, performance, enforcement and validity of this Agreement is governed by the laws of the State of Texas. Venue will be in a court of appropriate jurisdiction in Travis County, Texas.
- L. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns.
- M. This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and all of which are identical.

**[SIGNATURE PAGES TO FOLLOW]**

TRAVIS COUNTY, TEXAS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

THIS INSTRUMENT is acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_, by  
\_\_\_\_\_, \_\_\_\_\_, on behalf of Travis County.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**Meritage Homes of Texas, LLC**  
an Arizona limited liability company

By: \_\_\_\_\_  
a \_\_\_\_\_  
its \_\_\_\_\_

THE STATE OF TEXAS     §  
                                     §  
COUNTY OF TRAVIS     §

      This instrument was acknowledged before me on the \_\_\_\_ day of\_\_\_\_, 20\_\_ by  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_ on behalf of said entities.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Name printed or typed

**Tri Pointe Homes of Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
a \_\_\_\_\_  
its \_\_\_\_\_

THE STATE OF TEXAS     §  
                                      §  
COUNTY OF TRAVIS     §

      This instrument was acknowledged before me on the \_\_\_\_ day of\_\_\_\_, 20\_\_ by  
\_\_\_\_\_, [*insert title*], \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_ on behalf of said entity.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Name printed or typed

**Taylor Morrison of Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
a \_\_\_\_\_  
its \_\_\_\_\_

THE STATE OF TEXAS     §  
                                     §  
COUNTY OF TRAVIS     §

      This instrument was acknowledged before me on the \_\_\_\_ day of\_\_\_\_, 20\_\_ by  
\_\_\_\_\_, *[insert title]*, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_ on behalf of said entity.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Name printed or typed

**EXHIBIT A**  
**TO LANDOWNER AGREEMENT AND NOTICE OF ASSESSMENTS**  
**IMPROVEMENT AREA #**

**Legal Description of the Property**

**EXHIBIT B TO**  
**LANDOWNER AGREEMENT**  
**AND NOTICE OF ASSESSMENTS**  
**IMPROVEMENT AREA #**

**Depiction/Map of the Property**

**EXHIBIT C TO**  
**LANDOWNER AGREEMENT**  
**AND NOTICE OF ASSESSMENTS**  
**IMPROVEMENT AREA #**  
**Legal Description of Improvement Area #\_\_**

**Exhibit D to Landowner Agreement**  
**and Notice of Assessments**  
**Improvement Area #**

**Map of Improvement Area #**

**EXHIBIT E TO**  
**LANDOWNER AGREEMENT**  
**AND NOTICE OF ASSESSMENTS**  
**IMPROVEMENT AREA #**

**Assessment Order for Improvement Area #\_\_**

[See Attached]

**EXHIBIT F TO LANDOWNER AGREEMENT  
AND NOTICE OF ASSESSMENTS**

**TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT  
IMPROVEMENT AREA #\_\_\_ - LOT TYPE \_\_\_\_\_  
HOMEBUYER DISCLOSURE**

**HOMEBUYER DISCLOSURE PROGRAM**

1. A Builder<sup>2</sup> for an Assessed Property shall provide each residential homebuyer with the "Notice of Obligation to Pay Public Improvement District Assessment to Travis County", the form of which is attached hereto as Exhibit "F-1".

A Builder for an Assessed Property shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the County upon receipt of written request by the County or the Builder which sets forth the County's mailing address and other contact information.

A Builder for an Assessed Property shall prominently display signage utilizing language and information provided by the Administrator in the Builder's model homes, if any, located within the Property.

If prepared and provided by the County and approved by Managing Developer (such approval not to be unreasonably withheld), a Builder for an Assessed Property shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

A Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers for an Assessed Property.

The Managing Developer must post signage along the main entry/exits located at the boundaries of the District that identifies the area as a public improvement district. All signage shall be clearly visible to all motorists entering and exiting the District.

---

<sup>2</sup> Builder" means a commercial builder who is in the business of constructing and/or selling residences to individual home buyers.

**EXHIBIT F-1 TO LANDOWNER AGREEMENT**  
**AND NOTICE OF ASSESSMENTS**  
**IMPROVEMENT AREA #**

Form of Notice to Purchaser

**TURNER'S CROSSING PID – LOT TYPE [ ]: HOMEBUYER DISCLOSURE**

**NOTICE OF OBLIGATION TO PAY  
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS  
TO TRAVIS COUNTY, TEXAS**

**CONCERNING THE PROPERTY AT:**

**STREET ADDRESS** \_\_\_\_\_

**OUTSTANDING PRINCIPAL OF ASSESSMENT FOR AUTHORIZED  
IMPROVEMENTS: \$[\_\_\_\_\_]**

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to Travis County, Texas, for the costs of a portion of public improvements (the “*Authorized Improvements*”) undertaken for the benefit of the property within the *Turner’s Crossing Public Improvement District* (the “*District*”), also known as “Turner’s Crossing”, a public improvement district created under Subchapter A, Chapter 372, Local Government Code, as amended.

**THE OUTSTANDING PRINCIPAL OF THE ASSESSMENT AGAINST YOUR  
PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS [\$ \_\_\_\_\_], WHICH  
MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL  
BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH MAY VARY FROM  
YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID,  
COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.**

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change.** The exact amount of the annual installments, including the annual installments thereof, will be approved each year by the Travis County Commissioners Court in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from Travis County.

You may ask your mortgage company to include the Annual Installments in your monthly escrow payment.

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

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.



**PROJECTED ANNUAL INSTALLMENTS – LOT TYPE [ ]**

[INSERT SCHEDULE OF PROJECTED ANNUAL INSTALLMENTS]

**Exhibit “K” to Financing Agreement**

**HUB REQUIREMENTS**

# HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROGRAM REQUIREMENTS

## Section 1 – HUB Program Declaration Requirements

### **Project Information: TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT (PID) PROJECT**

**Guidelines for Complying with the Travis County Historically Underutilized Business (HUB) Program:** The Public Improvement District (PID) Developer (the "Owner") and the Owner's/Developer (the "Developer") and the Developer's prime contractors and consultants shall comply with the applicable standards of the County's Historically Underutilized Business Program policy in the procurement of design and construction services for the Turner's Crossing Project (the "Project"). The Owner and all prime contractors/consultants are required: (i) to make a "good faith effort" to achieve HUB Program goals; and (ii) to comply with the other HUB Program requirements described in this document.

#### GENERAL INFORMATION

- (a) In an effort to further stimulate and positively impact the local economy pursuant to the Owner's Financing Agreement with Travis County (the "Agreement"), the Public Improvement District (PID) Developer (the "Owner") shall use good faith efforts to provide "Certified HUBs", as defined herein, an equal opportunity to participate in the Project as contractors, consultants, subcontractors, or subconsultants.
- (b) The Owner shall comply with applicable standards of the HUB Program policy in the design and construction of the Project. The Owner must also comply with the Travis County Purchasing Office's Vendor Tracking System for Project monitoring and tracking of all payments. The Owner shall appoint a point of contact.
- (c) A "subcontractor," for the purpose of this section, is defined as any contractor who provides supplies, materials and/or services to a second contractor if the supplies/materials/services are used in fulfillment of the second contractor's contractual obligations with the Owner or his prime contractors or consultants.

With respect to any design or construction services procured in connection with the Project, the Owner, the architect/engineer and the prime contractor shall meet the following gender- and ethnic-specific participation goals in which design or construction services are procured:

Contract Type	African American	Hispanic	Asian/Pacific Islander	Native American	Nonminority Female	Total Goal
Professional Services	1.13 %	5.54 %	3.50 %	0.32 %	10.10 %	<b>20.58 %</b>
Construction	1.46 %	8.08 %	1.65 %	0.38 %	8.56 %	<b>20.13 %</b>

- (d) In an effort to meet the gender- and ethnic-specific utilization goals, the Owner shall implement an outreach program designed to solicit participation of HUBs, M/WBEs, and DBEs. The Owner shall submit documentation demonstrating its own efforts and the good faith efforts of the architects/engineers and prime contractors engaged by the Owner to meet the County's goals. If the Owner provides documentation to the County's Purchasing Office evidencing its own and its architects'/engineers' and prime contractors' good faith efforts, the Owner shall be deemed in compliance with this HUB Program requirement. Failure to perform this obligation will be considered a material breach of the Agreement. The County and the Owner acknowledge that this obligation does not require the Owner to modify, nullify or abrogate any contracts that the Owner has entered into prior to the Effective Date of the Agreement.
- (e) The Owner shall notify the Purchasing Office HUB Program staff when the Owner desires assistance in its efforts to meet the gender- and ethnic-specific HUB utilization goals. This assistance may include: (i) providing a list of certified HUBs, M/WBEs, and DBEs from which the Owner may solicit, or cause its architects/engineers or prime contractors to solicit, participation in the design and construction of any improvements; (ii) scheduling and hosting outreach meetings; and (iii) attending pre-solicitation meetings.
- (f) The County neither warrants the capacity nor guarantees the performance of any HUB, M/WBE ("HUB Contractor"), or DBE listed on the four directories. All contracts entered into by the Owner or each prime contractor or consultant engaged by the Owner are entered into freely by the Owner and are the responsibility of the Owner.
- (g) Owner must comply with all HUB requirements including using GFE to provide opportunities for HUB participation in replacing subcontractors if necessary.
- (h) The Travis County Purchasing Office has implemented an electronic reporting system (Vendor Tracking System or VTS) to track payments to all tier subcontractors/subconsultants. Owner will be responsible for the use of VTS. Training and additional information regarding the use of the VTS will be provided to the Owner by Travis County Purchasing Office HUB staff. Owner should contact HUB staff at (512) 854-9700 or [hubstaff@traviscountytx.gov](mailto:hubstaff@traviscountytx.gov) for

assistance.

- (i) The Owner shall provide, or shall cause its prime contractors/consultants to provide, monthly reporting in VTS for all contractors, subcontractors and subconsultants no later than the 15<sup>th</sup> day of each month to track: (i) the utilization, on a percentage basis, of HUBs, M/WBEs, and DBEs in the design and construction of the Project. The Owner understands, acknowledges and agrees, and is responsible for ensuring that the Owner prime contractors/consultants understand, acknowledge and agree, that misrepresentation of payment information will be considered a breach of contractual obligations and that Travis County may exercise all rights and remedies, at law or in equity, in response to such breach.
- (j) The County reserves the right to conduct periodic construction site visits for the purpose of verifying compliance with HUB Program requirements.

## **Travis County Historically Underutilized Business (“HUB”) Program Participation**

### **HUB Program Declaration Requirement**

Travis County is committed to promoting full and equal business opportunities for HUBs through County contracting, both by directly contracting with HUBs and by providing subcontracting opportunities on County projects. The Owner shall cause all prime contractors/consultants performing work on all phases of the Project to complete and submit the HUB Program Declaration and the Owner must ensure that all prime contractors/consultants make a good faith effort to include certified HUBs in the procurement process.

### **Travis County Certified Subcontractor List**

The Owner or the Owner's prime contractors may search for a business that holds a current certification as a Historically Underutilized Business (HUB), Minority- or Woman-owned Business Enterprise (M/WBE), or a Disadvantaged Business Enterprise (DBE) by the State of Texas, the City of Austin, the Texas Unified Certification Program (TUCP), or the South Central Texas Regional Certification Agency (SCTRCA) by using the following directories:

City of Austin Small and Minority Business Resources Department:

- Minority-Owned Business Enterprise
- Women-Owned Business Enterprise
- Disadvantaged Owned Business Enterprise

Directory: [https://www.austintexas.gov/financeonline/account\\_services/search/vendors/](https://www.austintexas.gov/financeonline/account_services/search/vendors/)

State of Texas Comptroller's Office:

- Historically Underutilized Business

Directory: <https://mycpa.cpa.state.tx.us/tpasscmbsearch/tpasscmbsearch.do>

Texas Unified Certification Program (TUCP):

- Disadvantaged Business Enterprise

Directory: <https://txdot.txdotcms.com/FrontEnd/VendorSearchPublic.asp>

South Central Texas Regional Certification Agency (SCTRCA):

- African American Business Enterprise
- Asian American Business Enterprise
- Disabled Business Enterprise
- Disadvantaged Business Enterprise
- Hispanic American Business Enterprise
- Minority Business Enterprise
- Native American Business Enterprise
- Veteran Business Enterprise
- Women Business Enterprise

Directory: <https://sctrca.sctrca.org/FrontEnd/vendorsearchpublic.asp>

### **Good Faith Effort Outreach Requirements**

As provided in Section 4 of the HUB Program Declaration.

# Historically Underutilized Business (HUB) Program Declaration

**PROJECT NAME:** Turner's Crossing PID – Design or Construction

**IMPROVEMENT AREA:** \_\_\_\_\_

**PHASE:** \_\_\_\_\_

**BID PKG:** \_\_\_\_\_

## **HUB Subcontracting Goals**

Prime contractors/consultants must make a good faith effort to meet the County's Aspirational HUB goals. The Project carries the following HUB subcontracting goals.

<b>Contract Type</b>	<b>African American</b>	<b>Hispanic</b>	<b>Asian/Pacific Islander</b>	<b>Native American</b>	<b>Nonminority Female</b>	<b>Total Goal</b>
Professional Services	1.13 %	5.54 %	3.50 %	0.32 %	10.10 %	<b>20.58 %</b>
Construction	1.46 %	8.08 %	1.65 %	0.38 %	8.56 %	<b>20.13 %</b>

## **Quick Checklist**

❖ **If you plan to subcontract some or most of the opportunities of the Project and to meet or exceed the set goals, complete:**

- ☐ Section 2 - Prime Contractor/Consultant Information and Subcontracting/Sub-consulting Intentions
- ☐ Section 5 - Disclosure of ALL Subcontractors

❖ **If you plan to utilize subcontractors on the Project, but do not expect to meet the established goals, complete:**

- ☐ Section 2 - Prime Contractor/Consultant Information and Subcontracting/Sub-consulting Intentions
- ☐ Section 3 – Outreach Notice to Community Partners and/or Plan Rooms
- ☐ Section 4 - Notification of Subcontracting Opportunity
- ☐ Section 5 - Disclosure of ALL Subcontractors

❖ **If you are able to fulfill all subcontracting opportunities with your own resources, complete:**

- ☐ Section 2 - Prime Contractor/Consultant Information and Subcontracting/Sub-consulting Intentions

**Section 2 – Prime Contractor/Consultant Information and Subcontracting/Sub-consulting Intentions**

Complete the information in the following table.

Company Name/DBA:			EIN/VID:	
Address:		City:	State:	Zip:
Contact:	Phone:	E-mail:		
Contact for Invoicing:	Phone:	E-mail:		
Bid Amount:	HUB Subcontractor %:	Non-HUB Subcontractor %:		
Respondent is a certified HUB: <input type="checkbox"/> Yes <input type="checkbox"/> No	Ethnicity:	Gender:		
Certifying Agency: <input type="checkbox"/> City of Austin <input type="checkbox"/> State of Texas <input type="checkbox"/> TUCP <input type="checkbox"/> SCTRCA				

**If you were unable to meet the set goals for this project, select the box by the response(s) that best fit your situation.**

- ☐ I intend to self-perform the entire project. If circumstances necessitate the use of any subcontractors, I agree to timely seek the County's consent to the use of such subcontractors and to adhere to all HUB Program requirements, including the submission of any required documentation.
- ☐ HUBs solicited did not respond.
- ☐ HUBs solicited were not competitive.
- ☐ HUBs were unavailable for the following trade(s): \_\_\_\_\_

**Affirmation**

- ☐ As evidenced by my signature below, I affirm that I am an authorized representative of the Respondent named above and, to the best of my knowledge, the information and supporting documentation submitted with this Declaration is true and correct.

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Section 3 – Outreach Notice to Community Partners and/or Plan Rooms**

Provide written notice to all Community Partners of each subcontracting opportunity identified. These Community Partners will assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants.

Community Partners	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Asian Contractor Association – asiancontractor@gmail.com		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Austin Area Black Contractors Association – brc-pro@att.net		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Austin Independent Business Alliance – rebecca@ibuyaustin.com		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Austin LGBT Chamber of Commerce – info@aglcc.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
City of Austin Construction & Technology Center – juaquin.gonzalez@austintexas.gov		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Greater Austin Black Chamber – admin@austinbcc.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Greater Austin Asian Chamber of Commerce – ypersyn@austinasianchamber.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Greater Austin Hispanic Chamber of Commerce – membership@gahcc.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

Texas Association of African American Chambers of Commerce – cro@taaacc.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce – president@tamacc.org		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
US Hispanic Contractors Association de Austin – ushcadeaustin@gmail.com		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

#### **Section 4 - Notification of Subcontracting Opportunity**

##### **GFE Outreach Requirements**

To fulfill GFE must:

- For each subcontracting opportunity identified in this section, provide written notice to three (3) certified HUBs and all Community Partners and Plan Rooms at least seven (7) Working Days (as defined below) prior to the required submission date to allow the HUBs time to respond;
- Include the scope of work, information about where to review plans and specifications, bonding and insurance requirements, required qualifications, and a point of contact in the notice; and
- In order to demonstrate that Respondent has met the GFE outreach requirements, include a copy of the written notice sent to HUBs, evidence of when it was sent (e.g., printed e-mail, certified letter receipt).
  - Note: County HUB Staff reserves the right to contact HUBs to confirm outreach.
  - A “Working Day” **does not** include weekends, County holidays, or days the County is closed by the Travis County Commissioners Court. The day on which the notice is sent **does not** count as one of the seven (7) Working Days.

##### **Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

##### **Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

##### **Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

##### **Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

**Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

**Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

**Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

**Description of Work:**

<b>Company Name &amp; EIN/VID #</b> (Do not enter Social Security Numbers.)	<b>Date Notice Sent</b> (mm/dd/yyyy)	<b>The HUB did not respond</b>	<b>The HUB's pricing was not competitive</b>	<b>The HUB was busy With other work</b>

### **Section 5 - Disclosure of ALL Subcontractors**

Travis County exercises the right to verify subcontractors listed by the prime contractor/consultant on this project. We ask that all prime contractors/consultants list second- and third-tier subcontractors/sub-consultants engaged on the Project, as you will receive credit towards the Aspirational HUB goals for the use of any HUB subcontractor as long as the prime contractor/consultant reports the dollars paid to each.

Company Name/DBA:			EIN/VID:	
Address:		City:		State: Zip:
Contact:		Phone:	E-mail:	
Subcontract Amount:	% of Contract:	Description of Work:		
Is the company a certified HUB? <input type="checkbox"/> Yes <input type="checkbox"/> No		Ethnicity:		Gender:
Certifying Agency: <input type="checkbox"/> City of Austin <input type="checkbox"/> State of Texas <input type="checkbox"/> TUCP <input type="checkbox"/> SCTRCA				
Justification for not using a certified HUB (if applicable):				
Company Name/DBA:			EIN/VID:	
Address:		City:		State: Zip:
Contact:		Phone:	E-mail:	
Subcontract Amount:	% of Contract:	Description of Work:		
Is the company a certified HUB? <input type="checkbox"/> Yes <input type="checkbox"/> No		Ethnicity:		Gender:
Certifying Agency: <input type="checkbox"/> City of Austin <input type="checkbox"/> State of Texas <input type="checkbox"/> TUCP <input type="checkbox"/> SCTRCA				
Justification for not using a certified HUB (if applicable):				
Company Name/DBA:			EIN/VID:	
Address:		City:		State: Zip:
Contact:		Phone:	E-mail:	
Subcontract Amount:	% of Contract:	Description of Work:		
Is the company a certified HUB? <input type="checkbox"/> Yes <input type="checkbox"/> No		Ethnicity:		Gender:
Certifying Agency: <input type="checkbox"/> City of Austin <input type="checkbox"/> State of Texas <input type="checkbox"/> TUCP <input type="checkbox"/> SCTRCA				
Justification for not using a certified HUB (if applicable):				

## Exhibit “L” to Financing Agreement

### TURNER’S CROSSING PID COMMUNITY BENEFIT FEE ESCROW AGREEMENT

This Turner’s Crossing PID Community Benefit Fee Escrow Agreement (this “**CBF Escrow Agreement**”) is made effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “**Effective Date**”), by and between Meritage Homes of Texas, LLC, an Arizona limited liability company (including its Designated Successors and Assigns (“Meritage”), Travis County, Texas, a political subdivision of the State of Texas (“**County**”), the Travis County Development Authority, a Texas public nonprofit corporation organized pursuant to Subchapter D, Chapter 431, Texas Transportation Code (“**TCDA**”), and Wilmington Trust, National Association, a national banking association (“**Escrow Agent**”). Meritage, County, the TCDA, and Escrow Agent shall sometimes be individually referred to herein as a “**Party**” and collectively referred to herein as the “**Parties**”. All terms capitalized in this CBF Escrow Agreement but not defined herein shall have the meaning given in the below-defined PFA.

#### RECITALS

WHEREAS, pursuant to that certain PID Financing Agreement between Meritage, the TCDA, and the County dated \_\_\_\_\_, 20\_\_\_\_ (as amended, the “**PFA**”), Meritage has agreed to construct certain Authorized Improvements, and the County has agreed to reimburse Meritage for a portion of the costs of the Authorized Improvements, as further described therein;

WHEREAS, pursuant to the PFA, Meritage has agreed to pay to the Capital Economic Progress Corporation (“**CEPC**”), with respect to each Assessment Levy Request submitted, a PID Community Benefit Fee in an amount equaling 10% of either Net PID Bond Proceeds or 10% of the amount of the Assessments, in either case less the value of any on-site Affordable Housing that the Meritage is required to contribute pursuant to Section 6.01 of the PFA;

WHEREAS, pursuant to the PFA, Meritage, the County, and the TCDA have agreed to bifurcate the payment of the PID Community Benefit Fee; and

WHEREAS, the PFA provides that payments by Meritage of the PID Community Benefit Fee will be placed into escrow (“**Escrowed Funds**”) until such time as they are disbursed to CEPC or returned to Meritage pursuant to the terms of this CBF Escrow Agreement and the PFA.

NOW, THEREFORE, in consideration of the covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Meritage, the County, the TCDA, and Escrow Agent agree as follows:

1. Meritage’s Escrowed Funds.
  - (a) Initial Fee or Initial On-Site Community Benefit Fee Differential. Concurrently with each Assessment Levy Request or Bond Issuance Request, Meritage shall escrow with Escrow Agent the Initial Fee or, as applicable, the Initial On-Site Community Benefit Fee Differential, as Escrowed Funds. After confirming that

Meritage has deposited the Initial Fee, or, as applicable, the Initial On-Site Community Benefit Fee Differential, the TCDA shall coordinate with Meritage to promptly order an Appraisal of the Property that will be subject to the Assessments.

- (b) Remainder Fee. Meritage shall escrow with Escrow Agent the Remainder Fee (if any) as Escrowed Funds in accordance with the PFA. In the event the Remainder Fee is negative, Meritage shall not be entitled to any refund or offset of the Initial Fee or Initial On-Site Community Benefit Fee Differential.
- (c) Subsequent Requests. Pursuant to the PFA, from time to time, Meritage may escrow with Escrow Agent additional PID Community Benefit Fees (if any) as Escrowed Funds.
- (d) Receipt of all Escrowed Funds by Escrow Agent pursuant to this CBF Escrow Agreement shall be acknowledged in writing by the Escrow Agent.
- (e) The Escrow Agent shall hold and disburse the Escrowed Funds in accordance with the terms of this CBF Escrow Agreement. Escrow Agent shall invest the Escrowed Funds with a federally insured institution. All interest earned on such funds shall become part of the Escrowed Funds.

2. Disbursement of Escrowed Funds.

- (a) Initial Fee or Initial On-Site Community Benefit Fee Differential.
  - (1) If the Travis County Commissioners Court approves an order levying the requested Assessments, the Escrowed Funds comprising the Initial Fee or, as applicable, the Initial On-Site Community Benefit Fee Differential, shall be released to CEPC no later than three business days after the date that a written disbursal request notice (“**Disbursal Request**”) is delivered from the County or TCDA to the Escrow Agent. The County or TCDA may deliver a Disbursal Request as soon as three business days after the date the first Assessments are levied on the Property.
  - (2) If the Travis County Commissioners Court does not approve an order levying the requested Assessments after the conclusion of an Assessment Hearing, the County or TCDA shall provide a Disbursal Request to the Escrow Agent to return to the Meritage the Initial Fee or, as applicable, the Initial On-Site Community Benefit Fee Differential, and the Escrow Agent shall return the Escrowed Funds comprising the Initial Fee to Meritage no later than three business days after receipt of said notice.
- (b) Remainder Fee.

If the TCDA approves the issuance of PID Bonds and PID Bonds are issued on or before the Desired Bond Issuance Date, Meritage shall deposit the Remainder Fee into escrow no later than three business days before the closing date of the PID Bonds. The County or the TCDA may deliver a Disbursal Request to the Escrow Agent to disburse the Remainder Fee to the CEPC as soon as three days after the

closing date of the PID Bonds. The Escrow Agent shall disburse the Remainder Fee to CEPC no later than three business days after Escrow Agent's receipt of a Disbursal Request.

- (c) The County or TCDA, as applicable, shall concurrently deliver to Meritage a copy of each Disbursal Request delivered to Escrow Agent.
- 3. No Fee to Escrow Agent. No fee shall be charged by Escrow Agent. Escrow Agent may resign from its duties hereunder at any time by giving written notice of such resignation to the parties hereto; however, Escrow Agent shall continue to serve until its successor is appointed jointly by the TCDA and the County, and such successor accepts and agrees to perform the obligations of Escrow Agent hereunder and receives the balance of the Escrowed Funds. The TCDA and the County shall have the right at any time upon mutual agreement to substitute a new Escrow Agent by giving written notice thereof to the Escrow Agent then acting and to the Meritage.
- 4. Escrow Agent.
  - (a) Under this CBF Escrow Agreement Escrow Agent is a depository only and shall have no liability for the holding, investment, disbursement, application or other disposition of any monies and/or documents received by Escrow Agent other than to comply with the specific instructions, terms and provisions expressly set forth and/or provided for in this CBF Escrow Agreement. Escrow Agent shall not be responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any instrument deposited with it hereunder, or for the form or execution thereof, or for the identity, authority or rights of any person executing or depositing the same. In accepting any monies and/or documents delivered to Escrow Agent hereunder, it is agreed and understood that the Escrow Agent will not be called upon to construe any contract, instrument or document deposited herewith or submitted hereunder, but only to follow the specific instructions expressly set forth and/or provided for in this CBF Escrow Agreement.
  - (b) Escrow Agent, as a part of the consideration for its acceptance of this escrow, shall not, in the performance of its duties under this CBF Escrow Agreement, be liable for any error of judgment, or for any acts or omissions done by it in good faith, or for any mistake of fact or law, or for any claims, demands, causes of action, losses, liabilities, damages, costs or expenses claimed or suffered by any party to this CBF Escrow Agreement, except such as may arise solely and directly as a result of the Escrow Agent's own gross negligence or willful misconduct. Escrow Agent is hereby authorized to rely upon, and shall be protected in acting upon, any notice, request, waiver, consent, receipt, certificate, affidavit, authorization, power of attorney, trust agreement or other paper or document believed by Escrow Agent in good faith to be genuine and what it purports to be.
- 6. Dispute Notice. If a party (the "**Objecting Party**"), acting in good faith, reasonably believes that the disbursement of the Escrowed Funds, or any portion thereof, is not proper,

the Objecting Party may give the Escrow Agent, no later than two (2) business days following notice of such disbursement, a notice disputing such requested disbursement and a statement of the portion of such requested disbursement that is disputed (a “**Dispute Notice**”). If a Dispute Notice is given, Escrow Agent shall withhold the portion of the requested disbursement specified in such Dispute Notice until the dispute has been resolved. Escrow Agent shall be entitled to interplead into a court of competent jurisdiction in Travis County, Texas the amount of any requested disbursement with respect to which any dispute exists. The losing party in any such interpleader proceeding shall pay for the reasonable attorneys’ fees and court costs incurred by Escrow Agent in connection with such interpleader proceeding.

7. Notices. Any notice or submittal to be given hereunder shall be in writing and shall be deemed given (a) as of the date delivered to the applicable party at the address set forth below, or (b) upon the deposit thereof in the U.S. Mail, by certified mail, return receipt requested, postage prepaid, addressed to the applicable party, at the address set forth below. Meritage, the County or Escrow Agent may change its address for notice by giving written notice of such change to the other parties not less than ten days prior to the effective date of such address change.

If to County: Andy Brown, Travis County Judge (or his successor)  
Street Address: 700 Lavaca, Suite 2.300  
Austin, Texas 78701  
Mailing Address: PO Box 1748  
Austin, Texas 78767  
Email: [andy.brown@traviscountytexas.gov](mailto:andy.brown@traviscountytexas.gov)  
Facsimile: (512) 854-9535

With a Copy to: Travis County, Texas  
Attn: Christy Moffett,  
Economic & Strategic Planning Managing Director  
700 Lavaca, Suite 1560  
Austin, Texas 78701  
Email: [christy.moffett@traviscountytexas.gov](mailto:christy.moffett@traviscountytexas.gov)  
Facsimile: (512) 854-4210

With a Copy to: Office of the Travis County Attorney  
Attn: Tom Nuckols, Assistant County Attorney  
314 W. 11<sup>th</sup> St., Suite 500  
Austin, Texas 78701  
Email: [tom.nuckols@traviscountytexas.gov](mailto:tom.nuckols@traviscountytexas.gov)  
Facsimile: (512) 854-4808

TCDA: Travis County Development Authority  
Attn: Andrea Shields, Managing Director  
700 Lavaca Street, Suite 1560  
Austin, Texas 78701

Email: [andrea.shields@traviscountytexas.gov](mailto:andrea.shields@traviscountytexas.gov)  
Facsimile: (512) 854-9116

Meritage: Meritage Homes of Texas, LLC  
Attn: Elliot Jones  
8920 Business Park Dr., Suite 350  
Austin, Texas 78759  
Email: [elliott.jones@meritagehomes.com](mailto:elliott.jones@meritagehomes.com)

With a copy to: Metcalfe Wolff Stuart & Williams, LLP  
Attn: Steve Metcalfe  
221 W. 6th, Suite 1300  
Austin, Texas 78701  
Email: [smetcalfe@mwswtexas.com](mailto:smetcalfe@mwswtexas.com)

Escrow Agent: Wilmington Trust, National Association  
Attn: Dayna L. Smith  
15950 North Dallas Parkway  
Suite 550  
Dallas, Texas 75248  
Email: [dsmith@wilmingtontrust.com](mailto:dsmith@wilmingtontrust.com)  
Facsimile: (972) 385-0844

2. 8. Prevailing Party. The prevailing party in any litigation concerning this CBF Escrow Agreement shall be entitled to recover from the other party all court costs and reasonable attorneys' fees incurred by such prevailing party in connection with such litigation.
9. Multiple Counterparts. This CBF Escrow Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all of which counterparts, taken together, shall constitute one and the same agreement. Signatures transmitted electronically by e-mail in a "PDF" format, by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this CBF Escrow Agreement. Signatures may be exchanged by telecopy, with original signatures to follow. Each party hereto shall be bound by its own telecopied or electronic signature and shall accept the telecopied or electronic signature of the other parties hereto.
10. Entire Agreement. This CBF Escrow Agreement contains the entire agreement between the parties relating to the subject matter hereof, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, and can be amended only by written document signed by all parties hereto and their respective successors and assigns.

11. In this CBF Escrow Agreement, “business day” and “business days” refer to any weekday that is not a County or national holiday or a day on which County administrative offices are closed. All other references to days mean calendar days.

[Signature Page to Follow]

**EXECUTED** to be effective as of the Effective Date.

**MERITAGE:**

**Meritage Homes of Texas, LLC,**  
an Arizona limited liability company

By: \_\_\_\_\_  
Elliot Jones, Vice President of Land Acquisition

**COUNTY:**

**Travis County, Texas**  
a political subdivision of the State of Texas

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TCDA:**

**Travis County Development Authority**  
a Texas public nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ESCROW AGENT:**

**Wilmington Trust, National Association,**  
**a national banking association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **Exhibit “M” to Financing Agreement**

### **DESIGNATED AFFORDABLE HOUSING PROCESS**

- (a) A new Affordability Analysis will not be required in connection with the initial Bond Issuance Request.
- (b) No later than three business days before the closing date of the first PID Bonds, the Managing Developer shall grant to the TCDA a right of first refusal to purchase the property(s) identified in the Right of First Refusal Agreement attached hereto as Schedule 1, pursuant to the terms thereof. This Right of First Refusal is being granted in lieu of the Managing Developer and the Consenting Parties providing on-site affordable housing.
- (c) Notwithstanding any provision to the contrary, the Managing Developer will pay the PID Community Benefit Fee for all phases of the Project in accordance with Section 2.02 of the Financing Agreement

*Schedule 1 to Exhibit "M" (Designated Affordable Housing Process)*  
*Right of First Refusal*

**RIGHT OF FIRST REFUSAL AGREEMENT**

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this "Agreement") is made and entered into on and as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date"), by and between Meritage Homes of Texas, LLC ("Meritage"), an Arizona limited liability company ("Landowner"), and the Travis County Development Authority, a Texas local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code (the "TCDA") (Meritage and the TCDA, each, a "Party," and together, the "Parties").

In consideration of the mutual promises contained herein and other good and valuation consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Landowner and the TCDA hereby agree as follows:

1. Right of First Refusal. Landowner hereby grants to the TCDA a continuing right of first refusal (the "Right") to purchase that certain tract of land containing approximately 14.124 acres, located in Travis County, Texas, and more particularly described on Exhibit A attached hereto (the "ROFR Property").
2. Term. Except as otherwise provided in this Agreement, the term of the Right granted in this Agreement shall commence on the Effective Date and shall terminate 25 years after the Effective Date (the "Term").
3. Notice of Qualifying Offer. During the Term of this Agreement, at such time and from time to time as Landowner receives any bona fide offer from a third party to purchase all or any portion of the ROFR Property pursuant to a transaction that is not an Excluded Transaction (as such term is defined in Paragraph 15 below) (a "Qualifying Offer"), Landowner shall give the TCDA written notice of such Qualifying Offer (an "Offer Notice") no later than five days after Landowner receives the Qualifying Offer. The Offer Notice shall: (A) specify all material terms and conditions of the Qualifying Offer; (B) include a true, correct, and complete copy of the any written instrument constituting, evidencing, summarizing, or otherwise relating to the Qualifying Offer and shall describe that portion of the ROFR Property, which may be all or less than all of the ROFR Property, that is the subject of the Qualifying Offer; and (C) contain an offer to sell the same portion (including all) of the ROFR Property to the TCDA under the same terms and conditions as constitute the Qualifying Offer.
4. TCDA's Response. The TCDA shall have 60 days (the "Review Period") after the TCDA's receipt of the Offer Notice to exercise its Right and accept such offer by giving written notice thereof (an "Acceptance Notice") to Landowner. Should the TCDA fail to exercise its Right to purchase the portion of the ROFR Property described in the Offer Notice within such 60-day period, Landowner shall have the right to enter into a contract to sell the portion of the ROFR Property on the same terms as in the Qualifying Offer set out in the Offer Notice. If the transaction described in the Offer Notice is consummated, the conveyance of the portion of the ROFR Property described in the Offer Notice shall be made free and clear of the Right, and the Right shall terminate and be of no further force or

effect with regard thereto. Furthermore, within 15 days after consummation of the transaction described in the Offer Notice, Landowner shall provide the TCDA with copies of the recorded deed evidencing such conveyance and Landowner's closing statement relating to such conveyance. If Landowner fails to sell the ROFR Property on the same terms as contained in the Qualifying Offer within 18 months after the date the Offer Notice was delivered to the TCDA, this Right shall remain in effect with respect to the portion of ROFR Property described in the Offer Notice.

5. Contract to Sell. Promptly after the TCDA's exercise of its Right as provided herein, Landowner shall execute and deliver to the TCDA a contract to sell the ROFR Property (or relevant portion thereof) to the TCDA based on the terms in the Qualifying Offer, and otherwise with standard commercial real estate provisions as reasonably agreed to by Landowner and the TCDA, with such minor immaterial changes as shall be necessary to effect the substitution of the TCDA in the place of the proposed transferee, or such changes as shall be necessary to effect the substitution of substantially equivalent economic consideration for any unique consideration provided for in the proposed transfer .

6. Deed Restrictions. Any conveyance documents shall contain deed restrictions (i) limiting the ROFR Property to multifamily use only, and (ii) reserving any necessary utility easement for the benefit of Landowner across the ROFR Property.

7. Continuing Right. The Right is intended to be a continuing right of first refusal.

8. Recorded Right. Landowner and the TCDA intend that this Agreement be recorded in the real property records of the county in which the ROFR Property is located so that all persons are aware of the TCDA's continuing Right to purchase the ROFR Property as set forth herein.

9. Notices. Any notice to be given in regard to this Agreement must be in writing and must be hand-delivered or mailed, postage prepaid, by certified mail, return receipt requested, to the Party to whom notice is given at the address for such Party set forth below such Party's signature hereon. Any such notice shall be deemed given when hand-delivered or 3 days after being deposited in the mail properly addressed and postage paid, as applicable. A Party may change its address for notices by giving the other Party not less than 5 days' advance written notice of the change in the manner provided above.

If to Meritage: Meritage Homes of Texas, LLC  
Attn: Elliot Jones  
8920 Business Park Dr., Suite 350  
Austin, Texas 78759  
Email: [elliott.jones@meritagehomes.com](mailto:elliott.jones@meritagehomes.com)

With a copy to: Metcalfe Wolff Stuart & Williams, LLP  
Attn: Steve Metcalfe  
221 W. 6<sup>th</sup>, Suite 1300  
Austin, Texas 78701  
Email: [smetcalfe@mwswtexas.com](mailto:smetcalfe@mwswtexas.com)

If to TCDA: Travis County Corporations  
Attn: Andrea Shields, Managing Director  
700 Lavaca Street, Suite #1560  
Austin, Texas 78701  
Email: Andrea.Shields@traviscountytexas.gov  
Facsimile: (512) 854-4210

With a copy to: Travis County, Texas  
Attn: Christy Moffett  
Managing Director, Economic & Strategic Planning  
700 Lavaca Street, Suite #1560  
Austin, Texas 78701  
Email: Christy.Moffett@traviscountytexas.gov  
Facsimile: (512) 854-4210

10. Complete Agreement; Modification. This Agreement is the entire understanding and agreement between the parties concerning the matters set forth herein and supersedes all prior agreements and understandings, if any, regarding the subject matter hereof. No modification of this Agreement shall be effective unless in writing and signed by the Parties.

11. Applicable Law and Venue. The interpretation, performance, enforcement and validity of this Agreement is governed by the laws of the State of Texas. Venue will be in a court of appropriate jurisdiction in Travis County, Texas.

12. Binding Effect. The covenants and agreements set forth in this Agreement shall be deemed covenants running with the title to the ROFR Property. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns.

13. Time of Essence. Time is of the essence with respect to all provisions of this Agreement.

14. Attorneys' Fees. Any Party to this Agreement bringing suit against another Party in respect to any matters stated herein may, if successful in such suit, recover from the non-prevailing Party its costs of court and reasonable attorneys' fees and associated legal expenses in such suit.

15. Excluded Transactions. The Right shall not apply to the following (collectively, the "Excluded Transactions"): (a) the leasing or subleasing to tenants for a term of less than five years, or the granting of easements or licenses, all in the normal and ordinary course of owning the ROFR Property, (b) the sale, transfer, or conveyance of the ROFR Property to an entity that acquires all or substantially all the assets of Landowner, (c) the sale, transfer or conveyance to any entity in connection with a merger, joint venture, partnership or other business venture or reorganization of Landowner; provided, however, that any sale, transfer, or conveyance that is described in items (a) through (c) above shall be made subject to this Agreement and the Right, (d) the granting of any mortgage or deed of trust to an Institutional Lender (as such term is defined below) as collateral

security incident to any bona fide arms-length lending transaction, or (e) the foreclosure or conveyance in lieu thereof in connection with any mortgage or deed of trust described in item (d) above, or (f) the sale, transfer or conveyance of the ROFR Property as a part of a sale, transfer, or conveyance of multiple properties and/or assets, including significant assets other than the ROFR Property, so long as such transaction is not designed or effectuated with the sole or substantial purpose of defeating the Right. In this Agreement, the term “Institutional Lender” means any of the following organizations: (i) any bank, association, or national banking association acting for its own account or in a fiduciary capacity, (ii) any insurance company, (iii) any investment mortgage corporation, and (iv) any pension, retirement or profit-sharing trust or fund for which any bank, trust company, or national banking association or investment advisor registered under the Investment Advisors Act of 1940, as amended, is acting as trustee or agent. .

16. Special Provisions Concerning Contract for Sale of ROFR Property to Affordable Housing Developer.

(A) TCDA will agree to waive the rights granted it hereunder in the event Landowner enters into a contract for the sale of the ROFR Property to a national developer of affordable housing properties (“National Developer”) under the following conditions: (a) Landowner must obtain TCDA’s written approval of the real estate purchase contract between Landowner and National Developer and (b) even though TCDA will waive its rights hereunder, the waiver is specifically limited to and for the sole purpose of allowing a sale to National Developer for a transaction that will include the Travis County Housing Finance Corporation (“TCHFC”) or TCHFC affiliates owning the ROFR Property and acting as general partner or managing member of the entity that will construct and operate the multifamily housing development on the ROFR Property.

(B) This Agreement will not terminate and will be applicable to all other Qualifying Offers (whether to the TCDA or National Developer) until such time as the ROFR Property is conveyed to the TCHFC or a TCHFC affiliate and TCHFC or a TCHFC affiliate is admitted as general partner or managing member of the entity that will construct and operate the multifamily development on the ROFR Property

17. Remedies. In the event a Party defaults in this Agreement, the non-defaulting Parties shall be entitled to exercise any remedy provided under applicable law, including, without limitation, the right to enforce specifically each and every covenant and agreement of the defaulting Party under this Agreement.

18. No Third-Party Beneficiary. This Agreement is solely for the benefit of the Parties, and neither Landowner nor the TCDA intends by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit upon or enforceable rights under this Agreement or otherwise upon anyone other than Landowner and the TCDA.

19. Joint Drafting. The Parties hereto acknowledge that each such Party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting Party shall not apply in the interpretation of this Agreement.

20. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

21. No Waiver. No waiver or right of a Party of any breach, default, liability or nonperformance of another Party under this Agreement shall be deemed or construed as a waiver of any other term, condition or liability or the breach or default thereof. Failure on the part of a Party to declare another Party in default, no matter how long such failure may continue, shall not be deemed to be a waiver by such Party of any of its rights hereunder

22. Counterparts. This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and all of which are identical.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date.

*[SIGNATURE PAGES OF OWNERS]*

**Travis County Development Authority**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF TEXAS                   §  
  §  
COUNTY OF TRAVIS           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, [insert title] of Travis County Development Authority, a Texas local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code on behalf of said corporation.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**Meritage Homes of Texas, LLC**  
an Arizona limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF TEXAS    §  
                                     §  
COUNTY OF TRAVIS    §

      This instrument was acknowledged before me on the \_\_\_\_ day of\_\_\_\_, 20\_\_ by  
\_\_\_\_\_, *[insert title]*, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_ on behalf of said limited liability company.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**After recording, return to:**  
Travis County Corporations  
Attn: Andrea Shields, Managing Director  
700 Lavaca Street, Suite #1560  
Austin, Texas 78701

**Exhibit A to Right of First Refusal Agreement**  
**ROFR Property**

**A METES AND BOUNDS  
DESCRIPTION OF A  
14.124 ACRE TRACT OF LAND**

BEING a 14.124 acre (615,227 square feet) tract of land Elijah Caples Survey, Abstract No. 155, Travis County, Texas; and being a portion of a called 529.31 acre tract of land described as Tract G in instrument to Harriet "Hatsy" Heep Shaffer in Document No. 2000089761 of the Official Public Records of Travis County; and being more particularly described as follows:

COMMENCING at a TxDOT Monument found marking the southeasterly end of a cut-back corner at the intersection of the northerly right-of-way line of State Highway No. 45 (variable width) and the easterly right-of-way line of North Turnersville Road (variable width);

THENCE, along the northerly right-of-way line of said State Highway No. 45 the following two (2) courses and distances:

1. South 81°04'19" East, 270.74 feet to a TxDOT Monument found;
2. South 57°18'33" East, 97.88 feet to the **POINT OF BEGINNING** of the herein described tract;

THENCE, departing the northerly right-of-way line of said State Highway No. 45 and crossing said Tract G the following fifteen (15) courses and distances:

1. North 32°41'14" East, 225.06 feet to a point for corner;
2. North 57°18'46" West, 190.45 feet to a point for corner;
3. North 37°42'04" East, 292.50 feet to a point for corner;
4. in a southeasterly direction, along a non-tangent curve to the left having a central angle of 2°46'04", a radius of 1035.00 feet, a chord bearing and distance of South 53°40'58" East, 50.00 feet, and a total arc length of 50.00 feet to a point for corner;
5. South 34°56'00" West, 120.00 feet to a point for corner;
6. in a southeasterly direction, along a non-tangent curve to the left having a central angle of 2°33'09", a radius of 1227.94 feet, a chord bearing and distance of South 56°23'00" East, 54.70 feet, and a total arc length of 54.70 feet to a point of tangency;
7. South 57°18'46" East, 390.77 feet to a point of curvature;
8. in a southeasterly direction, along a tangent curve to the left having a central angle of 29°18'31", a radius of 920.00 feet, a chord bearing and distance of South 71°58'01" East, 465.50 feet, and a total arc length of 470.61 feet to a point for corner;
9. North 3°22'43" East, 120.00 feet to a point for corner;
10. in a southeasterly direction, along a non-tangent curve to the left having a central angle of 3°34'52", a radius of 800.00 feet, a chord bearing and distance of South 88°24'43" East, 49.99 feet, and a total arc length of 50.00 feet to a point for corner;
11. South 1°20'25" East, 120.02 feet to a point for corner;
12. South 78°32'05" East, 201.20 feet to a point for corner;
13. South 88°24'16" East, 120.16 feet to a point for corner;
14. South 16°55'01" West, 414.84 feet to a point for corner;
15. South 40°29'41" West, 281.37 feet to a point for corner on the northerly right-of-way line of said State Highway No. 45; from which a TxDOT Monument found bears South 57°18'33" East, 52.16 feet;

THENCE, North 57°18'33" West, 1191.23 feet to the **POINT OF BEGINNING**, and containing 14.124 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

JOHN G. MOSIER  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 6330  
601 NW LOOP 410, SUITE 350  
SAN ANTONIO, TEXAS 78216  
PH. 210-541-9166  
greg.mosier@kimley-horn.com



**MULTI-FAMILY TRACT  
14.124 ACRES**  
ELIJAH CAPLES SURVEY, ABSTRACT NO. 155  
TRAVIS COUNTY, TEXAS

**Kimley»Horn**

601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

FIRM # 10193973

Tel. No. (210) 541-9166  
www.kimley-horn.com

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	APS	JGM	6/27/2019	067783111	1 OF 2

STENDAHIL, ABEL 6/27/2019 2:44 PM K:\SNA\_SURVEY\067783111-TURNERS CROSSING\DWG\EXHIBITS\14.124AC LOT 98.DWG



## **FIRST AMENDMENT TO TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT FINANCING AGREEMENT**

This First Amendment to Turner's Crossing Public Improvement District Financing Agreement (this "Amendment") is executed by and among Meritage Homes of Texas, LLC, an Arizona limited liability company (including its Designated Successors and Assigns, the "Managing Developer"), the Travis County Development Authority, a Texas local government corporation organized under subchapter D of Chapter 431 of the Texas Transportation Code (the "TCDA"), and Travis County, Texas, a political subdivision of the State of Texas (the "County") (each individually referred to as a "Party" and collectively as the "Parties"), and consented to by Taylor Morrison of Texas, Inc., a Texas corporation ("Taylor Morrison"), and Tri Pointe Homes Texas, Inc., a Texas corporation ("Tri Pointe") and, together with Taylor Morrison, the "Consenting Parties") to be effective August 16, 2022 (the "Effective Date"). Capitalized terms used in this Amendment have the same meanings given to them in the PID Financing Agreement (defined below) unless otherwise defined in this Amendment.

### **RECITALS**

- A. On November 13, 2018, the Commissioners Court of the County (the "Commissioners Court") passed and approved a resolution (the "Authorization Resolution") that authorized the creation of the Turner's Crossing Public Improvement District (the "District") pursuant to Chapter 372, Texas Local Government Code, as amended (the "PID Act"), which Authorization Resolution was published in a newspaper of general circulation in the County and the extraterritorial jurisdiction of the City of Austin (the "City") on December 7, 2018.
- B. The TCDA was formed pursuant to the provisions of the LGC Act which authorizes the TCDA to assist and act on behalf of the County and to engage in activities in the furtherance of the purposes for which TCDA was created.
- C. The TCDA was created by the County for the purpose of aiding, assisting, and acting on behalf of the County in the performance of its governmental functions to promote the common good and general welfare of the County; to promote, develop, encourage, and maintain education facilities, employment, commerce, and economic development in the County, and is empowered to aid, assist, and act on behalf of the County in managing public improvement districts created under the PID Act, including the District. The TCDA has all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in Texas and that are necessary or useful to enable the TCDA to perform the purposes for which it was created, including the power to issue bonds, notes, or other obligations and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that the TCDA may not issue bonds without the consent of the Commissioners Court.

- D. The County, after due and careful consideration, has (1) concluded that the development of land within the County through the establishment of public improvement districts, including the District, and the financing of public improvement projects, including the Improvement Area #1 Improvements (defined below), through public improvement districts promotes the common good and general welfare of the County by promoting, developing, encouraging, and maintaining employment, commerce, and economic development in the County, and (2) found that the TCDA is authorized to aid, assist, and act on behalf of the County in managing the District and to issue bonds to accomplish such purpose.
- E. The purpose of the District is to finance certain public improvements authorized by the PID Act (the "Authorized Improvements") that promote the interest of the County and confer a special benefit on the Property (defined below) within the District.
- F. The Managing Developer, Taylor Morrison and Tri Pointe (each, including its respective designees and assigns, an "Owner," and collectively, the "Owners") have entered into that certain Joint Ownership and Development Agreement effective of July 2, 2019 (the "Joint Ownership and Development Agreement"), relating to the development of the Property and authorized the Managing Developer to act on behalf of the Owners in all respects with regard to the PID Financing Agreement and to develop the Property in the District.
- G. On May 25, 2021, the County, the TCDA, and the Managing Developer entered into the Turner's Crossing Public Improvement District Financing Agreement dated May 25, 2021 (the "PID Financing Agreement") relating to the financing, construction, and conveyance of the Authorized Improvements.
- H. The Managing Developer has completed construction of Authorized Improvements benefiting Improvement Area #1 (defined below) (the "Improvement Area #1 Improvements").
- I. On October 5, 2021, the Commissioners Court passed and approved an order (the "Initial Assessment Order") that approved the Turner's Crossing Public Improvement District Service and Assessment Plan (the "Original Service and Assessment Plan") and levied an assessment (the "Initial Improvement Area #1 Assessment") against Improvement Area #1 Initial Parcel (as defined in the Original Service and Assessment Plan) in the amount of \$10,190,000.
- J. Upon providing evidence that the conditions precedent in Article V of the PID Financing Agreement have been satisfied, the Managing Developer may request that the Commissioners Court consider the adoption of a resolution consenting to the issuance of a series of PID Bonds for Improvement Area #1 by the TCDA to acquire, reimburse, or finance the Actual Costs of the Improvement Area #1 Improvements.

- K. On February 8, 2022, the County and the TCDA, each, approved a resolution directing County and TCDA staff to commence preparations for the issuance of bonds (the "Proposed Bond Issuance") for the payment of the costs of the Improvement Area #1 Improvements, including the preparation of an indenture of trust between the TCDA and Wilmington Trust, National Association, as trustee (the "Bond Trustee"), which contains provisions regarding the TCDA's transfers of Improvement Area #1 Contract Assessment Revenues to the Bond Trustee.
- L. In connection with the preparation and review of documents associated with the Proposed Bond Issuance, the Owners discovered a discrepancy in the boundaries of the District, as set forth in the Authorization Resolution, and said discrepancy revealed that the land comprising Lot 95, Block H ("Lot 95"), as depicted in Document No. 202100102 recorded in the Official Public Records of Travis County, Texas, was not contained within the boundaries of the District.
- M. Lot 95 receives a benefit from the Improvement Area #1 Improvements and was inadvertently included within the Improvement Area #1 Initial Parcel upon which the Initial Improvement Area #1 Assessments were levied.
- N. On July 12, 2022, pursuant to Section 372.012 of the PID Act, the Commissioners Court, by order (the "Lot 95 Initial Assessment Release Order"), determined that the Initial Improvement Area #1 Assessment levied on Lot 95 was invalid, as such land was not included within the boundaries of the District, as set forth in the Authorization Resolution, and released, repealed and rescinded the Initial Improvement Area #1 Assessment on Lot 95 in the amount of \$36,302.10.
- O. On June 28, 2022, the Owners submitted and filed with the County Clerk of the County a petition requesting the removal and addition of land to the boundaries of the District, including the addition of Lot 95.
- P. On August 16, 2022, the Commissioners Court passed and approved a resolution (the "Boundary Amendment Resolution") that authorized an amendment to the boundaries of the District, which Boundary Amendment Resolution will be filed in the real property records of the County on or before August 23, 2022.
- Q. On August 16, 2022 the Managing Developer submitted an Assessment Levy Request relating to Lot 95, requesting that the Commissioners Court consider (i) the adoption of an Order that (A) approves the Turner's Crossing Public Improvement District 2022 Amended and Restated Service and Assessment Plan identifying, among other things, the costs of the Improvement Area #1 Improvements benefiting Lot 95 and the special assessments to be levied on Lot 95 (the "Lot 95 Assessment") and, together with the Initial Improvement Area #1 Assessments, as the levy of such assessments was amended by the Lot 95 Initial Assessment Release Order, the "Improvement Area #1 Assessments"), (B) levies said Lot 95 Assessment, and (C) establishes the timeframe for collection of said Lot 95 Assessment.

- R. The District includes approximately 446.732 acres in the County and the extraterritorial jurisdiction of the City and generally located approximately 1.5 miles east of the intersection of IH-35 and SH-45-SE, which property is described in **Exhibit "B"** (the "Property"). The District includes "Improvement Area #1," which improvement area is described in **Exhibit "B-1."**
- S. The Parties wish to amend the PID Financing Agreement to correct the legal description of the District, add a map of the District, add a legal description and map of Improvement Area #1, and add a map that shows the approximate boundaries of Improvement Area #1, Improvement Area #2, Improvement Area #3, and Improvement Area #4.

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The foregoing recitals are true and correct, and are incorporated as part of this Amendment for all purposes.
2. Recital 4 of the PID Financing Agreement is hereby deleted in its entirety and replaced with the following:
  4. As of the Effective Date, Meritage and the Consenting Parties owned approximately 446.732 acres in the County and the extraterritorial jurisdiction of the City of Austin, Texas (the "City") and generally located approximately 1.5 miles east of the intersection of IH-35 and SH-45-SE, which property is depicted and described in Exhibit "B" (the "**Property**").
3. Recital 14 of the PID Financing Agreement is hereby deleted in its entirety and replaced with the following:
  14. The Managing Developer anticipates developing the Project in phases, with the District being divided, for development planning purposes, into four distinct improvement areas consisting of "**Improvement Area #1**", "**Improvement Area #2**", "**Improvement Area #3**", and "**Improvement Area #4**" (each an "Improvement Area" and collectively the "Improvement Areas"). Improvement Area #1 is the first Improvement Area the Managing Developer intends to develop and is depicted and described in Exhibit "B-1." A map of the District depicting the approximate boundaries of the Improvement Areas is attached hereto as Exhibit "B-2". Development and the financing thereof within each Improvement Area will proceed according to the terms specified in this Agreement.
4. Section 9.23 of the PID Financing Agreement is hereby deleted in its entirety and replaced with the following:

**Section 9.23                      Exhibits**

The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit "A"	Definitions
Exhibit "B"	Map and Legal Description of the District
Exhibit "B-1"	Map and Legal Description of Improvement Area #1
Exhibit "B-2"	Map of Improvement Areas
Exhibit "C"	Form of Certification for Payment
Exhibit "D"	Form of Closing Disbursement Request
Exhibit "E-1"	Table of Authorized Improvements
Exhibit "E-2"	Community Benefits
Exhibit "F"	Homebuyer Disclosure Program
"Exhibit "F-1"	Homebuyer Disclosure
Exhibits "G-1" to "G-3"	County's Procurement Requirements
Exhibits "H-1" to "H-12"	County's Worker Protection Requirements
Exhibit "I"	Form of Acquisition and Reimbursement Agreement
Exhibit "J"	Form of Landowner Agreement
Exhibit "K"	HUB Requirements
Exhibit "L"	CBF Escrow Agreement
Exhibit "M"	Designated Affordable Housing Process

5. Exhibit "B" of the PID Financing Agreement is hereby deleted in its entirety and replaced with the map and legal description of the District attached hereto as Attachment 1.
6. Exhibit "B-1" of the PID Financing Agreement is hereby deleted in its entirety and replaced with the map and legal description of Improvement Area #1 attached hereto as Attachment 2.

7. Exhibit "B-2," a map depicting the approximate boundaries of the Improvement Areas is attached hereto as Attachment 3, and is added to the PID Financing Agreement after Exhibit "B-1."
8. Anti-Boycott Verification. The Managing Developer and the Consenting Parties each hereby verify that the Managing Developer, the Consenting Parties and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Managing Developer and the Consenting Parties, if any, do not boycott Israel and, to the extent this Amendment is a contract for goods or services, will not boycott Israel during the term of this Amendment. The foregoing verification is made solely to enable the County to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal or State 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.
9. Iran, Sudan, and Foreign Terrorist Organizations. The Managing Developer and the Consenting Parties represent that neither the Managing Developer, the Consenting Parties nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Managing Developer and the Consenting Parties 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 County to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or State law and excludes the Managing Developer, the Consenting Parties and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Managing Developer and the Consenting Parties, 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.
10. No Discrimination Against Fossil-Fuel Companies. To the extent this Amendment 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 Managing Developer and the Consenting Parties hereby verify that the Managing Developer, the Consenting Parties and any parent company, wholly- or majority-

owned subsidiaries, and other affiliates of the Managing Developer and the Consenting Parties, if any, do not boycott energy companies and will not boycott energy companies during the term of this Amendment. The foregoing verification is made solely to enable the County to comply with such Section and to the extent such Section does not contravene applicable Federal or State 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 and state law; or (B) does business with a company described by (A) above.

11. No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Amendment 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 Managing Developer and the Consenting Parties hereby verify that the Managing Developer and the Consenting Parties and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Managing Developer and the Consenting Parties, 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 during the term of this Amendment against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the County to comply with such Section and to the extent such Section does not contravene applicable Federal or State 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,

(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.

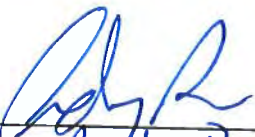
12. Affiliate. As used in Sections 10 through 13, the Managing Developer and the Consenting Parties understand “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Managing Developer or the Consenting Parties within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.
13. Disclosure of Interested Parties. The Managing Developer represents that it is a publicly-traded business entity or a wholly-owned direct or indirect subsidiary of a publicly-traded business entity. Taylor Morrison represents that it is a publicly-traded business entity or a wholly-owned direct or indirect subsidiary of a publicly-traded business entity. Tri Pointe represents that it is a publicly-traded business entity or a wholly-owned direct or indirect subsidiary of a publicly-traded business entity. Accordingly, it is not necessary for the Managing Developer or the Consenting Parties to submit a Form 1295 in connection with their participation in the execution of this Amendment.
14. Ratification and Compliance. Except as expressly amended or modified by this Amendment, the PID Financing Agreement shall continue in full force and effect. The Parties and the Consenting Parties each hereby ratify, affirm, and agree that the PID Financing Agreement, as herein modified, represents the valid, binding, and enforceable obligations of the Managing Developer, the County, and the TCDA, respectively. The Managing Developer, the County, and the TCDA each promise and agree to perform and comply with the terms, provisions, and conditions of and the agreements in the PID Financing Agreement, as modified by this Amendment. In the event of any conflict or inconsistency between the provisions of the PID Financing Agreement and this Amendment, the provisions of this Amendment shall control and govern.

15. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original. Signatures transmitted electronically by e-mail in a "PDF" format, by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this Amendment.

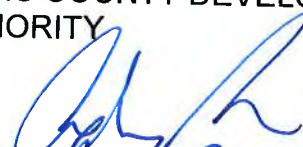
Attachments:        Attachment 1 -- Exhibit "B"  
                         Attachment 2 – Exhibit "B-1"  
                         Attachment 3 – Exhibit "B-2"

[Signature pages to follow]

TRAVIS COUNTY, TEXAS

By:   
Name: Andy Brown  
Title: County Judge

TRAVIS COUNTY DEVELOPMENT  
AUTHORITY

By:   
Name: Andy Brown  
Title: President

Meritage Homes of Texas, LLC  
an Arizona limited liability company

By: \_\_\_\_\_  
Name: Elliot Jones  
Title: Vice President of Land Acquisition

TRAVIS COUNTY, TEXAS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TRAVIS COUNTY DEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Meritage Homes of Texas, LLC  
an Arizona limited liability company

By:  \_\_\_\_\_  
Name: Elliot Jones  
Title: Vice President of Land Acquisition

It is hereby acknowledged that the Consenting Parties are executing this Amendment solely due to the fact that they, together with the Managing Developer, jointly own a portion of the Property as of the effective date of this Amendment, and, except for their obligations expressly set forth under the Landowner Agreement, the Consenting Parties have no rights, duties, or obligations under this Amendment.

**CONSENTING PARTIES:**

**Taylor Morrison of Texas, Inc.**  
a Texas corporation

By: Michael Slack  
Name: Michael Slack  
Title: Vice President

**Tri Pointe Homes Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

It is hereby acknowledged that the Consenting Parties are executing this Amendment solely due to the fact that they, together with the Managing Developer, jointly own a portion of the Property as of the effective date of this Amendment, and, except for their obligations expressly set forth under the Landowner Agreement, the Consenting Parties have no rights, duties, or obligations under this Amendment.

**CONSENTING PARTIES:**

**Taylor Morrison of Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

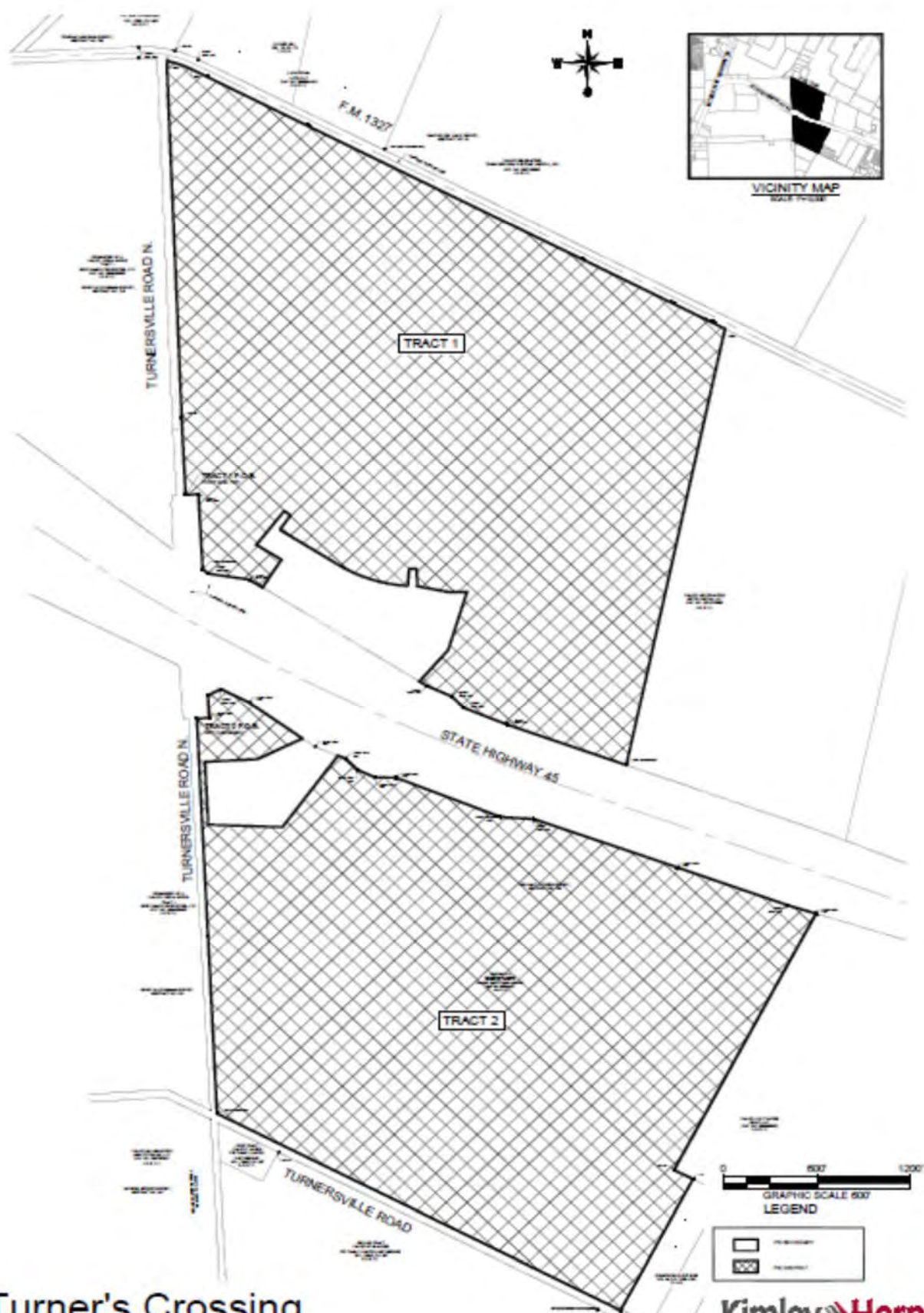
**Tri Pointe Homes Texas, Inc.**  
a Texas corporation

By: \_\_\_\_\_  
Name: Bryan R. Harrel  
Title: DP

**Attachment 1**

**Exhibit “B”**

**Map and Legal Description of the District**



# Turner's Crossing

PID DISTRICTS  
Austin, Texas  
June 22

THIS MAP  
LAST REVISED

NOT TO BE USED FOR ANY PURPOSE OTHER THAN THAT FOR WHICH IT WAS DESIGNED AND FOR WHICH IT WAS APPROVED BY THE AUSTIN PLANNING COMMISSION

**Kimley»Horn**

10014 Jollyville Road  
Campus IV, Suite 200  
Austin, Texas 78758  
672-325-3590  
State of Texas Registration No. F-600  
This map is a reproduction of the original map and is not to be used for any other purpose without the written consent of Kimley-Horn.

Kimley Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

**A METES AND BOUNDS  
DESCRIPTION OF A  
231.709 ACRE PUBLIC IMPROVEMENT DISTRICT**

**BEING** a 231.709 acre (10,093,223 square feet) tract of land situated in the Elijah Caples Survey, Abstract No. 155, Travis County, Texas; containing a portion of Turner's Crossing North Phase 1 subdivision, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, and a portion of that certain 245.832 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a TXDOT monument found marking the westerly southwest corner of the herein described tract, at the intersection of the northerly right of way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45, and along the easterly right-of-way line of said North Turnersville Road, the following two (2) courses and distances:

1. North 2°40'43" West, 535.14 feet to a 1/2-inch iron rod found for corner;
2. North 2°14'27" West, 2442.36 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at the intersection of the easterly right-of-way line of said North Turnersville Road with the southerly right-of-way line of F.M. 1327 (80 feet wide);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said F.M. 1327, the following two (2) courses and distances:

1. in a southeasterly direction, along a non-tangent curve to the right having a central angle of 14°41'53", a radius of 876.20 feet, a chord bearing and distance of South 09°45'52" East, 172.90 feet, and a total arc length of 173.47 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at a point of tangency;
2. South 62°24'54" East, 3836.98 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found marking the northwesterly corner of a called 100.278 acre tract of land described in instrument to F.M. 1327 Enterprises LP in Document No. 2021157135 of the Official Public Records of Travis County, Texas;

**THENCE**, South 11°53'06" West, 3056.34 feet departing the southerly right-of-way line of said F.M. 1327 and along the westerly line of said 100.278 acre tract to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found on the northerly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northerly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North 69°52'23" West, 811.43 feet to a TXDOT monument found for corner;
2. in a northwesterly direction, along a non-tangent curve to the right having a central angle of 1°10'19", a radius of 14018.20 feet, a chord bearing and distance of North 07°22'47" West, 200.01 feet, and a total arc length of 299.01 feet to a TXDOT monument found for corner;
3. North 43°45'32" West, 107.80 feet to a TXDOT monument found for corner;
4. North 05°21'50" West, 100.55 feet to a TXDOT monument found for corner;
5. North 57°18'33" West, 52.16 feet to a point marking the south corner of Lot 96 Multi-family Lot of aforesaid Turner's Crossing North Phase 1;

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45 and along the boundary of said Lot 96 Multi-family Lot the following fifteen (15) courses and distances:

1. North 40°29'41" East, 281.37 feet to a point for corner;
2. North 16°55'01" East, 414.84 feet to a point for corner;
3. North 89°24'16" West, 120.16 feet to a point for corner;
4. North 78°32'05" West, 201.20 feet to a point for corner;
5. North 1°20'25" West, 120.02 feet to a point for corner;
6. in a northwesterly direction, along a non-tangent curve to the right, a central angle of 88°24'43", a radius of 800.00 feet, a chord bearing and distance of North 88°24'43" West, 49.99 feet, and a total arc length of 50.00 feet to a point for corner;
7. South 3°22'43" West, 120.00 feet to a point for corner;

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

8. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $29^{\circ}18'31''$ , a radius of 920.00 feet, a chord bearing and distance of North  $71^{\circ}58'01''$  West, 465.50 feet, and a total arc length of 470.81 feet to a point of tangency;
9. North  $57^{\circ}18'40''$  West, 380.77 feet to a point for corner;
10. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}33'08''$ , a radius of 1227.94 feet, a chord bearing and distance of North  $58^{\circ}23'00''$  West, 54.70 feet, and a total arc length of 54.70 feet to a point for corner;
11. North  $34^{\circ}56'00''$  East, 120.00 feet to a point for corner;
12. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}46'04''$ , a radius of 1035.00 feet, a chord bearing and distance of North  $53^{\circ}10'58''$  West, 50.00 feet, and a total arc length of 50.00 feet to a point of tangency;
13. South  $37^{\circ}42'04''$  West, 292.50 feet to a point for corner;
14. South  $57^{\circ}18'46''$  East, 100.15 feet to a point for corner;
15. South  $32^{\circ}41'14''$  West, 225.05 feet to a point for corner on the northeasterly right-of-way line of aforesaid State Highway No. 45;

THENCE, along the northeasterly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North  $57^{\circ}18'33''$  West, 97.88 feet to a TXDOT monument found for corner;
2. North  $81^{\circ}04'19''$  West, 270.74 feet to a TXDOT monument found for corner;
3. North  $44^{\circ}08'40''$  West, 45.40 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found for corner;
4. North  $2^{\circ}57'59''$  West, 510.90 feet to a TXDOT monument found for corner;
5. South  $87^{\circ}04'31''$  West, 82.40 feet to the **POINT OF BEGINNING** and containing 231.709 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



*John G. Mosier 6-3-2022*

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9188  
greg.mosier@kimley-horn.com

**A METES AND BOUNDS  
DESCRIPTION OF A  
215.023 ACRE PUBLIC IMPROVEMENT DISTRICT**

**BEING** a 215.023 acre (9,366,421 square feet) tract of land situated in the William P. Corben Survey, Abstract No. 159, Travis County, Texas; and being a portion of a called 222.714 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found marking the western-most northwest corner of said 222.714 acre tract, at the intersection of the southerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said State Highway No. 45 the following five (5) courses and distances:

1. North 07°09'52" East, 70.10 feet to a TXDOT monument found for corner;
2. North 3°02'16" West, 155.83 feet to a TXDOT monument found for corner;
3. North 62°09'44" East, 94.12 feet to a TXDOT monument found for corner;
4. South 62°37'49" East, 204.30 feet to a TXDOT monument found for corner;
5. South 53°55'35" East, 420.06 feet to a point for corner;

**THENCE**, crossing said 222.714 acre tract the following five (5) courses and distances:

1. South 63°41'27" West, 320.38 feet departing the southerly right-of-way line of said State Highway No. 45 to a point for corner;
2. South 86°56'15" West, 336.22 feet to a point marking the southwest corner of said 4.562 acre tract;
3. South 2°41'42" East, 432.04 feet to a point for corner;
4. South 87°52'59" East, 473.77 feet to a point for corner;
5. North 35°58'41" East, 606.80 feet to a point for corner on the southerly right-of-way line of said State Highway No. 45;

**THENCE**, continuing along the southerly right-of-way line of said State Highway No. 45 the following nine (9) courses and distances:

1. South 87°52'36" East, 52.48 feet to a TXDOT monument found for corner;
2. South 43°50'02" East, 106.62 feet to a TXDOT monument found for corner;
3. South 65°18'54" East, 121.55 feet to a TXDOT monument found for corner;
4. South 00°23'42" East, 139.54 feet to a TXDOT monument found for corner;
5. South 67°53'17" East, 715.52 feet to a TXDOT monument found for corner;
6. South 86°10'11" East, 215.41 feet to a TXDOT monument found for corner;
7. South 70°03'00" East, 973.87 feet to a TXDOT monument found for corner;
8. South 69°45'00" East, 754.88 feet to a TXDOT monument found for corner;
9. South 72°28'08" East, 185.43 feet to a TXDOT monument found for corner marking the northwesterly corner of a called 115.77 acre tract of land described in instrument to BGICO, LLC in Document No. 2008058832 of the Official Public Records of Travis County, Texas;

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

**THENCE**, departing the southerly right-of-way line of said State Highway No. 45 and along the westerly line of said 115.77 acre tract, the following two (2) courses and distances:

1. South 27°17'46" West, 1976.88 feet to a 3/4-inch iron pipe found for corner;
2. South 62°47'41" East, 136.86 feet to a 1-inch iron pipe found marking the northerly corner of Lot 1 of Turnersville Estates, recorded in Volume 84, Pages 123D-213C of the Plat Records of Travis County, Texas;

**THENCE**, South 27°27'17" West, 1004.58 feet along the westerly line of said Lot 1 to a 1/2-inch iron rod found on the northeasterly right-of-way line of Turnersville Road (variable width);

**THENCE**, North 62°31'08" West, 2904.05 feet along the northeasterly right-of-way line of said Turnersville Road to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found at the intersection of the northeasterly right-of-way line of said Turnersville Road with the easterly right-of-way line of aforesaid North Turnersville Road;

**THENCE**, North 2°41'42" West, 2713.80 feet along the said easterly right of way line of North Turnersville Road to the **POINT OF BEGINNING** and containing 215.023 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



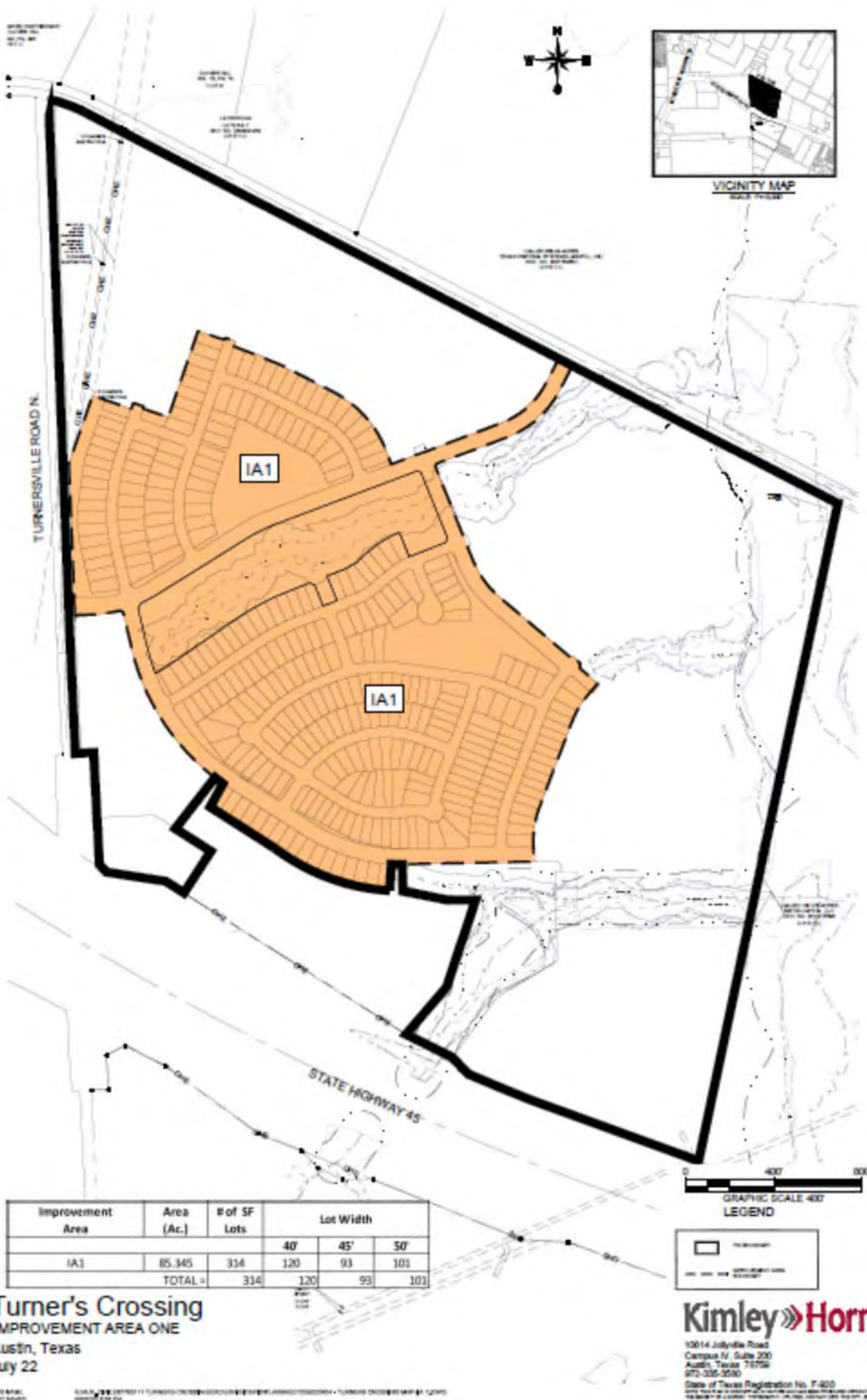
*John G. Mosier 6-3-2022*

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

**Attachment 2**

**Exhibit “B-1”**

**Map and Legal Description of Improvement Area #1**



**A METES AND BOUNDS  
DESCRIPTION OF A  
85.345 ACRE TRACT OF LAND**

BEING all of Turner's Crossing North – Phase 1, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, including platted rights-of-way, save and except the following lots:

- Lot 78, Block H, Private Parkland Lot
- Lot 95, Block H, Multi-Family Lot
- Lot 97, Block H, Water Tower & P.U.E. Lot
- Lot 98, Block H, Commercial Lot
- And the 0.818 acre right-of-way dedication to North Turnersville Road

and being more particularly described as follows:

**BEGINNING** at a point marking the intersection of the northwesterly right-of-way line of Turner Forest Avenue (70 foot wide public right-of-way) with the southwesterly right-of-way line of F.M. 1327 (80 foot wide public right-of-way);

**THENCE**, South 62°24'54" East, 100.00 feet along the southwesterly right-of-way line of said F.M. 1327 and the terminus of said Turner Forest Avenue to a point for corner;

**THENCE**, departing the southwesterly right-of-way line of said F.M. 1327 and along the southeasterly right-of-way line of said Turner Forest Avenue the following five (5) courses and distances:

1. in a westerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 72°36'15" West, 21.21 feet, a central angle of 89°57'42", and an arc length of 23.55 feet to a point for corner;
2. South 27°37'24" West, 93.71 feet to a point of curvature;
3. in a southwesterly direction along a tangent curve to the right, having a radius of 505.00 feet, a chord of South 48°25'51" West, 358.78 feet, a central angle of 41°36'54", and an arc length of 366.79 feet to a point of tangency;
4. South 69°14'16" West, 310.59 feet to a point of curvature;
5. in a southwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 23°45'19" West, 21.39 feet, a central angle of 90°57'57", and an arc length of 23.81 feet to a point on the northeasterly right-of-way line of Turner Coach Trail (70 foot wide public right-of-way);

**THENCE**, departing the southeasterly right-of-way line of said Turner Forest Avenue and along the northeasterly right-of-way line of said Turner Coach Trail the following seven (7) courses and distances:

1. South 21°43'39" East, 452.39 feet to a point of curvature;
2. in a southeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of South 35°36'12" East, 208.64 feet, a central angle of 27°45'05", and an arc length of 210.69 feet to a point for corner;
3. South 49°28'44" East, 411.12 feet to a point for corner;
4. in a easterly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord North 89°08'19" East, 19.83 feet, a central angle of 82°46'16", and an arc length of 21.67 feet to a point for corner;
5. South 41°38'49" East, 50.00 feet to a point for corner;
6. in a southerly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord South 02°02'00" East, 22.13 feet, a central angle of 95°02'23", and an arc length of 24.88 feet to a point for corner;
7. South 49°28'44" East, 99.90 feet to a point for corner;

**THENCE**, South 40°31'16" West, 50.00 feet crossing the right-of-way of said Turner Coach Trail to a point of curvature marking the east corner of Lot 18, Block R of aforesaid Turner's Crossing North – Phase 1 on the southwesterly right-of-way line of Turner Coach Trail;

**THENCE**, departing the southwesterly right-of-way line of said Turner Coach Trail and along the boundaries of Lots 1-18 of said Block R the following four (4) courses and distances:

1. in a southwesterly direction along a non-tangent curve to the left, having a radius of 445.00 feet, a chord South 31°17'52" West, 163.72 feet, a central angle of 21°12'01", and an arc length of 164.66 feet to a point of tangency;
2. South 20°41'51" West, 409.91 feet to a point of curvature;
3. in a southerly direction along a tangent curve to the left, having a radius of 445.00 feet, a chord of South 09°40'43" West, 170.11 feet, a central angle of 22°02'17", and an arc length of 171.16 feet to a point of tangency;
4. South 01°20'25" East, 81.11 feet and crossing the right-of-way of Dairywork Road (70 foot wide public right-of-way) to a point on the southerly right-of-way line of said Dairywork Road;

**THENCE**, along the southerly right-of-way line of said Dairywork road the following two (2) courses and distances:

1. South 88°39'35" West, 577.42 feet to a point of curvature;

2. in a westerly direction along a tangent curve to the right, having a radius of 800.00 feet, a chord of North 88°58'51" West, 65.87 feet, a central angle of 04°43'08", and an arc length of 65.89 feet to a point marking the northeastern corner of Lot 79, Block H of aforesaid Turner's Crossing North – Phase 1 on the southerly right-of-way line of said Dairywork Road;

THENCE, departing the southerly right-of-way line of said Dairywork Road and along the boundaries of Lots 79-95, of said Block H the following five (5) courses and distances:

1. South 03°22'43" West, 120.00 feet to a point for corner;
2. in a westerly direction along a non-tangent curve to the right, having a radius of 920.00 feet, a chord North 71°58'01" West, 465.50 feet, a central angle of 29°18'31", and an arc length of 470.61 feet to a point for corner;
3. North 57°18'46" West, 390.77 feet to a point of curvature;
4. in a northwesterly direction along a non-tangent curve to the right, having a radius of 1227.94 feet, a chord North 56°23'00" West, 54.70 feet, a central angle of 02°33'09", and an arc length of 54.70 feet to a point for corner;
5. North 34°56'00" East, 120.00 feet to a point marking the north corner of said Lot 95, Block H on the southwesterly boundary of aforesaid Dairywork Road;

THENCE, along the southwesterly right-of-way line of said Dairywork Road the following three (3) courses and distances:

1. in a northwesterly direction along a non-tangent curve to the right, having a radius of 1035.00 feet, a chord North 34°05'13" West, 741.13 feet, a central angle of 41°57'33", and an arc length of 757.96 feet to a point of tangency;
2. North 13°06'27" West, 166.69 feet to a point of curvature;
3. in a northwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 58°32'18" West, 21.37 feet, a central angle of 90°51'43", and an arc length of 23.79 feet to a point of reverse curvature on the southerly right-of-way line of aforesaid Turner Forest Avenue;

THENCE, departing the southwesterly right-of-way line of said Dairywork Road and along the southerly right-of-way line of said Turner Forest Avenue the following three (3) courses and distances:

1. in a westerly direction along a reverse tangent curve to the right, having a radius of 535.00 feet, a chord South 81°53'40" West, 109.32 feet, a central angle of 11°43'41", and an arc length of 109.51 feet to a point of tangency;
2. South 87°45'31" West, 68.60 feet to a point of curvature;
3. in a southwesterly direction along a tangent curve to the left, having a radius of 25.00 feet, a chord of South 43°17'28" West, 35.03 feet, a central angle of 88°56'05", and an arc length of 38.81 feet to a point on the easterly boundary of aforesaid 0.818 acre right-of-way dedication to North Turnersville Road;

THENCE, North 01°57'52" West, 127.54 feet along the easterly boundary of said 0.818 acre right-of-way dedication and crossing the right-of-way of said Turner Forest Avenue to a point marking a southwestern corner of Lot 17 – Landscape Lot, Block A of aforesaid Turner's Crossing North – Phase 1 on the northerly right-of-way line of said Turner Forest Avenue;

THENCE, departing the northerly right-of-way line of said Turner Forest Avenue and continuing along the westerly and northerly boundary of said Lot 17 – Landscape Lot, Block A the following three (3) courses and distances:

1. North 02°14'05" West, 588.09 feet to a point for corner;
2. North 19°00'51" East, 326.46 feet to a point for corner;
3. South 70°59'09" East, 185.00 feet along the northerly boundary of said Lot 17 – Landscape Lot and Lot 18, of said Block A to a point on the northeasterly right-of-way line of aforesaid Dairywork Road;

THENCE, North 19°00'51" East, 18.56 feet along the northeasterly right-of-way line of said Dairywork Road to a point for corner;

THENCE, South 70°59'09" East, 170.00 feet crossing the right-of-way of said Dairywork Road, then departing the southeasterly right-of-way line of said Dairywork Road and along the northerly boundary of Lot 1, Block B of aforesaid Turner's Crossing North – Phase 1 to a point on the northwesterly boundary of Lot 23 of said Block B;

THENCE, North 19°00'51" East, 414.60 feet along the boundaries of Lots 15-23 of said Block B to a point marking the north corner of said Lot 15, Block B;

THENCE, South 70°59'09" East, 175.00 feet along the northeasterly boundary of said Lot 15, Block B and crossing the right-of-way line of Purple Prairie Lane (50 foot wide public right-of-way) to a point on the southeasterly right-of-way line of said Purple Prairie Lane;

THENCE, South 19°00'51" West, 13.44 feet along the southeasterly right-of-way line of said Purple Prairie Lane to a point marking the north corner of Lot 1, Block E of aforesaid Turner's Crossing North – Phase 1;

THENCE, departing the southeasterly right-of-way line of said Purple Prairie Lane, and along the boundaries of Lots 1-17 of said Block E the following thirteen (13) courses and distances:

1. South 70°59'09" East, 95.00 feet to a point for corner;
2. South 68°57'47" East, 44.98 feet to a point for corner;
3. South 63°40'40" East, 44.99 feet to a point for corner;
4. South 62°24'54" East, 315.00 feet to a point for corner;

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
10101 Reunion Place, Suite 400  
San Antonio, Texas 78216

5. South 61°26'40" East, 44.99 feet to a point for corner;
6. South 56°15'55" East, 44.98 feet to a point for corner;
7. South 50°35'55" East, 44.98 feet to a point for corner;
8. South 44°55'55" East, 44.98 feet to a point for corner;
9. South 39°15'55" East, 44.98 feet to a point for corner;
10. South 33°35'55" East, 44.98 feet to a point for corner;
11. South 27°55'56" East, 44.98 feet to a point for corner;
12. South 22°43'49" East, 44.99 feet to a point for corner;
13. South 21°43'39" East, 68.19 feet to a point marking the east corner of said Lot 17 – Landscape Lot, Block E on the northwesterly right-of-way line of aforesaid Turner Forest Avenue;

THENCE, along the northwesterly right-of-way line of said Turner Forest Avenue the following six (6) courses and distances:

1. North 69°14'18" East, 104.76 feet to a point for corner;
2. North 69°14'18" East, 80.01 feet to a point for corner;
3. North 69°14'18" East, 322.27 feet to a point of curvature;
4. in a northeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of North 48°25'51" East, 309.05 feet, a central angle of 41°36'54", and an arc length of 315.95 feet to a point of tangency;
5. North 27°37'24" East, 93.64 feet to a point of curvature;
6. in a northerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 17°23'45" West, 21.22 feet, a central angle of 90°02'18", and an arc length of 23.57 feet to the POINT OF BEGINNING and containing 85.345 acres of land in Travis County, Texas. The basis of bearing for this description is the Turner's Crossing North – Phase 1 plat. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

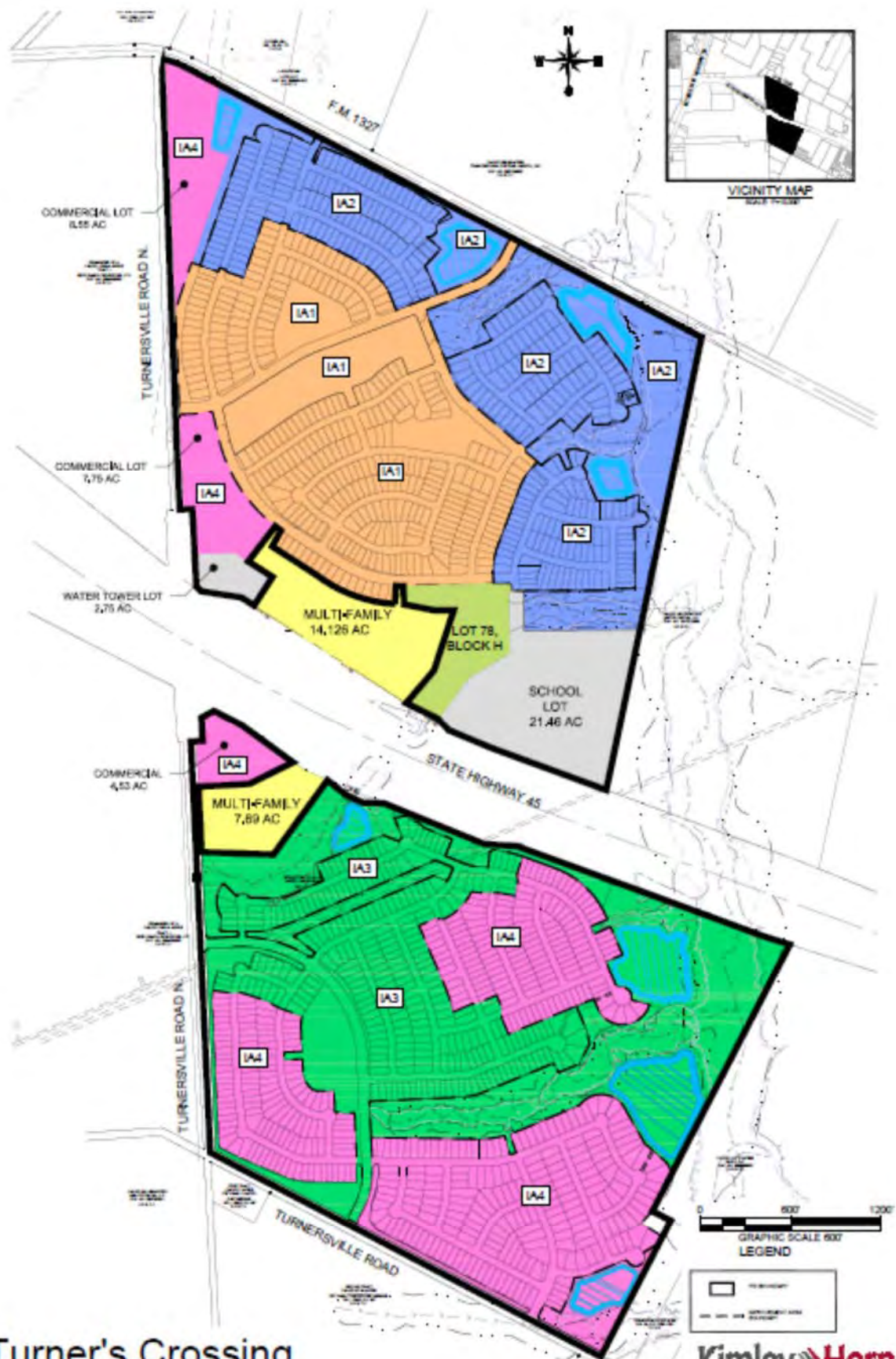
*John G. Mosier 7-29-22*  
John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com



**Attachment 3**

**Exhibit “B-2”**

**Map of Improvement Areas**



# Turner's Crossing

OVERALL PID BOUNDARY  
Austin, Texas  
August 22

THIS MAP  
LAST SALES

© 2020 KIMLEY-HORN, INC. ALL RIGHTS RESERVED. KIMLEY-HORN, INC. IS A REGISTERED SERVICE PROVIDER. TURNER'S CROSSING MAPS ARE  
PRODUCED FOR THE

**Kimley-Horn**

13014 Jollyville Road  
Campus IV, Suite 200  
Austin, Texas 78758  
972-335-3530

State of Texas Registration No. F-403

THIS MAP IS A PRELIMINARY PLAT. IT IS NOT A FINAL PLAT. IT IS NOT A FINAL PLAT. IT IS NOT A FINAL PLAT.

## **APPENDIX G**

### **FUNDING AGREEMENT**

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

## **AMENDED AND RESTATED TURNER'S CROSSING PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 FUNDING AGREEMENT**

This Amended and Restated Turner's Crossing Public Improvement District Improvement Area #1 Funding Agreement (this "Improvement Area #1 Funding Agreement") dated August 16, 2022 (the "Effective Date"), is executed by Travis County, Texas (the "County") and the Travis County Development Authority (the "TCDA"), a public non-profit corporation incorporated under Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Chapter 431"), and Chapter 394, Texas Local Government Code, as amended ("Chapter 394" and together with Chapter 431, the "LGC Act"). This Improvement Area #1 Funding Agreement amends and restates the Turner's Crossing Public Improvement District Improvement Area #1 Funding Agreement between the County and the TCDA effective October 5, 2021 (the "Original Agreement") in its entirety and such prior agreement shall cease to exist as of the Effective Date of this Improvement Area #1 Funding Agreement. The County and the TCDA are individually referred to as a "Party" and collectively as the "Parties". Capitalized terms used in this Improvement Area #1 Funding Agreement have the same meanings given to them in the Service and Assessment Plan (defined below) unless otherwise defined in this Improvement Area #1 Funding Agreement.

### **RECITALS**

- A. On November 13, 2018, the Commissioners Court of the County (the "Commissioners Court") passed and approved a resolution (the "Authorization Resolution") that authorized the creation of the Turner's Crossing Public Improvement District (the "District") pursuant to Chapter 372, Texas Local Government Code, as amended (the "PID Act"), which Authorization Resolution was published in a newspaper of general circulation in the County and the extraterritorial jurisdiction of the City of Austin (the "City") on December 7, 2018.
- B. The TCDA was formed pursuant to the provisions of the LGC Act which authorizes the TCDA to assist and act on behalf of the County and to engage in activities in the furtherance of the purposes for which TCDA was created.
- C. The TCDA was created by the County for the purpose of aiding, assisting, and acting on behalf of the County in the performance of its governmental functions to promote the common good and general welfare of the County; to promote, develop, encourage, and maintain education facilities, employment, commerce, and economic development in the County, and is empowered to aid, assist, and act on behalf of the County in managing public improvement districts created under the PID Act, including the District. The TCDA has all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in Texas and that are necessary or useful to enable the TCDA to perform the purposes for which it was created, including the power to issue bonds, notes, or other obligations and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that the TCDA may not issue bonds without the consent of the Commissioners Court.
- D. The County, after due and careful consideration, has (1) concluded that the development of land within the County through the establishment of public improvement districts, including the District, and the financing of public improvement projects, including the Improvement Area #1 Improvements (defined below), through public improvement districts promotes the common good and general welfare of the County by promoting, developing, encouraging, and maintaining

employment, commerce, and economic development in the County, and (2) found that the TCDA is authorized to aid, assist, and act on behalf of the County in managing the District and to issue bonds to accomplish such purpose.

- E. The County and the TCDA have entered into a Contract for Management and Administrative Services dated April 24, 2018 (the “Management Contract”) pursuant to which the TCDA agreed to provide management and administrative services for the public improvement districts created by the Commissioners Court.
- F. The County and the TCDA have entered into an Agreement for Billing and Collection Services (the “Billing and Collections Services Agreement”) that authorizes the County, acting through the County Tax Assessor-Collector, to bill and collect assessments on behalf of the TCDA.
- G. The purpose of the District is to finance certain public improvements authorized by the PID Act (the “Authorized Improvements”) that promote the interest of the County and confer a special benefit on the Property within the District.
- H. Meritage Homes of Texas, LLC, an Arizona limited liability company (including its Designated Successors and Assigns, the “Managing Developer” or “Meritage”), Taylor Morrison of Texas, Inc. (“Taylor Morrison”), a Texas corporation, and Tri Pointe Homes Texas, Inc., a Texas corporation (“Tri Pointe”) (each, including its respective designees and assigns, an “Owner,” and collectively, the “Owners”) have entered into that certain Joint Ownership and Development Agreement effective of July 2, 2019 (the “Joint Ownership and Development Agreement”), relating to the development of the Property and authorized Managing Developer to act on behalf of the Owners in all respects with regard to the PID Financing Agreement (defined below) and to develop the Property in the District.
- I. The County, the TCDA, and the Managing Developer have entered to enter into the Turner’s Crossing Public Improvement District Financing Agreement dated May 25, 2021 (as amended, the “PID Financing Agreement”) relating to the financing, construction, and conveyance of the Authorized Improvements.
- J. The Managing Developer has commenced construction of Authorized Improvements benefiting Improvement Area #1 (as defined herein) (the “Improvement Area #1 Improvements”).
- K. The County, the TCDA, and the Managing Developer have entered into an acquisition and reimbursement agreement (as amended, the “Improvement Area #1 Acquisition and Reimbursement Agreement”) providing that the TCDA will pay to the Managing Developer an amount equal to the Actual Costs of the Improvement Area #1 Improvements, plus simple interest as provided therein (the “Reimbursement Agreement Balance”).
- L. The Commissioners Court passed and approved an order (the “Initial Assessment Order”) that approved a Service and Assessment Plan (the “Original Service and Assessment Plan”) and levied an assessment (the “Initial Improvement Area #1 Assessment”) against the property within Improvement Area #1 benefiting from the Improvement Area #1 Improvements (the “Improvement Area #1 Assessed Property”) in the amount of \$10,190,000.

- M. Upon providing evidence that the conditions precedent in Article V of the PID Financing Agreement have been satisfied, the Managing Developer may request that the Commissioners Court consider the adoption of a resolution consenting to the issuance of a series of Improvement Area #1 PID Bonds by the TCDA to acquire, reimburse, or finance the Actual Costs of the Improvement Area #1 Improvements.
- N. On February 8, 2022, the County and the TCDA, each, approved a resolution directing County and TCDA staff to commence preparations for the issuance of bonds (the "Proposed Bond Issuance") for the payment of the costs of the Improvement Area #1 Improvements, including the preparation of an indenture of trust (the "Indenture") between the TCDA and Wilmington Trust, National Association, as trustee (the "Bond Trustee"), which contains provisions regarding the TCDA's transfers of Improvement Area #1 Contract Assessment Revenues (as defined herein) to the Bond Trustee.
- O. In connection with the preparation and review of documents associated with the Proposed Bond Issuance, the Owners discovered a discrepancy in the boundaries of the District, as set forth in the Authorization Resolution, including the exclusion of Lot 95, Block H ("Lot 95"), as depicted in Document No. 202100102 recorded in the Official Public Records of Travis County, Texas.
- P. Lot 95 receives a benefit from the Improvement Area #1 Improvements and was inadvertently included within the Improvement Area #1 Initial Parcel upon which the Initial Improvement Area #1 Assessments were levied.
- Q. Pursuant to Section 372.012 of the PID Act, the County determined that the Initial Improvement Area #1 Assessment levied on Lot 95 was invalid, as such land was not included within the boundaries of the District, as set forth in the Authorization Resolution, and released, repealed and rescinded the Initial Improvement Area #1 Assessment on Lot 95 in the amount of \$36,302.10.
- R. On June 28, 2022, the Owners submitted and filed with the County Clerk of the County a petition requesting the removal and addition of land to the boundaries of the District, including the addition of Lot 95.
- S. On August 16, 2022, the Commissioners Court passed and approved a resolution (the "Boundary Amendment Resolution") that authorized an amendment to the boundaries of the District, which Boundary Amendment Resolution will be filed in the real property records of the County on or before August 23, 2022.
- T. The District includes approximately 446.732 acres in the County and the extraterritorial jurisdiction of the City and generally located approximately 1.5 miles east of the intersection of IH-35 and SH-45-SE, which property is described in Exhibit "A" (the "Property"). The District includes "Improvement Area #1," which improvement area is described in Exhibit "A-1."
- U. Upon request of the Managing Developer and evidence that the conditions precedent to the issuance of Improvement Area #1 PID Bonds contained in Article V of the PID Financing Agreement had been satisfied, on August 16, 2022, the Commissioners Court adopted a resolution consenting to the issuance of Improvement Area #1 PID Bonds by the TCDA.

- V. On August 16, 2022, the Commissioners Court by a resolution made findings and determinations relating to the costs of the Improvement Area #1 Improvements allocable to Lot 95, received and accepted a preliminary 2022 amended and restated service and assessment plan and proposed assessment roll, called a public hearing for September 13, 2022 (the "Lot 95 Hearing"), and directed County staff to (1) file said proposed assessment roll with the Tax Assessor-Collector of the County (the "County Tax Assessor-Collector") and to make it available for public inspection as required by Section 372.016(b) of the PID Act and (2) publish such notice as required by Section 372.016(b) of the PID Act relating to the September 13, 2022 Lot 95 Hearing.
- W. The County expects to hold the Lot 95 Hearing on September 13, 2022, and, upon closing such hearing, adopt an Order (the "Lot 95 Assessment Order") and, together with the Initial Assessment Order, the "Assessment Order") approving a final 2022 amended and restated service and assessment plan (the "Service and Assessment Plan"), which will amend and restate the Original Service and Assessment Plan in its entirety, and levying an assessment on Lot 95 in the amount of \$36,302.10 (the "Lot 95 Assessment") and, together with the Initial Improvement Area #1 Assessments, the "Improvement Area #1 Assessments").
- X. The Service and Assessment Plan and the Assessment Order provide or will provide that the Improvement Area #1 Assessment against the Improvement Area #1 Assessed Property will be paid annually in installments (the "Improvement Area #1 Annual Installments") until such Improvement Area #1 Assessments and any other related amounts owed under the Improvement Area #1 Acquisition and Reimbursement Agreement and, if issued, PID Bonds secured by the Improvement Area #1 Assessments (the "Improvement Area #1 PID Bonds") are paid in full.
- Y. Pursuant to the PID Act and the LGC Act, the County may enter into an agreement, including the Original Agreement, that provides for payment of the Improvement Area #1 Assessments collected or caused to be collected by the County to the TCDA (the "Improvement Area #1 Contract Assessment Revenues") to secure the payment of the Reimbursement Agreement Balance and, if issued, Improvement Area #1 PID Bonds.
- Z. The Parties wish to amend and restate the Original Agreement to correct the legal description of the District and Improvement Area #1 and to revise the provisions regarding the transfer of the Improvement Area #1 Contract Assessment Revenues to the Bond Trustee.
- AA. The Parties intend that:
1. Pursuant to the Management Contract, the TCDA, on behalf of the County, will provide management and administrative services for the District;
  2. The Improvement Area #1 Assessment levied by the County against the Improvement Area #1 Assessed Property, interest thereon, and the Annual Collection Costs allocable to Improvement Area #1 (the "Improvement Area #1 Annual Collection Costs") will be collected in annual installments by the County, acting through the County Tax Assessor-Collector, on behalf of the TCDA;
  3. Pursuant to the Billing and Collections Services Agreement and this Improvement Area #1 Funding Agreement, the County Tax Assessor-Collector will collect the Improvement Area #1 Assessments, interest thereon, and the Improvement Area #1 Annual Collection

Costs, and remit such revenues, less any fee of the County Tax Assessor-Collector, to the TCDA for deposit in the Operating Account held by the TCDA Depository Bank, or if Improvement Area #1 PID Bonds are issued, to the Bond Trustee;

4. The Improvement Area #1 Contract Assessment Revenues payable to the TCDA under this Improvement Area #1 Funding Agreement will be used as follows:
  - (a) prior to the issuance of the Improvement Area #1 PID Bonds, from amounts on deposit in the Operating Account held by the TCDA Depository Bank:
    - (1) acquire the Improvement Area #1 Improvements from the Managing Developer or reimburse the Managing Developer for the Actual Costs of the Improvement Area #1 Improvements pursuant to the terms of this Improvement Area #1 Funding Agreement, the Improvement Area #1 Acquisition and Reimbursement Agreement, and the PID Financing Agreement; and
    - (2) pay Improvement Area #1 Annual Collection Costs.
  - (b) upon the issuance of the Improvement Area #1 PID Bonds, transferred by the TCDA to the Bond Trustee and deposited as provided under the Indenture:
    - (1) pledged as security under the Indenture to the payment of the Improvement Area #1 PID Bonds issued by the TCDA for the purpose to be identified in the Indenture;
    - (2) pledged as security, on a subordinate basis, to the payment of any remaining Reimbursement Agreement Balance due under the Improvement Area #1 Acquisition and Reimbursement Agreement; and
    - (3) pay Improvement Area #1 Annual Collection Costs.

For and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **AGREEMENT**

### **1.0 SERVICES OF TCDA**

- 1.1 Pursuant to the Management Contract, the TCDA will provide management and administrative services for the District, including performing or assisting the County in performing its obligations under the Service and Assessment Plan and under any other agreement to which the County is a party or by which it is bound, and which are related to the management and administration of the District.
- 1.2 As requested by the County, the TCDA will assist in the preparation of updates, amendments, or supplements to the Service and Assessment Plan.

- 1.3 As requested by the County, the TCDA has entered into the Improvement Area #1 Acquisition and Reimbursement Agreement and the PID Financing Agreement.
- 1.4 As requested by the County, the TCDA will consider the issuance of the Improvement Area #1 PID Bonds.

## 2.0 PAYMENT FOR THE IMPROVEMENT AREA #1 IMPROVEMENTS

- 2.1 The County and the TCDA have entered into the PID Financing Agreement with the Managing Developer to, in part, finance the Actual Costs or reimburse the Managing Developer for the Actual Costs of constructing the Authorized Improvements, including the Improvement Area #1 Improvements. The Actual Costs of constructing the Improvement Area #1 Improvements will be paid from: (a) Improvement Area #1 Contract Assessment Revenues, (b) if issued, the proceeds of the Improvement Area #1 PID Bonds, or (c) fiscal security provided by the Managing Developer pursuant to the PID Financing Agreement (subject to reimbursement pursuant to the Improvement Area #1 Acquisition and Reimbursement Agreement).
- 2.2 Pursuant to this Improvement Area #1 Funding Agreement and the Billing and Collections Agreement, the County will transfer or cause to be transferred the Improvement Area #1 Contract Assessment Revenues to the TCDA.
- 2.3 Prior to the issuance of the Improvement Area #1 PID Bonds,
  - (a) the TCDA will deposit or cause to be deposited a portion of the Improvement Area #1 Contract Assessment Revenues into the Improvement Area #1 Improvements Subaccount of the Operating Account (both as defined herein) with the TCDA Depository Bank in accordance with section 5.5(a) hereof. The Reimbursement Agreement Balance is payable solely from Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account; and
  - (b) the TCDA will deposit or cause to be deposited a portion of the Improvement Area #1 Contract Assessment Revenues into the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account (both as defined herein) with the TCDA Depository Bank in accordance with section 5.5(b) hereof. The Improvement Area #1 Annual Collection Costs is payable solely from Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account.
- 2.4 Upon the issuance of the Improvement Area #1 PID Bonds, the TCDA will transfer or cause to be transferred the Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account held by the TCDA Depository Bank to the Bond Trustee for deposit to the Pledged Revenue Fund (defined herein) in accordance with section 6.1 hereof and deposited as provided in the Indenture.

- (a) The payment of the debt service on the Improvement Area #1 PID Bonds is payable solely from the "Trust Estate" established under the Indenture, consisting primarily of the Improvement Area #1 Contract Assessment Revenues on deposit in Bond Pledged Revenue Account of the Pledged Revenue Fund, established under the Indenture and administered by the Bond Trustee pursuant to the Indenture.
  - (b) The payment of any remaining Reimbursement Agreement Balance is payable solely from Improvement Area #1 Contract Assessment Revenues on deposit in the Redemption Fund, established under the Indenture and administered by the Bond Trustee pursuant to the Indenture and the Improvement Area #1 Acquisition and Reimbursement Agreement.
- 2.5 Upon the issuance of the Improvement Area #1 PID Bonds, the TCDA will transfer or cause to be transferred the Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account held by the TCDA Depository Bank to the Bond Trustee for deposit to the Administrative Fund (as defined herein) in accordance with section 6.2 hereof.

### 3.0 ISSUANCE OF THE IMPROVEMENT AREA #1 PID BONDS

- 3.1 The proceeds of the Improvement Area #1 PID Bonds may be used to:
  - (a) finance all or a portion of Actual Costs of the Improvement Area #1 Improvements;
  - (b) pay capitalized interest;
  - (c) fund a reserve fund (the "Reserve Fund");
  - (d) pay the costs incidental to the organization of the District allocable to Improvement Area #1; and
  - (e) pay costs of issuance of the Improvement Area #1 PID Bonds.

### 4.0 PAYMENT OF IMPROVEMENT AREA #1 CONTRACT ASSESSMENT REVENUES; GRANT OF SECURITY INTEREST

- 4.1 The County agrees to pay or direct the County Tax Assessor-Collector to pay Improvement Area #1 Contract Assessment Revenues to the TCDA upon the terms and conditions set forth in the Billing and Collections Agreement, this Improvement Area #1 Funding Agreement, and the Service and Assessment Plan.
- 4.2 In order to provide for management and administration of the District, the County hereby grants to the TCDA a first priority lien on and security interest in all Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account (together with any income, investments, and proceeds thereof) to the full extent that such subaccount and the Improvement Area #1 Contract Assessment Revenues on deposit therein (together with any income,

investments, and proceeds thereof) may be subject to Chapter 9 of the Texas Business & Commerce Code.

- 4.3 In order to provide security for the payment of the Reimbursement Agreement Balance and, if issued, debt service on the Improvement Area #1 PID Bonds, the County hereby grants to the TCDA a first priority lien on and security interest in all Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account (together with any income, investments, and proceeds thereof) to the full extent that such subaccount and the Improvement Area #1 Contract Assessment Revenues on deposit therein (together with any income, investments, and proceeds thereof) may be subject to Chapter 9 of the Texas Business & Commerce Code.
- 4.4 The County acknowledges that, if Improvement Area #1 PID Bonds are issued, the TCDA will grant to the Bond Trustee, in accordance with the terms of the Indenture, all of its right, title, and interest in this Improvement Area #1 Funding Agreement, including but not limited to the security interest being granted by the County pursuant to section 4.3 hereof.

Pursuant to Chapter 1208.002(a)(2), Texas Government Code, as amended, upon issuance of the Improvement Area #1 PID Bonds, in order to provide security for the payment of the Improvement Area #1 PID Bonds, any security interests created by section 4.3 shall be automatically perfected from the time the Indenture is entered into or approved, and shall remain perfected continuously through the termination of this Improvement Area #1 Funding Agreement in accordance with the terms set forth herein, all without physical delivery or transfer of control of the Improvement Area #1 Contract Assessment Revenues on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account, filing of a document, or another act. Therefore, it shall not be necessary for the County, the TCDA, or the Bond Trustee to file any financing statements or continuation statements or any supplemental instruments or documents or further assurance in any manner in order to perfect or maintain perfection of any security interests created by this section. If Texas law is amended at any time while any Improvement Area #1 PID Bonds are outstanding and unpaid such that the security interest created by this Section is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Improvement Area #1 PID Bonds the perfection of such security interest, the County and the TCDA agree to take such measures as they determine are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest created by section 4.3 hereof.

## 5.0 COLLECTION AND DEPOSIT OF IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

### 5.1 At least annually,

- (a) The TCDA shall direct the Administrator to:
- (1) calculate the amount of the Improvement Area #1 Annual Installments to be paid by the owners of the Improvement Area #1 Assessed Property

as provided in the Service and Assessment Plan and provide the calculation to the County and the TCDA; and

- (2) prepare and provide to the County, for review and approval by the Commissioners Court, the annual update to the Service and Assessment Plan.
  - (b) The Commissioners Court shall review and approve the annual update to the Service and Assessment Plan and provide such update to the TCDA for the collection of the Improvement Area #1 Annual Installments.
  - (c) After the Commissioners Court provides the updated Service and Assessment Plan to the TCDA, the TCDA shall provide or direct the Administrator to provide the annual Improvement Area #1 Assessment Roll to the County Tax Assessor-Collector, who will collect the Improvement Area #1 Annual Installments from the owners of the Improvement Area #1 Assessed Property in the same manner and at the same time as it collects ad valorem taxes. The fees of the County Tax Assessor-Collector shall be part of the Improvement Area #1 Annual Collection Costs.
- 5.2 Each Improvement Area #1 Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Improvement Area #1 Annual Installments will be delinquent if not received by February 1, 2023.
- 5.3 For so long as any Improvement Area #1 PID Bonds issued by the TCDA are outstanding or any Reimbursement Agreement Balance remains due and payable, the County will take and pursue all actions directed by the TCDA or Bond Trustee, as applicable, that are permissible under the PID Act to cause the Improvement Area #1 Annual Installments to be collected and the liens securing the Improvement Area #1 Annual Installments to be enforced in the manner and to the maximum extent permitted by the PID Act.
- 5.4 The County shall determine no later than February 15 of each year, whether or not any Improvement Area #1 Annual Installment is delinquent, and the County will notify the TCDA and the Bond Trustee of such determination as soon as practicable. The TCDA or the Bond Trustee, as applicable, shall direct the County to implement the timeline and procedures set forth on Exhibit "B" attached hereto. Notwithstanding the foregoing, the TCDA shall not be required under any circumstances to make payment for the delinquent Improvement Area #1 Assessment or to purchase the corresponding Parcel. Furthermore, nothing shall obligate the TCDA, the County, the County Attorney, or any appropriate designee to undertake collection or foreclosure actions against delinquent accounts in violation of applicable state law, court order, or existing contractual provisions between the TCDA and its appropriate collections enforcement designees.
- 5.5 The TCDA shall create the "Turner's Crossing PID Operating Account" (the "Operating Account") to be held by the TCDA Depository Bank and shall keep such Operating Account and any sub-accounts separate from all other funds of the TCDA. Within the Operating Account, the TCDA shall create a subaccount for the payment of Improvement Area #1 Improvements and a sub-account for the payment of Improvement Area #1 Annual

Collection Costs. The County, acting through the County Tax Assessor-Collector, shall deposit all Improvement Area #1 Contract Assessment Revenues collected to the Operating Account. The TCDA shall direct the Improvement Area #1 Contract Assessment Revenues to be deposited in the following accounts:

- (a) The TCDA shall deposit into the sub-account for the payment of the Actual Costs of the Improvement Area #1 Improvements (the "Improvement Area #1 Improvements Subaccount") the Improvement Area #1 Contract Assessment Revenue due to the TCDA pursuant to the Management Contract and this Improvement Area #1 Funding Agreement for the payment of Actual Costs of the Improvement Area #1 Improvements. The payment by the County, or the County Tax Assessor-Collector, to the TCDA of Improvement Area #1 Contract Assessment Revenues shall continue so long as any Reimbursement Agreement Balance remains due and payable and, if issued, Improvement Area #1 PID Bonds remain outstanding.
- (b) The TCDA shall deposit into the sub-account for the payment of Improvement Area #1 Annual Collection Costs (the "Improvement Area #1 Annual Collection Costs Subaccount") the Improvement Area #1 Contract Assessment Revenues due to the TCDA pursuant to this Improvement Area #1 Funding Agreement for the payment of Improvement Area #1 Annual Collection Costs. The payment by the County, or the County Tax Assessor-Collector, to the TCDA of Improvement Area #1 Annual Collection Costs shall continue so long as any Reimbursement Agreement Balance remains due and payable and, if issued, Improvement Area #1 PID Bonds remain outstanding.

## 6.0 PAYMENTS TO BOND TRUSTEE

- 6.1 Upon the issuance of the Improvement Area #1 PID Bonds, TCDA will transfer, on or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Improvement Area #1 PID Bonds are outstanding, all Improvement Area #1 Contract Assessment Revenues received from the County Tax Assessor-Collector and on deposit in the Improvement Area #1 Improvements Subaccount of the Operating Account to the Bond Trustee for immediate deposit into the pledged revenue fund or applicable accounts therein as required under the Indenture relating to the Improvement Area #1 PID Bonds (the "Pledged Revenue Fund").
- 6.2 Improvement Area #1 Contract Assessment Revenues in the Improvement Area #1 Annual Collection Costs Subaccount of the Operating Account will be transferred by TCDA, on or before February 15, 2023, and on or before the fifteenth day of each month thereafter while the Improvement Area #1 PID Bonds are outstanding, to a segregated fund or account for the payment of Improvement Area #1 Annual Collection Costs (the "Administrative Fund") and are not security for the Improvement Area #1 PID Bonds or the Reimbursement Agreement Balance. The Bond Trustee shall deposit and apply the Improvement Area #1 Contract Assessment Revenues as provided in the Indenture.

- 6.3 Upon the issuance of Improvement Area #1 PID Bonds, the payment of any remaining Reimbursement Agreement Balance shall be subordinate to the payment of debt service on the Improvement Area #1 PID Bonds and any required deposits to the reserve funds securing such Improvement Area #1 PID Bonds.

## 7.0 PREPAYMENT

- 7.1 If any owner of the Improvement Area #1 Assessed Property prepays in full or in part any unpaid principal amount of the Improvement Area #1 Assessment as provided in Section VI of the Service and Assessment Plan, the County shall immediately transfer or cause to be transferred to the TCDA, the amount of such prepayment that corresponds to the amount of outstanding principal of and accrued interest on the Improvement Area #1 Assessments as of the date of such prepayment. If Improvement Area #1 PID Bonds have been issued, upon receipt, the TCDA shall immediately transfer such prepayment funds to the Bond Trustee for deposit into the Pledged Revenue Fund for the Improvement Area #1 PID Bonds, and such prepayment funds shall be used: first, to redeem any outstanding Improvement Area #1 PID Bonds, and second, if no Improvement Area #1 PID Bonds remain outstanding, for the payment of any remaining Reimbursement Agreement Balance, all as provided in the Indenture.
- 7.2 If and to the extent Improvement Area #1 Assessments have been prepaid, the lien on the Improvement Area #1 Assessed Property associated with such Improvement Area #1 Assessment prepayment shall be released from lien created by the Assessment Order.

## 8.0 ASSESSMENT LIEN

- 8.1 All payments due in accordance with the Service and Assessment Plan and this Improvement Area #1 Funding Agreement shall be treated the same with respect to the liens created to secure payment and the rights of the County, including foreclosure, in the event of delinquencies. Any foreclosure sale for nonpayment of any such amounts shall be subject to a continuing lien for the remaining unpaid amounts in accordance with State law.

## 9.0 ASSIGNABILITY

- 9.1 Except for the rights transferred by this Improvement Area #1 Funding Agreement to the Bond Trustee, the obligations, right, title, and interest of the Parties under this Improvement Area #1 Funding Agreement may not be assigned, transferred, encumbered, or impaired in any way without the prior written consent of the Parties and the Bond Trustee. The Parties shall not take any action that would impair or adversely impact the collection of Improvement Area #1 Annual Installments, the deposit of Improvement Area #1 Contract Assessment Revenues into the Operating Account, or the use of the amounts on deposit in the Operating Account as provided in the Service and Assessment Plan or this Improvement Area #1 Funding Agreement.

## 10.0 OBLIGATIONS UNCONDITIONAL AND ABSOLUTE

- 10.1 The obligations of the County, through the County Tax Assessor-Collector, and the TCDA to timely bill the owners of the Improvement Area #1 Assessed Property for each Improvement Area #1 Annual Installment of the Improvement Area #1 Assessment against the Improvement Area #1 Assessed Property, collect Improvement Area #1 Annual Installments, deposit Improvement Area #1 Contract Assessment Revenues into the Operating Account and applicable sub-accounts therein or into the Pledged Revenue Fund, and use the Operating Account and applicable sub-accounts therein or the Pledged Revenue Fund, as applicable, as set forth in the Service and Assessment Plan and this Improvement Area #1 Funding Agreement are absolute and unconditional and are not subject to any rights of offset of any kind that the County or the TCDA may have or assert, and the County or the TCDA do not have, and for so long as any Improvement Area #1 PID Bonds remain outstanding or any Reimbursement Agreement Balance remains due and payable, will not assert, any defenses to the County or the TCDA's performance of such obligations
- 10.2 The obligations of the TCDA to use the Improvement Area #1 Contract Assessment Revenues as set forth in the Service and Assessment Plan and this Improvement Area #1 Funding Agreement are absolute and unconditional and are not subject to any rights of offset of any kind that the TCDA may have or assert, and the TCDA does not have, and for so long as any Improvement Area #1 PID Bonds remain outstanding or any Reimbursement Agreement Balance remains due and payable, will not assert, any defenses to the TCDA's performance of such obligations.

#### 11.0 TERM

- 11.1 The term of this Improvement Area #1 Funding Agreement when fully executed by the Parties, shall continue until the later to occur of (i) the Improvement Area #1 PID Bonds have been paid in full and are no longer outstanding or (ii) the Improvement Area #1 Acquisition and Reimbursement Agreement has terminated.

#### 12.0 NOTICE

- 12.1 Any notice required or contemplated by this Improvement Area #1 Funding Agreement must be in writing and shall be deemed given at the addresses shown below 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. A Party may change its address by giving notice in accordance with this Section.

If to County:	County Judge Andy Brown (or his successor)
Street Address:	700 Lavaca, Suite 2.300 Austin, Texas 78701
Mailing Address:	PO Box 1748 Austin, Texas 78767 Email: <a href="mailto:andy.brown@traviscountytexas.gov">andy.brown@traviscountytexas.gov</a> Facsimile: (512) 854-9535

With copy to: Travis County, Texas  
 Attn: Christy Moffett, Planning and Budget Office  
 700 Lavaca, Suite #1560  
 Austin, Texas 78701  
 Email: [christy.moffett@traviscountytx.gov](mailto:christy.moffett@traviscountytx.gov)  
 Facsimile: (512) 854-4210

With copy to: Office of the County Attorney  
 Attn: Tom Nuckols, Assistant County Attorney  
 314 W. 11<sup>th</sup> St., Suite #500  
 Austin, Texas 78701  
 Email: [Tom.Nuckols@traviscountytx.gov](mailto:Tom.Nuckols@traviscountytx.gov)  
 Facsimile: (512) 854-4808

If to TCDA: Travis County Corporations  
 Attn: Andrea Shields, Managing Director  
 700 Lavaca Street  
 Suite 1560  
 Austin, Texas 78701  
 Email: [andrea.shields@traviscountytx.gov](mailto:andrea.shields@traviscountytx.gov)  
 Facsimile: (512) 854-4210

With copy to: Naman, Howell, Smith & Lee, PLLC  
 Attn: Cliff Blount  
 8310 Capital of Texas Highway North, Suite 490  
 Austin, Texas 78731  
 Email: [Blount@namanhowell.com](mailto:Blount@namanhowell.com)  
 Facsimile: (512) 474-1901

If to Bond Trustee: Wilmington Trust, National Association  
 Attn: Dayna L. Smith  
 15950 N. Dallas Parkway Suite 550  
 Dallas, TX 75248  
 Email: [dlsmith@wilmingtontrust.com](mailto:dlsmith@wilmingtontrust.com)  
 Facsimile: (972) 385-0844

## 13.0 FAILURE; DEFAULT; REMEDIES

### 13.1 Failure; Default; Remedies

- (a) Except as provided in subsection (b) below, if a Party fails to perform any obligation imposed on such Party by this Improvement Area #1 Funding Agreement (a "Failure") and the Failure is not cured within 30 days after written notice of the Failure is provided to the non-performing Party, then such Failure shall constitute a "Default" by the non-performing Party.
- (b) Notwithstanding subsection (a) above, if the County fails to transfer or cause to be transferred the Improvement Area #1 Contract Assessment Revenues to the

TCDA as required by this Improvement Area #1 Funding Agreement, such failure shall constitute an immediate "Default" by the County without notice or any opportunity to cure.

- (c) If the TCDA is in Default, the County's sole and exclusive remedy shall be to compel performance through injunctive relief or specific performance. No default by TCDA shall entitle the County to terminate this Improvement Area #1 Funding Agreement.
- (d) If the County is in Default, the sole and exclusive remedy of the TCDA shall be to compel performance through injunctive relief or specific performance. No default by the County shall entitle the TCDA to terminate this Improvement Area #1 Funding Agreement.

#### 14.0 MISCELLANEOUS

- 14.1 The recitals set forth above are incorporated herein.
- 14.2 This Improvement Area #1 Funding Agreement is being executed and delivered, and is intended to be performed in Travis County, Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Improvement Area #1 Funding Agreement.
- 14.3 If a court finds any provision of this Improvement Area #1 Funding Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render the provision invalid or unenforceable as to any other persons or circumstances. To the extent feasible, any provision found to be invalid or unenforceable shall be deemed to be modified to be valid and enforceable; however, if the provision cannot be so modified, it shall be stricken from this Improvement Area #1 Funding Agreement, and all other provisions of this Improvement Area #1 Funding Agreement shall remain valid and enforceable and unaffected by the stricken provision.
- 14.4 This Improvement Area #1 Funding Agreement supersedes all prior agreements (whether written or oral) between the Parties regarding the subject matter hereof and constitutes the only agreement between the Parties with regard to the subject matter hereof. In the event of any conflict between this Improvement Area #1 Funding Agreement and any other resolution, order, instrument, document, or agreement, the provisions and intent of this Improvement Area #1 Funding Agreement shall control. This Improvement Area #1 Funding Agreement may only be amended by written agreement of the Parties.
- 14.5 The Bond Trustee shall be a third-party beneficiary under this Improvement Area #1 Funding Agreement, and such Bond Trustee shall be entitled to fully enforce the terms of this Improvement Area #1 Funding Agreement for the benefit of the holders of the Improvement Area #1 PID Bonds as if the Bond Trustee were a party to this Improvement Area #1 Funding Agreement.

IN WITNESS WHEREOF, the Parties have caused this Improvement Area #1 Funding Agreement to be executed as of the Effective Date written above.

**Travis County, Texas**

By: \_\_\_\_\_

Honorable Andy Brown  
Travis County Judge

**Travis County Development Authority,**  
a Texas non-profit corporation

By: \_\_\_\_\_

Andy Brown, President

Exhibit “A” to the Improvement Area #1 Funding Agreement

BOUNDARIES OF THE DISTRICT

(See attached)

**A METES AND BOUNDS  
DESCRIPTION OF A  
231.709 ACRE PUBLIC IMPROVEMENT DISTRICT**

**BEING** a 231.709 acre (10,093,223 square feet) tract of land situated in the Elijah Caples Survey, Abstract No. 155, Travis County, Texas; containing a portion of Turner's Crossing North Phase 1 subdivision, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, and a portion of that certain 245.832 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a TXDOT monument found marking the westerly southwest corner of the herein described tract, at the intersection of the northerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45, and along the easterly right-of-way line of said North Turnersville Road, the following two (2) courses and distances:

1. North 2°40'43" West, 535.14 feet to a 1/2-inch iron rod found for corner;
2. North 2°14'27" West, 2442.36 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at the intersection of the easterly right-of-way line of said North Turnersville Road with the southerly right-of-way line of F.M. 1327 (80 feet wide);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said F.M. 1327, the following two (2) courses and distances:

1. in a southeasterly direction, along a non-tangent curve to the right having a central angle of 14°41'53", a radius of 676.20 feet, a chord bearing and distance of South 69°45'52" East, 172.99 feet, and a total arc length of 173.47 feet to a 1/2-inch iron rod with a plastic cap stamped "KHA" set at a point of tangency;
2. South 62°24'54" East, 3836.98 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found marking the northwesterly corner of a called 100.278 acre tract of land described in instrument to F.M. 1327 Enterprises LP in Document No. 2021157135 of the Official Public Records of Travis County, Texas;

**THENCE**, South 11°53'06" West, 3056.34 feet departing the southerly right-of-way line of said F.M. 1327 and along the westerly line of said 100.278 acre tract to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found on the northerly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northerly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North 69°52'23" West, 811.43 feet to a TXDOT monument found of for corner;
2. in a northwesterly direction, along a non-tangent curve to the right having a central angle of 1°10'19", a radius of 14618.20 feet, a chord bearing and distance of North 67°22'47" West, 299.01 feet, and a total arc length of 299.01 feet to a TXDOT monument found for corner;
3. North 43°45'32" West, 107.80 feet to a TXDOT monument found for corner;
4. North 65°21'56" West, 180.55 feet to a TXDOT monument found for corner;
5. North 57°18'33" West, 52.16 feet to a point marking the south corner of Lot 96 Multi-family Lot of aforesaid Turner's Crossing North Phase 1;

**THENCE**, departing the northerly right-of-way line of said State Highway No. 45 and along the boundary of said Lot 96 Multi-family Lot the following fifteen (15) courses and distances:

1. North 40°29'41" East, 281.37 feet to a point for corner;
2. North 16°55'01" East, 414.84 feet to a point for corner;
3. North 89°24'16" West, 120.16 feet to a point for corner;
4. North 78°32'05" West, 201.20 feet to a point of for corner;
5. North 1°20'25" West, 120.02 feet to a point for corner;
6. in a northwesterly direction, along a non-tangent curve to the right, a central angle of 88°24'43", a radius of 800.00 feet, a chord bearing and distance of North 88°24'43" West, 49.99 feet, and a total arc length of 50.00 feet to a point for corner;
7. South 3°22'43" West, 120.00 feet to a point for corner;

Kimley-Horn and Associates, Inc.  
TBPLS Firm No. 10193973  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216

8. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $29^{\circ}18'31''$ , a radius of 920.00 feet, a chord bearing and distance of North  $71^{\circ}58'01''$  West, 465.50 feet, and a total arc length of 470.61 feet to a point of tangency;
9. North  $57^{\circ}18'46''$  West, 390.77 feet to a point for corner;
10. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}33'09''$ , a radius of 1227.94 feet, a chord bearing and distance of North  $56^{\circ}23'00''$  West, 54.70 feet, and a total arc length of 54.70 feet to a point for corner;
11. North  $34^{\circ}56'00''$  East, 120.00 feet to a point for corner;
12. in a northwesterly direction, along a non-tangent curve to the right, a central angle of  $2^{\circ}46'04''$ , a radius of 1035.00 feet, a chord bearing and distance of North  $53^{\circ}40'58''$  West, 50.00 feet, and a total arc length of 50.00 feet to a point of tangency;
13. South  $37^{\circ}42'04''$  West, 292.50 feet to a point for corner;
14. South  $57^{\circ}18'46''$  East, 190.45 feet to a point for corner;
15. South  $32^{\circ}41'14''$  West, 225.06 feet to a point for corner on the northeasterly right-of-way line of aforesaid State Highway No. 45;

**THENCE**, along the northeasterly right-of-way line of said State Highway No. 45, the following five (5) courses and distances:

1. North  $57^{\circ}18'33''$  West, 97.88 feet to a TXDOT monument found for corner;
2. North  $81^{\circ}04'19''$  West, 270.74 feet to a TXDOT monument found for corner;
3. North  $44^{\circ}08'40''$  West, 45.40 feet to a 1/2 inch iron rod (with plastic cap stamped "LANDMARK") found for corner;
4. North  $2^{\circ}57'59''$  West, 510.90 feet to a TXDOT monument found for corner;
5. South  $87^{\circ}04'31''$  West, 82.40 feet to the **POINT OF BEGINNING** and containing 231.709 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



*John G. Mosier* 6-3-2022

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

**A METES AND BOUNDS  
DESCRIPTION OF A  
215.023 ACRE PUBLIC IMPROVEMENT DISTRICT**

**BEING** a 215.023 acre (9,366,421 square feet) tract of land situated in the William P. Corben Survey, Abstract No. 159, Travis County, Texas; and being a portion of a called 222.714 acre tract of land described in instrument to Meritage Homes of Texas, LLC, Taylor Morrison of Texas Inc., and Trendmaker Homes Inc. in Document No. 2019099240 of the Official Public Records of Travis County, Texas; and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found marking the western-most northwest corner of said 222.714 acre tract, at the intersection of the southerly right-of-way line of State Highway No. 45 (variable width) with the easterly right-of-way line of North Turnersville Road (variable width);

**THENCE**, departing the easterly right-of-way line of said North Turnersville Road and along the southerly right-of-way line of said State Highway No. 45 the following five (5) courses and distances:

1. North 87°09'52" East, 78.16 feet to a TXDOT monument found for corner;
2. North 3°02'16" West, 155.83 feet to a TXDOT monument found for corner;
3. North 62°09'44" East, 94.12 feet to a TXDOT monument found for corner;
4. South 62°37'49" East, 204.30 feet to a TXDOT monument found for corner;
5. South 53°55'35" East, 420.06 feet to a point for corner;

**THENCE**, crossing said 222.714 acre tract the following five (5) courses and distances:

1. South 63°41'27" West, 320.38 feet departing the southerly right-of-way line of said State Highway No. 45 to a point for corner;
2. South 86°56'45" West, 336.22 feet to a point marking the southwest corner of said 4.562 acre tract;
3. South 2°41'42" East, 432.04 feet to a point for corner;
4. South 87°52'59" East, 473.77 feet to a point for corner;
5. North 35°58'41" East, 606.80 feet to a point for corner on the southerly right-of-way line of said State Highway No. 45;

**THENCE**, continuing along the southerly right-of-way line of said State Highway No. 45 the following nine (9) courses and distances:

1. South 67°52'36" East, 52.48 feet to a TXDOT monument found for corner;
2. South 43°50'02" East, 106.62 feet to a TXDOT monument found for corner;
3. South 65°18'54" East, 121.55 feet to a TXDOT monument found for corner;
4. South 88°23'42" East, 139.54 feet to a TXDOT monument found for corner;
5. South 67°53'17" East, 715.52 feet to a TXDOT monument found for corner;
6. South 86°10'11" East, 215.41 feet to a TXDOT monument found for corner;
7. South 70°03'00" East, 973.87 feet to a TXDOT monument found for corner;
8. South 69°45'00" East, 754.88 feet to a TXDOT monument found for corner;
9. South 72°28'08" East, 185.43 feet to a TXDOT monument found for corner marking the northwesterly corner of a called 115.77 acre tract of land described in instrument to BGICO, LLC in Document No. 2008058832 of the Official Public Records of Travis County, Texas;

**THENCE**, departing the southerly right-of-way line of said State Highway No. 45 and along the westerly line of said 115.77 acre tract, the following two (2) courses and distances:

1. South 27°17'46" West, 1976.88 feet to a 3/4-inch iron pipe found for corner;
2. South 62°47'41" East, 136.86 feet to a 1-inch iron pipe found marking the northerly corner of Lot 1 of Turnersville Estates, recorded in Volume 84, Pages 123B-213C of the Plat Records of Travis County, Texas;

**THENCE**, South 27°27'17" West, 1004.58 feet along the westerly line of said Lot 1 to a 1/2-inch iron rod found on the northeasterly right-of-way line of Turnersville Road (variable width);

**THENCE**, North 62°31'08" West, 2904.05 feet along the northeasterly right-of-way line of said Turnersville Road to a 1/2-inch iron rod with a plastic cap stamped "LANDMARK" found at the intersection of the northeasterly right-of-way line of said Turnersville Road with the easterly right-of-way line of aforesaid North Turnersville Road;

**THENCE**, North 2°41'42" West, 2713.89 feet along the said easterly right-of-way line of North Turnersville Road to the **POINT OF BEGINNING** and containing 215.023 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). All distances are on the Grid and shown in U.S. Survey Feet. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



*John G. Mosier 6-3-2022*

John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com

Exhibit “A” to the Improvement Area #1 Funding Agreement

BOUNDARIES OF IMPROVEMENT AREA #1

(See attached)

**A METES AND BOUNDS  
DESCRIPTION OF A  
85.345 ACRE TRACT OF LAND**

**BEING** all of Turner's Crossing North – Phase 1, plat of which is recorded in Document No. 202100102 of the Official Public Records of Travis County, including platted rights-of-way, save and except the following lots:

- Lot 78, Block H, Private Parkland Lot
- Lot 96, Block H, Multi-Family Lot
- Lot 97, Block H, Water Tower & P.U.E. Lot
- Lot 98, Block H, Commercial Lot,
- And the 0.818 acre right-of-way dedication to North Turnersville Road

and being more particularly described as follows:

**BEGINNING** at a point marking the intersection of the northwesterly right-of-way line of Turner Forest Avenue (70 foot wide public right-of-way) with the southwesterly right-of-way line of F.M. 1327 (80 foot wide public right-of-way);

**THENCE**, South 62°24'54" East, 100.00 feet along the southwesterly right-of-way line of said F.M. 1327 and the terminus of said Turner Forest Avenue to a point for corner;

**THENCE**, departing the southwesterly right-of-way line of said F.M. 1327 and along the southeasterly right-of-way line of said Turner Forest Avenue the following five (5) courses and distances:

1. in a westerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 72°36'15" West, 21.21 feet, a central angle of 89°57'42", and an arc length of 23.55 feet to a point for corner;
2. South 27°37'24" West, 93.71 feet to a point of curvature;
3. in a southwesterly direction along a tangent curve to the right, having a radius of 505.00 feet, a chord of South 48°25'51" West, 358.78 feet, a central angle of 41°36'54", and an arc length of 366.79 feet to a point of tangency;
4. South 69°14'18" West, 310.59 feet to a point of curvature;
5. in a southwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of South 23°45'19" West, 21.39 feet, a central angle of 90°57'57", and an arc length of 23.81 feet to a point on the northeasterly right-of-way line of Turner Coach Trail (70 foot wide public right-of-way);

**THENCE**, departing the southeasterly right-of-way line of said Turner Forest Avenue and along the northeasterly right-of-way line of said Turner Coach Trail the following seven (7) courses and distances:

1. South 21°43'39" East, 452.39 feet to a point of curvature;
2. in a southeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of South 35°36'12" East, 208.64 feet, a central angle of 27°45'05", and an arc length of 210.69 feet to a point for corner;
3. South 49°28'44" East, 411.12 feet to a point for corner;
4. in a easterly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord North 89°08'19" East, 19.83 feet, a central angle of 82°46'16", and an arc length of 21.67 feet to a point for corner;
5. South 41°38'49" East, 50.00 feet to a point for corner;
6. in a southerly direction along a non-tangent curve to the left, having a radius of 15.00 feet, a chord South 02°02'00" East, 22.13 feet, a central angle of 95°02'23", and an arc length of 24.88 feet to a point for corner;
7. South 49°28'44" East, 99.90 feet to a point for corner;

**THENCE**, South 40°31'16" West, 50.00 feet crossing the right-of-way of said Turner Coach Trail to a point of curvature marking the east corner of Lot 18, Block R of aforesaid Turner's Crossing North – Phase 1 on the southwesterly right-of-way line of Turner Coach Trail;

**THENCE**, departing the southwesterly right-of-way line of said Turner Coach Trail and along the boundaries of Lots 1-18 of said Block R the following four (4) courses and distances:

1. in a southwesterly direction along a non-tangent curve to the left, having a radius of 445.00 feet, a chord South 31°17'52" West, 163.72 feet, a central angle of 21°12'01", and an arc length of 164.66 feet to a point of tangency;
2. South 20°41'51" West, 409.91 feet to a point of curvature;
3. in a southerly direction along a tangent curve to the left, having a radius of 445.00 feet, a chord of South 09°40'43" West, 170.11 feet, a central angle of 22°02'17", and an arc length of 171.16 feet to a point of tangency;
4. South 01°20'25" East, 81.11 feet and crossing the right-of-way of Dairywork Road (70 foot wide public right-of-way) to a point on the southerly right-of-way line of said Dairywork Road;

**THENCE**, along the southerly right-of-way line of said Dairywork road the following two (2) courses and distances:

1. South 88°39'35" West, 577.42 feet to a point of curvature;

2. in a westerly direction along a tangent curve to the right, having a radius of 800.00 feet, a chord of North 88°58'51" West, 65.87 feet, a central angle of 04°43'08", and an arc length of 65.89 feet to a point marking the northeastern corner of Lot 79, Block H of aforesaid Turner's Crossing North – Phase 1 on the southerly right-of-way line of said Dairywork Road;

THENCE, departing the southerly right-of-way line of said Dairywork Road and along the boundaries of Lots 79-95, of said Block H the following five (5) courses and distances:

1. South 03°22'43" West, 120.00 feet to a point for corner;
2. in a westerly direction along a non-tangent curve to the right, having a radius of 920.00 feet, a chord North 71°58'01" West, 465.50 feet, a central angle of 29°18'31", and an arc length of 470.61 feet to a point for corner;
3. North 57°18'46" West, 390.77 feet to a point of curvature;
4. in a northwesterly direction along a non-tangent curve to the right, having a radius of 1227.94 feet, a chord North 56°23'00" West, 54.70 feet, a central angle of 02°33'09", and an arc length of 54.70 feet to a point for corner;
5. North 34°56'00" East, 120.00 feet to a point marking the north corner of said Lot 95, Block H on the southwesterly boundary of aforesaid Dairywork Road;

THENCE, along the southwesterly right-of-way line of said Dairywork Road the following three (3) courses and distances:

1. in a northwesterly direction along a non-tangent curve to the right, having a radius of 1035.00 feet, a chord North 34°05'13" West, 741.13 feet, a central angle of 41°57'33", and an arc length of 757.96 feet to a point of tangency;
2. North 13°06'27" West, 166.69 feet to a point of curvature;
3. in a northwesterly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 58°32'18" West, 21.37 feet, a central angle of 90°51'43", and an arc length of 23.79 feet to a point of reverse curvature on the southerly right-of-way line of aforesaid Turner Forest Avenue;

THENCE, departing the southwesterly right-of-way line of said Dairywork Road and along the southerly right-of-way line of said Turner Forest Avenue the following three (3) courses and distances:

1. in a westerly direction along a reverse tangent curve to the right, having a radius of 535.00 feet, a chord South 81°53'40" West, 109.32 feet, a central angle of 11°43'41", and an arc length of 109.51 feet to a point of tangency;
2. South 87°45'31" West, 68.60 feet to a point of curvature;
3. in a southwesterly direction along a tangent curve to the left, having a radius of 25.00 feet, a chord of South 43°17'28" West, 35.03 feet, a central angle of 88°56'05", and an arc length of 38.81 feet to a point on the easterly boundary of aforesaid 0.818 acre right-of-way dedication to North Turnersville Road;

THENCE, North 01°57'52" West, 127.54 feet along the easterly boundary of said 0.818 acre right-of-way dedication and crossing the right-of-way of said Turner Forest Avenue to a point marking a southwestern corner of Lot 17 – Landscape Lot, Block A of aforesaid Turner's Crossing North – Phase 1 on the northerly right-of-way line of said Turner Forest Avenue;

THENCE, departing the northerly right-of-way line of said Turner Forest Avenue and continuing along the westerly and northerly boundary of said Lot 17 – Landscape Lot, Block A the following three (3) courses and distances:

1. North 02°14'05" West, 588.09 feet to a point for corner;
2. North 19°00'51" East, 326.46 feet to a point for corner;
3. South 70°59'09" East, 185.00 feet along the northerly boundary of said Lot 17 – Landscape Lot and Lot 18, of said Block A to a point on the northeasterly right-of-way line of aforesaid Dairywork Road;

THENCE, North 19°00'51" East, 18.56 feet along the northeasterly right-of-way line of said Dairywork Road to a point for corner;

THENCE, South 70°59'09" East, 170.00 feet crossing the right-of-way of said Dairywork Road, then departing the southeasterly right-of-way line of said Dairywork Road and along the northerly boundary of Lot 1, Block B of aforesaid Turner's Crossing North – Phase 1 to a point on the northwesterly boundary of Lot 23 of said Block B;

THENCE, North 19°00'51" East, 414.60 feet along the boundaries of Lots 15-23 of said Block B to a point marking the north corner of said Lot 15, Block B;

THENCE, South 70°59'09" East, 175.00 feet along the northeasterly boundary of said Lot 15, Block B and crossing the right-of-way line of Purple Prairie Lane (50 foot wide public right-of-way) to a point on the southeasterly right-of-way line of said Purple Prairie Lane;

THENCE, South 19°00'51" West, 13.44 feet along the southeasterly right-of-way line of said Purple Prairie Lane to a point marking the north corner of Lot 1, Block E of aforesaid Turner's Crossing North – Phase 1;

THENCE, departing the southeasterly right-of-way line of said Purple Prairie Lane, and along the boundaries of Lots 1-17 of said Block E the following thirteen (13) courses and distances:

1. South 70°59'09" East, 95.00 feet to a point for corner;
2. South 68°57'47" East, 44.98 feet to a point for corner;
3. South 63°40'40" East, 44.99 feet to a point for corner;
4. South 62°24'54" East, 315.00 feet to a point for corner;

5. South 61°26'40" East, 44.99 feet to a point for corner;
6. South 56°15'55" East, 44.98 feet to a point for corner;
7. South 50°35'55" East, 44.98 feet to a point for corner;
8. South 44°55'55" East, 44.98 feet to a point for corner;
9. South 39°15'55" East, 44.98 feet to a point for corner;
10. South 33°35'55" East, 44.98 feet to a point for corner;
11. South 27°55'56" East, 44.98 feet to a point for corner;
12. South 22°43'49" East, 44.99 feet to a point for corner;
13. South 21°43'39" East, 68.19 feet to a point marking the east corner of said Lot 17 – Landscape Lot, Block E on the northwesterly right-of-way line of aforesaid Turner Forest Avenue;

THENCE, along the northwesterly right-of-way line of said Turner Forest Avenue the following six (6) courses and distances:

1. North 69°14'18" East, 104.76 feet to a point for corner;
2. North 69°14'18" East, 80.01 feet to a point for corner;
3. North 69°14'18" East, 322.27 feet to a point of curvature;
4. in a northeasterly direction along a tangent curve to the left, having a radius of 435.00 feet, a chord of North 48°25'51" East, 309.05 feet, a central angle of 41°36'54", and an arc length of 315.95 feet to a point of tangency;
5. North 27°37'24" East, 93.64 feet to a point of curvature;
6. in a northerly direction along a tangent curve to the left, having a radius of 15.00 feet, a chord of North 17°23'45" West, 21.22 feet, a central angle of 90°02'18", and an arc length of 23.57 feet to the **POINT OF BEGINNING** and containing 85.345 acres of land in Travis County, Texas. The basis of bearing for this description is the Turner's Crossing North – Phase 1 plat. This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared. This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

*John G. Mosier 7-29-22*  
John G. Mosier  
Registered Professional Land Surveyor No. 6330  
Kimley-Horn and Associates, Inc.  
601 NW Loop 410, Suite 350  
San Antonio, Texas 78216  
Ph. 210-541-9166  
greg.mosier@kimley-horn.com



## Exhibit “B” to Improvement Area #1 Funding Agreement

### TIMELINE FOR IMPROVEMENT AREA #1 ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES<sup>1</sup> IMPROVEMENT AREA #1 PID BONDS

<u>Date:</u>	<u>Activity:</u>
On or before August 15	Administrator will calculate the Improvement Area #1 Annual Installment and provide the information to the County and the TCDA.
On or before August 31	Commissioners Court will approve annual update to the Service and Assessment Plan and Assessment Rolls (including Improvement Area #1 Annual Installment).
On or before September 1	Administrator to provide Improvement Area #1 Assessment Roll to County Tax Assessor Collector.
In October of each year	<p>County, acting through the County Tax Assessor-Collector, will mail tax bills that will include Improvement Area #1 Annual Installment to owners of the Improvement Area #1 Assessed Property subject to the Improvement Area #1 Assessment.</p> <p>Improvement Area #1 Annual Installment of Improvement Area #1 Assessment is due upon receipt and becomes delinquent if not received by the County Tax Assessor-Collector by February 1 of the following year.</p>
February 1	Improvement Area #1 Annual Installment of Improvement Area #1 Assessment is delinquent on February 1 if not received by the County Tax Assessor-Collector.
No later than February 15	<p>County will forward, or cause the County Tax Assessor-Collector to forward, Improvement Area #1 Contract Assessment Revenues to the TCDA for deposit with the TCDA Depository Bank.</p> <p><b>County is aware of actual and specific delinquencies and will notify the TCDA of such delinquencies.</b></p> <p>If the County receives Improvement Area #1 Contract Assessment Revenues after February 15, the County Tax Assessor-Collector will forward such Improvement Area #1 Contract Assessment Revenues on or before the fifteenth day of each month following receipt thereof.</p> <p>The TCDA and/or Administrator should be aware if the accounts within the Reserve Fund need to be utilized for debt service payment during the corresponding County fiscal year. <b>If there is to be a shortfall, the Bond Trustee and Dissemination Agent should be immediately notified in writing.</b></p>

<sup>1</sup> All capitalized terms shall have the meaning set forth in the Funding Agreement. Illustrates anticipated dates and procedures for pursuing the collection of delinquent Improvement Area #1 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 County. 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.

<u>Date:</u>	<u>Activity:</u>
	<p>The TCDA and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment.</p> <p>The TCDA and/or Administrator should determine if actual collections will be fully adequate for debt service in March and September.</p> <p>At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Improvement Area #1 Assessments except that the TCDA or Administrator, working with the County Attorney or an appropriate designee, will begin process to cure deficiency.</p> <p><b>If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Bond Trustee for the Improvement Area #1 PID Bonds of 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.</b></p>
On or before the fifteenth day of each month following February	The TCDA will forward all additional Improvement Area #1 Contract Assessment Revenues received to the Bond Trustee(s) for deposit into the Pledged Revenue Fund.
On or before March 1	<p><b>Bond Trustee pays bond interest payments to bondholders.</b></p> <p>Reserve Fund payment to bond fund or applicable accounts therein as required under the Indenture relating to the Improvement Area #1 PID Bonds (the "<u>Bond Fund</u>") may be required if Improvement Area #1 Assessments are below approximately 50% collection rate.</p> <p><b>The TCDA, or the Bond Trustee on behalf of the TCDA, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify the Municipal Securities Rulemaking Board (the "<u>MSRB</u>") of such draw for debt service through its Electronic Municipal Market Access ("<u>EMMA</u>").</b></p> <p><b>Use of any of the accounts of the Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties, in accordance with the County Tax Assessor-Collector's procedures.</b></p> <p>County determines whether or not any Improvement Area #1 Annual Installments are delinquent and, if such delinquencies exist, the County commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Improvement Area #1 Annual Installments.</p>
March 20	If any property owner with ownership of property responsible for more than \$10,000 of the Improvement Area #1 Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September Improvement Area #1 PID Bond payments, the Administrator shall work with County Attorney's

<b><u>Date:</u></b>	<b><u>Activity:</u></b>
	Office, or the appropriate designee, to collect all delinquent Improvement Area #1 Assessments.
<b>June 1</b>	<p>Preliminary foreclosure activity commences, and the TCDA to notify Dissemination Agent of the commencement of preliminary foreclosure activity.</p> <p><b>The County will notify the TCDA of the plan of collections and foreclosure.</b></p> <p><b>Within 72 hours of notification by the County of the plan of collections and foreclosure, the TCDA will notify the Bond Trustee(s) and Dissemination Agent, if any, of the plan of collection and foreclosure.</b></p>
July 1	<p>Foreclosure action filed in state district court.</p> <p><b>County to notify the TCDA, Bond Trustee(s) and Dissemination Agent, if any, of filing of foreclosure action. Dissemination Agent notifies EMMA and bondholders.</b></p>

(THIS PAGE IS INTENTIONALLY LEFT BLANK)



