

NEW ISSUE

NOT RATED

THE BONDS ARE INITIALLY OFFERED 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 UNDER THE SECURITIES ACT OF 1933). SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.”

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under “TAX MATTERS.” See “TAX MATTERS – Tax Exemption” for a discussion of Bond Counsel’s opinion.



\$5,000,000*

CITY OF PLANO, TEXAS,

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023

(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

Dated Date: November 20, 2023

Interest to Accrue from Closing Date (defined herein)

Due: September 15, as shown on the inside cover

The City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) (the “Bonds”), are being issued by the City of Plano, Texas (the “City”). The Bonds 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 15 and September 15, commencing March 15, 2024*, 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 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, Dallas, Texas, as trustee (the “Trustee”), to Cede & Co. as the registered owner thereof. See “BOOK-ENTRY-ONLY SYSTEM.” Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), an ordinance expected to be adopted by the City Council of the City (the “City Council”), and an Indenture of Trust (the “Indenture”), expected to be entered into by and between the City and the Trustee.

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the actual costs of the Improvement Area #1 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the Haggard Farm Public Improvement District (the “District”), and (iii) paying Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #1 Projects, and other costs related to the issuance of the Bonds. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS” and “APPENDIX B — Form of Indenture.”

The Bonds, when issued and delivered, will constitute valid and binding special, limited obligations of the City payable solely from and secured by the Trust Estate, consisting primarily of the Assessments levied against assessed parcels in Improvement Area #1 of the District in accordance with a Service and Assessment Plan and other funds comprising the Trust Estate, all to the extent and upon the conditions described herein. The Bonds are not payable from funds raised or to be raised from taxation. See “SECURITY FOR THE BONDS.” The Bonds are subject to redemption at the times, in the amounts, and at the redemption prices more fully described herein under the subcaption “DESCRIPTION OF THE BONDS — Redemption Provisions.”

The Bonds involve a significant degree of risk 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 THE CITY PAYABLE SOLELY FROM THE PLEDGED 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 CITY 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 THE CITY OTHER THAN THE PLEDGED 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 CITY’S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED 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 the City and accepted by the Underwriter (identified below), subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of Norton Rose Fulbright US LLP, 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 D — Form of Opinion of Bond Counsel.” Certain legal matters will be passed upon for the City by Greenberg Traurig, LLP, for the Underwriter by its counsel, Orrick, Herrington & Sutcliffe LLP, and for the Developer by its counsel, Winstead PC. It is expected that the Bonds will be delivered in book-entry form through the facilities of DTC on or about November 20, 2023 (the “Closing Date”).

FMSbonds, Inc.

* Preliminary; subject to change.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS,
AND CUSIP NUMBERS**

CUSIP Prefix: _____ (a)

\$5,000,000*

CITY OF PLANO, TEXAS,

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023

(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

\$ _____ % Term Bonds, Due September 15, 20 __, Priced to Yield ____%; CUSIP ____ (a) (b) (c)

\$ _____ % Term Bonds, Due September 15, 20 __, Priced to Yield ____%; CUSIP ____ (a) (b) (c)

-
- (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. The City, the City's Financial Advisor and the Underwriter do not take any responsibility for the accuracy of such numbers.
- (b) The Bonds maturing on or after September 15, 20 __ are subject to redemption, in whole or in part, before their scheduled maturity, at the option of the City, on any date on or after September 15, 20 __, such redemption date or dates to be fixed by the City, at the redemption price of 100% of principal amount thereof, plus accrued and unpaid 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."

* Preliminary; subject to change.

CITY OF PLANO, TEXAS

CITY COUNCIL

<u>Name</u>	<u>Term Expires</u>
John B. Muns, Mayor, Place 6	May 2025
Kayci Prince, Mayor Pro-Tem, Place 4	May 2025
Maria Tu, Deputy Mayor Pro-Tem, Place 1	May 2027
Anthony Ricciardelli, Councilmember, Place 2	May 2025
Rick Horne, Councilmember, Place 3	May 2027
Shelby Williams, Councilmember, Place 5	May 2027
Julie Holmer, Councilmember, Place 7	May 2027
Rick Smith, Councilmember, Place 8	May 2025

Name	Position	Length of Service	Total Government Service
Mark D. Israelson	City Manager	4 Years	23 Years
Lisa C. Henderson	City Secretary	9 Years	20 Years
Denise Tacke	Director of Finance	15 Years	23 Years
Paige Mims	City Attorney	9 Years	27 Years

BOND COUNSEL

Norton Rose Fulbright US LLP
Dallas, Texas

FINANCIAL ADVISOR

Hilltop Securities Inc.
Fort Worth, Texas

PID ADMINISTRATOR

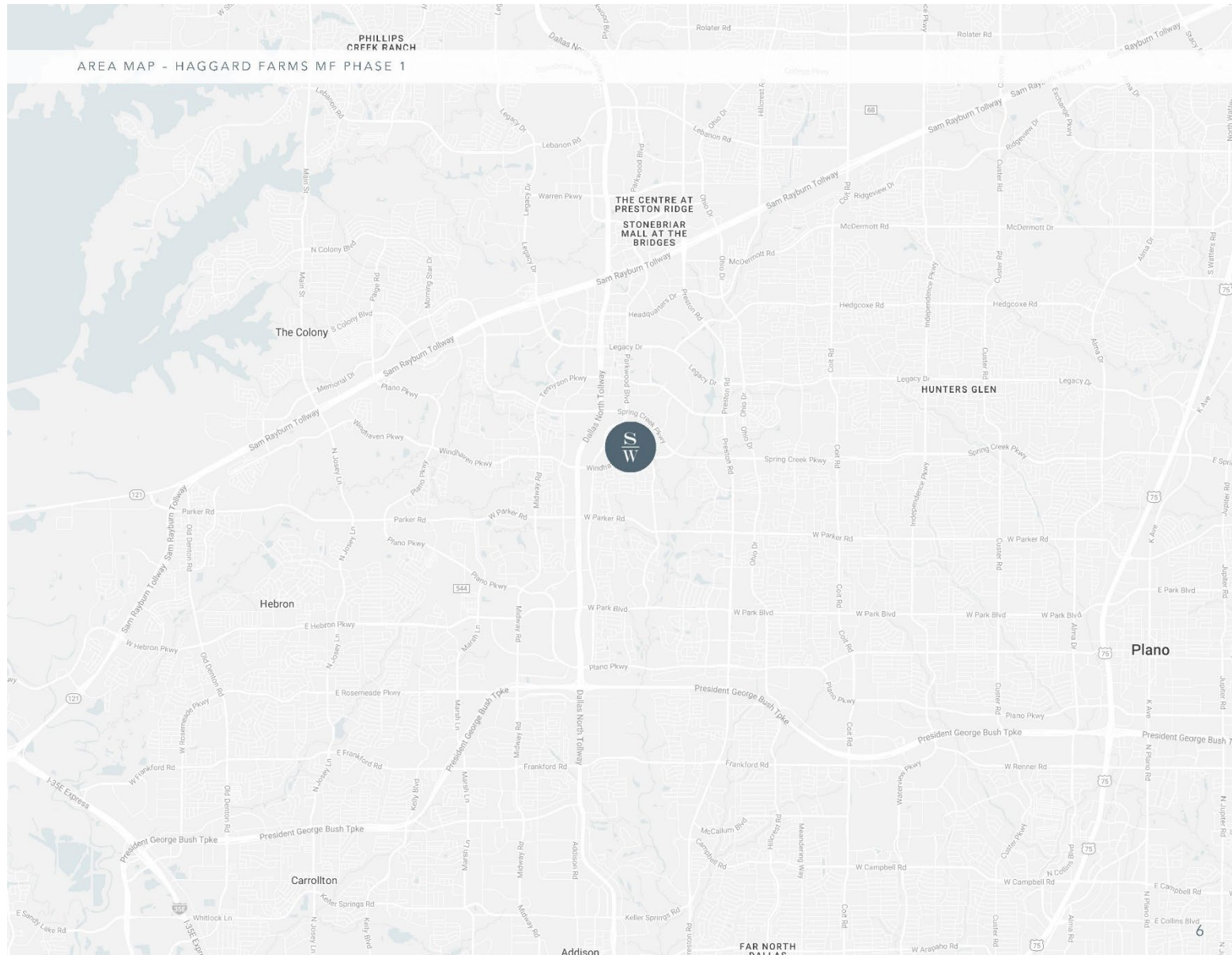
P3Works, LLC
Austin, Houston and North Richland Hills, Texas

For additional information regarding the City, please contact:

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City of Plano, Texas
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Plano, Texas 75086
(972) 941-5233

Laura Alexander
Senior Managing Director
Hilltop Securities, Inc.
777 Main Street, Suite 1525
Fort Worth, Texas 76102
(817) 322-9710

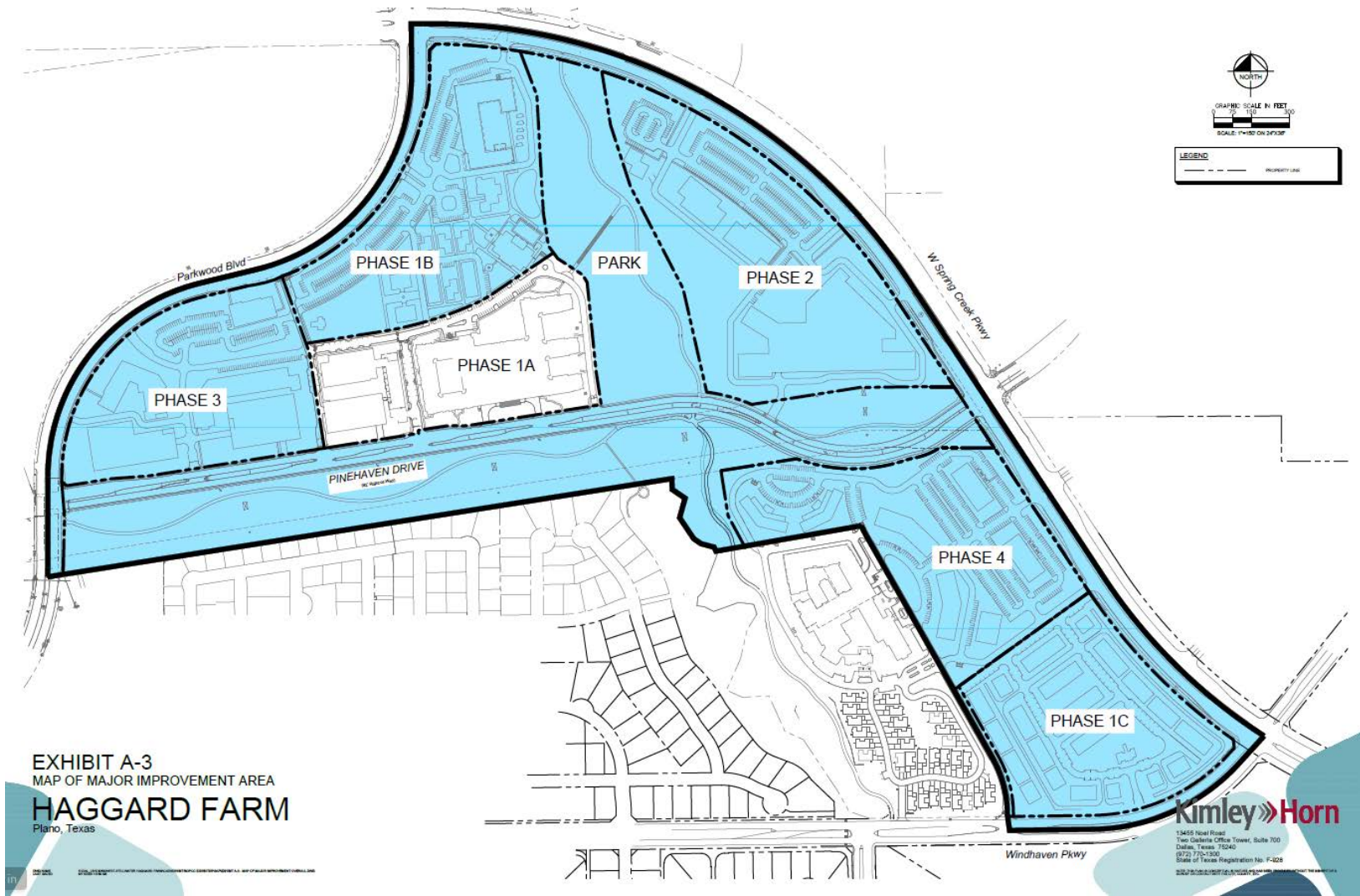
REGIONAL LOCATION MAP OF THE DISTRICT



AREA LOCATION MAP OF THE DISTRICT

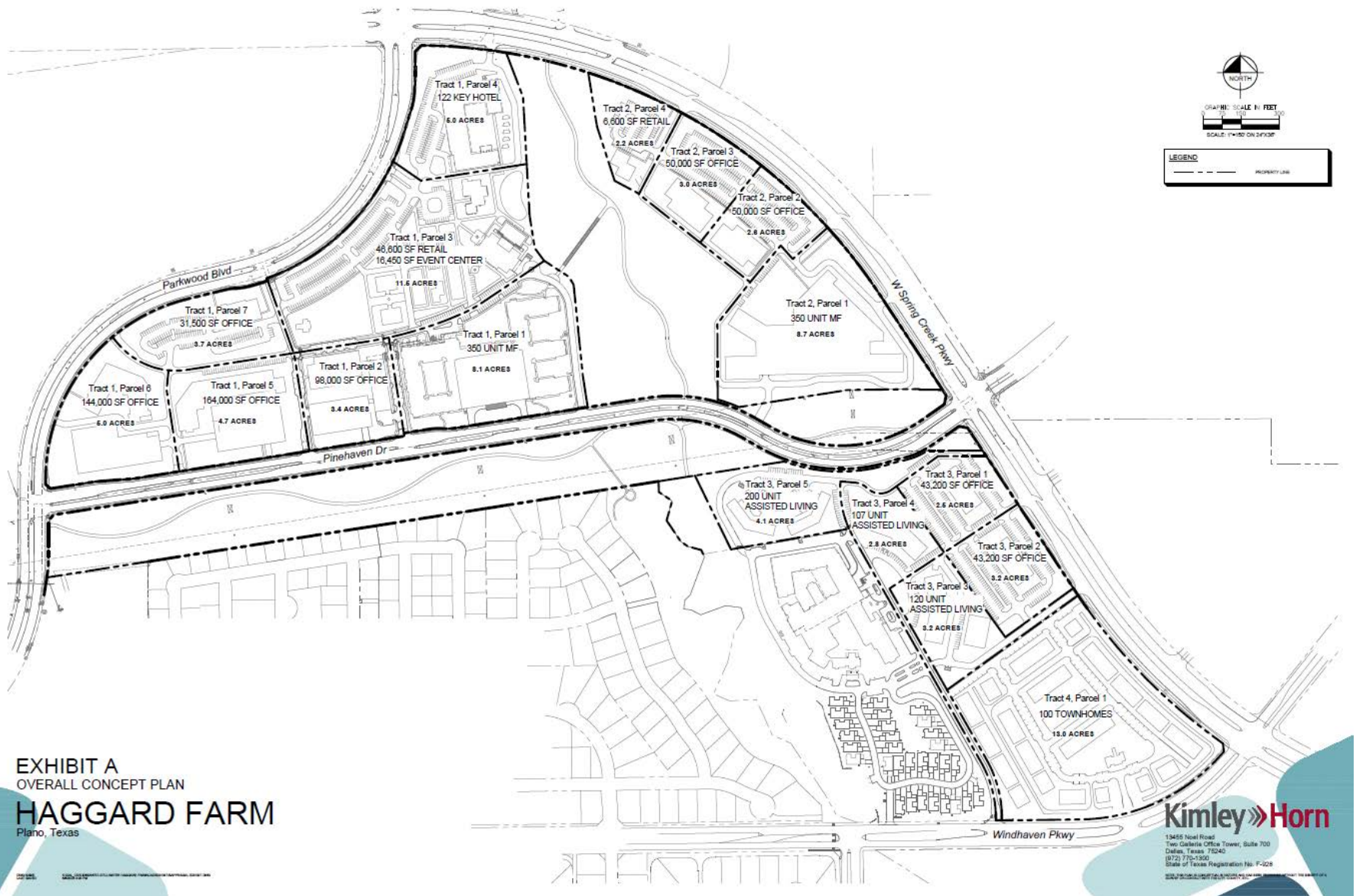


**MAP SHOWING BOUNDARIES OF IMPROVEMENT AREA #1
AND MAJOR IMPROVEMENT AREA WITHIN THE DISTRICT***



* Phase 1A represents Improvement Area #1. The remaining area within the District constitutes the Major Improvement Area.

MAP SHOWING CONCEPT PLAN OF THE DISTRICT



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 ("RULE 15C2-12"), THIS DOCUMENT CONSTITUTES AN "OFFICIAL STATEMENT" OF THE CITY WITH RESPECT TO THE BONDS THAT HAS BEEN "DEEMED FINAL" BY THE CITY AS OF ITS DATE EXCEPT FOR THE OMISSION OF NO MORE THAN THE INFORMATION PERMITTED BY RULE 15C2-12.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY 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 INITIAL PURCHASERS ARE 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, AS AMENDED (THE "SECURITIES ACT OF 1933") AND "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. SEE "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 "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS."

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 THE CITY AND OBTAINED FROM SOURCES, INCLUDING THE DEVELOPER AND THE LANDOWNERS, WHICH ARE BELIEVED BY THE CITY 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 THE CITY, THE DEVELOPER OR THE LANDOWNERS SINCE THE DATE HEREOF.

NONE OF THE CITY, THE UNDERWRITER, THE DEVELOPER OR THE LANDOWNERS 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. THE CITY 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.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

REFERENCES TO WEBSITE 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 WEBSITES 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, RULE 15C2-12.

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PRELIMINARY LIMITED OFFERING MEMORANDUM

\$5,000,000*

CITY OF PLANO, TEXAS,

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023

(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, the inside cover and the appendices hereto, is to provide certain information in connection with the issuance and sale by the City of Plano, Texas (the “City”), of its \$5,000,000* aggregate principal amount of Special Assessment Revenue Bonds, Series 2023 (Haggard Farm 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 INITIALLY TO AND ARE BEING SOLD ONLY TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT OF 1933”) AND “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. 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, PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS,” “BONDHOLDERS’ RISKS,” AND “SUITABILITY FOR INVESTMENT.”

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), the ordinance authorizing the issuance of the Bonds expected to be adopted by the City Council of the City (the “City Council”) (the “Bond Ordinance”), and an Indenture of Trust (the “Indenture”), expected to be entered into by and between the City and Wilmington Trust, National Association, Dallas, Texas, as trustee (the “Trustee”). The Bonds will be secured by a pledge and lien upon the Trust Estate (as defined in the Indenture), consisting primarily of revenue from special assessments (the “Assessments”) to be levied pursuant to a separate ordinance expected to be adopted by the City Council (the “Assessment Ordinance”) against assessed parcels (the “Improvement Area #1 Assessed Property”) located within Improvement Area #1 (as defined herein) of the Haggard Farm Public Improvement District (the “District”), all to the extent and upon the conditions described in the Indenture. See “SECURITY FOR THE BONDS” and “ASSESSMENT PROCEDURES.”

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 B — Form of Indenture.”

Set forth herein are brief descriptions of the City, the District, the Developer (as defined herein), the Landowners (as defined herein), the PID Administrator (as defined herein), the Assessment Ordinance, the Bond Ordinance, the Service and Assessment Plan (as defined herein), the Construction Funding Agreement (as defined herein), the Parks Agreement (as defined herein) and the Development Agreement (as defined herein), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents and the PID Act are qualified in their entirety by reference to such documents or such 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 Cowboys Way, Suite 300-25, Frisco, Texas 75034, telephone number (214) 302-2246. The Form of Indenture appears in APPENDIX B and the Form of Service and Assessment Plan appears as APPENDIX C. The information provided under this caption “INTRODUCTION” is intended to

* Preliminary; subject to change.

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

Development Plan

The District consists of approximately 142.49 acres making up the master planned mixed-use community known as Haggard Farm (the “Development”). SW Haggard Master Developer, LLC, a Texas limited liability company (the “Developer”), expects to develop the District in multiple phases (each, a “Phase”), beginning with the construction of certain public improvements benefitting the entire District (the “Major Improvements”) and certain public improvements benefitting only the first phase, consisting of approximately 11.5039 acres (“Improvement Area #1” or “Phase 1A”), within the District (the “Improvement Area #1 Improvements” and, together with the Major Improvements, the “Authorized Improvements”). The area within the District other than Improvement Area #1 is hereinafter referred to as the “Major Improvement Area.” The Developer expects to begin construction of the Major Improvements and the Improvement Area #1 Improvements in November of 2023 and expects to complete such construction in September of 2024. See “THE DEVELOPMENT.” The boundaries of the District and the concept plan for the District are shown in the “MAP SHOWING BOUNDARIES OF IMPROVEMENT AREA #1 AND MAJOR IMPROVEMENT AREA WITHIN THE DISTRICT” and “MAP SHOWING CONCEPT PLAN OF THE DISTRICT” on pages iv and v.

Pursuant to the Development Agreement by and among the City, the Developer and the Landowners, dated as of August 28, 2023 (the “Development Agreement”), the Developer agreed to construct the Authorized Improvements, the Park Improvements (as defined herein) (a portion of which constitute Major Improvements), as further described in the Parks Agreement, and the City Subdivision Improvements (as defined herein) (collectively, the “Development Agreement Improvements”) and the City agreed to reimburse the Developer for such improvements through the Assessments, the Major Improvement Area Assessments (as defined herein), the Bonds, the Major Improvement Area Bonds (as defined herein), or with funds provided by the City, as applicable. In addition to the Development Agreement Improvements, the Developer will construct the Private Improvements (as defined herein) without reimbursement by the City. See “THE DEVELOPMENT — Development Plan,” “— Development Agreement” and “— Parks Agreement” and “APPENDIX G — Form of Development Agreement.”

The Developer does not currently own the land within the District; however, the Developer’s parent company, Stillwater Capital Investments, LLC, a Texas limited liability company (“Stillwater”), has exclusive right to purchase the land within the District, other than the Assisted Living Parcels (as defined herein), the option to purchase of which is subordinate to Forefront Living (as defined herein), as described below, pursuant to the Option Agreement (the “Option Agreement”) among Stillwater, Acres of Sunshine, Ltd., a Texas limited partnership (“Acres of Sunshine”) and Haggard Enterprises Limited, Ltd., a Texas limited partnership (“Enterprises” and, together with Acres of Sunshine, “Haggard” or the “Landowners”). The Developer expects that, as development progresses within the District, Stillwater will exercise the option to purchase parcels of land under the Option Agreement. Any tracts to be purchased under the Option Agreement will be purchased by either (i) Stillwater, (ii) a single-purpose entity created by Stillwater for the purpose of purchasing such property, or (iii) a Joint Venture (as defined herein) between Stillwater and Haggard. The Developer will be responsible for constructing the internal horizontal and vertical improvements within each parcel that is purchased under the Option Agreement. The purchaser of the land will then enter into leases for the constructed buildings. The Developer expects that SW Haggard Office will purchase the office parcel within Phase 1A and Stillwater or an affiliate of Stillwater will purchase the multifamily tract within Phase 1A under the terms of the Option Agreement, upon closing of the Bonds. Additionally, the Landowners expect that (i) Acres of Sunshine will convey to AOS Land, LLC, an affiliate of the Landowners, all of the land within the District owned by Acres of Sunshine, save and except the land within Phase 1A, and (ii) Enterprises will convey to HEL Land, LLC, an affiliate of the Landowners, all of the land within the District owned by Enterprises by the end of the first quarter of 2024. See “THE DEVELOPMENT — Option Agreement” and “— Development Plan.”

The Development is expected to include approximately 33 acres of parkland, 100 townhome units, 700 multifamily units, 427 assisted living units, a 122-room hotel, 69,650 square feet of retail space, and 623,900 square feet of office space. Improvement Area #1 is expected to consist of 350 multifamily units and 98,000 square feet of office space. As of September 1, 2023, (i) SW Haggard Office I Development, LLC, a Texas limited liability company, and affiliate of the Developer and Stillwater (“SW Haggard Office”), has executed a lease with WRA

Architects, Inc., a Texas corporation, for approximately 34,920 square feet of office space in Improvement Area #1 and (ii) Stillwater has a letter of intent with Robert Elliot Custom Homes, LLC, an affiliate of the Developer and Stillwater, for the purchase of the 100 townhome units within the Major Improvement Area. See “THE DEVELOPMENT — Development Plan.”

The Landowners have entered into a Real Estate Purchase Option Agreement (the “Assisted Living Agreement”) with Forefront Living Plano, a Texas non-profit corporation (“Forefront Living”), which grants Forefront Living the option to purchase approximately 13.6 acres of land, consisting of approximately 10.1 acres within the District comprising Tract 2, Parcels 3-5, the parcels on which assisted living units will be constructed (the “Assisted Living Parcels”), and approximately 2.5 acres adjacent to the District. If purchased, Forefront Living would be responsible for construction of the internal horizontal and vertical improvements. Stillwater’s option to purchase the Assisted Living Parcels is subordinate to Forefront Living’s option to purchase to such land. If Forefront Living does not exercise its option under the Assisted Living Agreement, the Developer will have the option to purchase these parcels. See “THE DEVELOPMENT — Development Plan.”

Financing Plan

Improvement Area #1 Projects. The Developer expects that the actual costs to complete the Major Improvements allocable to Improvement Area #1 (the “Improvement Area #1 Major Improvements”) and the Improvement Area #1 Improvements (together, the “Improvement Area #1 Projects”) will be approximately \$3,978,097. The City will finance and/or reimburse the Developer for a portion of the actual costs, paid, or incurred by or on behalf of the Developer, of the Improvement Area #1 Projects in the approximate amount of \$3,214,389*, through the issuance of the Bonds. The balance of the costs of the Improvement Area #1 Projects, in the total approximate amount of \$763,708* (the “Developer Contribution”), will be financed by the Developer and will not be reimbursed by the City. The City and the Developer expect to enter into the Haggard Farm Public Improvement District Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement, to be effective as of October 23, 2023, (the “Construction Funding Agreement”), which will provide, in part, for the deposit of the Assessments and the proceeds from the issuance and sale of the Bonds, the use of the Developer Contribution and the payment of the actual costs of the Improvement Area #1 Projects. In accordance with the Indenture, the Development Agreement and the Construction Funding Agreement, the Developer is required to deposit funds under the Indenture in an amount equal to the Developer Contribution. See “SECURITY FOR THE BONDS — Project Fund,” “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS,” “THE DEVELOPER — History and Financing of the District,” “APPENDIX B — Form of Indenture,” “APPENDIX C — Form of Service and Assessment Plan” and “APPENDIX F — Form of Construction Funding Agreement.”

Major Improvement Area Projects. Concurrently with the issuance of the Bonds, the City expects to issue its Special Assessment Revenue Bonds, Series 2023 (Haggard Farms Public Improvement District Major Improvement Area Project) (the “Major Improvement Area Bonds”) to provide funds for (i) paying a portion of the actual costs of the Major Improvements allocable to the Major Improvement Area (the “Major Improvement Area Projects”), (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying bond issuance costs, including funding a reserve fund and paying a portion of the interest on the Major Improvement Area Bonds during the period of acquisition and construction of the Major Improvement Area Projects, and other costs related to the issuance of the Major Improvement Area Bonds. The Major Improvement Area Bonds will be secured by a separate assessment levied against assessable property within the Major Improvement Area only (the “Major Improvement Area Assessments”). **The Major Improvement Area Assessments are not security for the Bonds.**

Additional Improvements. The costs of the City Subdivision Improvements will be reimbursed to the Developer with funds deposited by the City under the indenture for the Major Improvement Area Bonds (the “MIA Indenture”), pursuant to the terms of the Development Agreement. The portion of the Parkland Improvements that do not constitute Major Improvements will be financed by the City pursuant to the Parks Agreement. The Private Improvements will be financed by the Developer without reimbursement by the City. See “THE DEVELOPMENT — Development Plan,” “— Development Agreement” and “— Parks Agreement,” “THE DEVELOPER — History and Financing of the District” and “APPENDIX G — Form of Development Agreement.”

* Preliminary; subject to change.

The City and the Developer do not currently anticipate financing any improvements, other than the Authorized Improvements, within the District, through the proceeds of assessments levied within the District or bonds issued to finance such improvements. If, in the future, such plan changes, the City may levy an assessment and issue PID Bonds (as defined herein) within the Major Improvement Area to finance internal improvements therein. Such levy and issuance of PID Bonds would be required to comply with the provisions of the MIA Indenture and the Development Agreement.

The Bonds

Proceeds of the Bonds will be used for the purpose of (i) paying a portion of the actual costs of the Improvement Area #1 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District (which includes the first year's Annual Collection Costs (as defined herein) related to the Bonds), and (iii) paying the Bond Issuance Costs (as defined herein), including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #1 Projects, and other costs related to the issuance of the Bonds (collectively, as further described herein under "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS", the "Improvement Area #1 Authorized Improvements"). See "SOURCES AND USES OF FUNDS," "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS" and "APPENDIX B — Form of Indenture."

Payment of the Bonds is secured by a pledge of and a lien upon the Trust Estate, consisting primarily of the Assessments to be levied against the Improvement Area #1 Assessed Property, all to the extent and upon the conditions described herein and in the Indenture. See "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" and "APPENDIX B — Form of Indenture."

The Bonds shall never constitute an indebtedness or general obligation of 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 the City payable solely from the Trust Estate as provided in the Indenture. Neither the faith and credit nor the taxing power of the City, the State or any other political subdivision of the State is pledged to the payment of the Bonds.

Only the Bonds are offered pursuant to this Limited Offering Memorandum. The Bonds and the Major Improvement Area Bonds issued by the City are separate and distinct issues of securities secured by separate assessments. The Major Improvement Area Bonds to be issued by the City are not offered pursuant to this Limited Offering Memorandum. Investors interested in purchasing any of these other City obligations should refer to the offering documents related thereto, when and if available.

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 City 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 of 1933 or a "qualified institutional buyer" under Rule 144A of the Securities Act of 1933, 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 of 1933 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 City, the Improvement Area #1 Authorized 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 City in connection with the Investor’s purchase of the Bonds. The Investor agrees that none of the City, its councilmembers, officers, or employees shall have any liability to the Investor whatsoever for or in connection with the Investor’s decision to purchase the Bonds except for gross negligence, fraud, or willful misconduct. For the avoidance of doubt, it is acknowledged that the Underwriter is not deemed an officer or employee of the City.

6. The Investor acknowledges that the obligations of the City under the Indenture are special, limited obligations payable solely from amounts paid by the City pursuant to the terms of the Indenture and the City shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the City 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 City, 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 City, 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 City 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.

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 to the Underwriter (the “Closing Date”) and will be computed on the basis of a 360-day year of twelve 30-day months and will be payable on each March 15 and September 15, commencing March 15, 2024* (each, an “Interest Payment Date”), until maturity or prior redemption. Wilmington Trust, National Association, Dallas, Texas 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 of \$100,000 of principal and any integral multiple of \$1,000 in excess thereof, as provided in the Indenture (“Authorized Denominations”). 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.”

* Preliminary; subject to change.

Redemption Provisions

Optional Redemption. The City reserves the right and option to redeem Bonds maturing on or after September 15, 20__, in whole or in part, on any date on or after September 15, 20__, such redemption date or dates to be fixed by the City, at the redemption price of 100% of the principal amount of the Bonds to be redeemed, plus accrued and unpaid interest to the date of redemption (the “Redemption Price”).

Extraordinary Optional Redemption. Notwithstanding any provision in the Indenture to the contrary, the City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, and in an amount and on a date specified in a City Certificate, at the Redemption Price 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 (including related transfers to the Redemption Fund made pursuant to the terms of the Indenture) or other transfers to the Redemption Fund under the terms of the Indenture, or as a result of unexpended amounts transferred from the Project Fund pursuant to the terms of the Indenture. See “ASSESSMENT PROCEDURES — Prepayment of Assessments” for the definition and description of Prepayments.

Mandatory Sinking Fund Redemption. The Bonds are subject to mandatory sinking fund redemption prior to their Stated Maturity and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

<u>\$ Bonds Maturing September 15, 20__</u>	
<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 15, 20__	\$
September 15, 20__	
September 15, 20__	
September 15, 20__ †	
† Stated Maturity	

<u>\$ Bonds Maturing September 15, 20__</u>	
<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 15, 20__	\$
September 15, 20__	
September 15, 20__	
September 15, 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 shall select a principal amount of Bonds (in accordance with the Indenture) 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 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 the City, 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 the City at a price not exceeding the principal amount of such Bonds plus accrued and 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.

Partial Redemption. If less than all of the Bonds are to be redeemed pursuant to the Indenture, 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 the Authorized Denomination in effect at that time; provided, however, if the amount of the Outstanding Bond 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.

For Bonds redeemed pursuant to mandatory sinking fund redemption, the Trustee may select the Bonds to be redeemed in any method that results in a random selection.

For Bonds redeemed pursuant to optional redemption, the Trustee will rely on the directions provided in a City Certificate.

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 selected in the following manner:

(i) with respect to a Substantial Amount Redemption, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds; and

(ii) with respect to a Minor Amount Redemption, the Outstanding Bonds shall be redeemed in inverse order of maturity.

The following defined terms apply to partial extraordinary optional redemptions:

“Substantial Amount Redemption” means a redemption of Bonds pursuant to extraordinary optional redemption of a principal amount of Bonds that is greater than or equal to 10% of the Outstanding principal amount of the Bonds.

“Minor Amount Redemption” means a redemption of Bonds pursuant to extraordinary optional redemption of a principal amount of Bonds that is less than 10% of the Outstanding principal amount of the Bonds.

Upon surrender of any Bond for redemption in part, the Trustee in accordance with 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.

Notice of Redemption. Upon written notification by the City to the Trustee of the exercise of any 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. Any such notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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 Outstanding Bonds are to be redeemed, and subject to the terms of the Indenture, 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. 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 Redemption Price of 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.

The City 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.

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 the City 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, the City 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.

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 DTC, 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. The City and the Underwriter believe the source of such information to be reliable, but neither the City nor the Underwriter takes responsibility for the accuracy or completeness thereof.

The City 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 herein), 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 Securities and Exchange Commission (the "SEC"), 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"). Direct Participants and Indirect Participants are collectively referred to herein as "Participants." DTC has an S&P Global Ratings rating of "AA+". The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at 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 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 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 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 the City 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 the City 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 the City, 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 the City, 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 Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City 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.

The City 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 the City believes to be reliable, but none of the City, the City's Financial Advisor or the Underwriter take any responsibility for the accuracy thereof.

NONE OF THE CITY, THE TRUSTEE, THE PAYING AGENT, THE CITY'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. THE CITY 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

General

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE PLEDGED 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 CITY 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 THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE. SEE "APPENDIX B — FORM OF INDENTURE."

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 B — Form of Indenture."

The principal of, premium, if any, and interest on the Bonds are secured by a pledge of and a lien upon the pledged revenues (the "Pledged Revenues"), consisting primarily of Assessments expected to be levied against the Improvement Area #1 Assessed Property and other funds comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. In accordance with the PID Act, the City has caused the preparation of a Service and Assessment Plan (as updated, amended and supplemented from time to time, the "Service and Assessment Plan"), which describes the special benefit received by the Improvement Area #1 Assessed Property, provides the basis and justification for the determination of special benefit on the Improvement Area #1 Assessed Property, establishes the methodology for the levy of the Assessments and provides for the allocation of Pledged Revenues for payment of principal of, premium, if any, and interest on the Bonds. The Service and Assessment Plan is reviewed and updated at least annually (each, an "Annual Service Plan Update") for the purpose of determining the annual budget for improvements and the Annual Installments (as defined below) of Assessments due in a given year. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District. See "APPENDIX C — Form of Service and Assessment Plan."

Pledged Revenues

The City is authorized by the PID Act, the Assessment Ordinance and other provisions of applicable law to finance the Improvement Area #1 Authorized Improvements by levying Assessments upon the Improvement Area #1 Assessed Property. For a description of the assessment methodology and the amounts of Assessments anticipated to be levied in Improvement Area #1, see "ASSESSMENT PROCEDURES" and "APPENDIX C — Form of Service and Assessment Plan."

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

“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 the Assessments pursuant to Section 372.018 of the PID Act.

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

“Annual Installment” means, with respect to each Assessed Parcel, each annual payment of the Assessments (including both principal and interest) shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix F-1 related to the Improvement Area #1 Projects; which annual payment includes the Annual Collection Costs and the Additional Interest collected on each annual payment of the Assessments as described in the Indenture and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

“Assessment Revenues” means monies collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Parcel or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, and (iii) Foreclosure Proceeds.

“Pledged Funds” means the Pledged Revenue Fund, the Bond Fund, the Project Fund (excluding the Developer Improvement Account), the Reserve Fund, and the Redemption Fund.

“Pledged Revenues” means the sum of (i) Assessment Revenue less the Annual Collection Costs and (ii) any additional revenues that the City may pledge to the payment of Bonds.

The City covenants in the Indenture that it will take and pursue all reasonable actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof to be enforced continuously. See “— Pledged Revenue Fund” and “APPENDIX C — Form of Service and Assessment Plan.”

Collection and Deposit of Assessments

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, together with the interest thereon, will be deposited in the Pledged Revenue Fund for the payment of the principal of and interest on the Bonds, as and to the extent provided in the Service and Assessment Plan and the Indenture. See “SECURITY FOR THE BONDS — Pledged Revenue Fund.”

The Assessments assessed to pay debt service on the Bonds together with interest thereon, are payable in Annual Installments established by the Assessment Ordinance 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 will be made payable in the Assessment Ordinance in each City 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 Bonds in the Service and Assessment Plan. Each Annual Installment is payable as provided in the Service and Assessment Plan and the Assessment Ordinance.

The portions of the Annual Installments of Assessments collected to pay Annual Collection Costs and Delinquent Collection Costs will be deposited in the Administrative Fund and shall not constitute Pledged Revenues.

Unconditional Levy of Assessments

The City is expected to impose Assessments on the property within Improvement Area #1 sufficient to pay the principal of and interest on the Bonds scheduled for payment from Pledged Revenues as described in the

Indenture and in the Service and Assessment Plan and coming due during each fiscal year. The Assessments shall be effective on the date of, and strictly in accordance with the terms of, the Assessment Ordinance. 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 Ordinance, 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 and will be due when billed, expected to be on or about October 1 of each year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments will be due on or about October 1, 2023, and will be delinquent if not paid prior to February 1, 2024.

As authorized by Section 372.018(b) of the PID Act, the City will calculate and collect, each year while the Bonds are Outstanding and unpaid, an amount to pay the annual costs incurred by the City in the administration and operation of Improvement Area #1 (the “Annual Collection Costs”). The portion of each Annual Installment of an Assessment used to pay Annual Collection Costs shall remain in effect each year until all Bonds are finally paid or until the City 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 due in the manner set forth in the Assessment Ordinance 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 is no discount for the early payment of 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 Improvement Area #1 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 Ordinance until the Assessments are paid (or otherwise discharged) and is enforceable by the City Council in the same manner that an ad valorem property tax levied against real property may be enforced by the City Council. 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 Ordinance. 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 Ordinance (“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) will 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 will 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 the Indenture or any other act; all as provided in Chapter 1208 of the Texas Government Code, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under the Indenture, and such pledge is therefore valid, effective and perfected. If State law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under the Indenture is to be subject to the filing requirements of Chapter 9, Business and Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Pledged Revenue Fund

On or before March 1 of each year while the Bonds are Outstanding and beginning March 1, 2024, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. From amounts deposited into the Pledged Revenue Fund, the City shall deposit or cause to be deposited Pledged Revenues as

follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year, (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, in accordance with the Indenture, (iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest collected, if any, in accordance with the Indenture, (iv) fourth, to pay Actual Costs of the Improvement Area #1 Projects, and (v) fifth, to pay other costs permitted by the PID Act.

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 and any expected transfers from the Capitalized 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 provided in the Indenture, there are insufficient funds to make the payments provided in the Indenture, the Trustee shall apply the available funds in the Principal and Interest Account first, to the payment of interest, and second to the payment of principal (including any Sinking Fund Installments) on the Bonds, as described in the Indenture.

Notwithstanding the deposits described in first through fifth 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 first through fifth 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 Account to restore any transfers from the Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, second, to the Additional Interest Reserve Account to restore any transfers from the Additional Interest Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, and third, 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 an account of the Reserve Fund, and the other deposits described in first through fifth above the City may direct the Trustee, by City Certificate, to apply Assessments for any lawful purposes permitted by the PID Act for which Assessments may be paid, including transfers to the Redemption Fund.

Any additional Pledged Revenues remaining after the satisfaction of the foregoing shall be applied by the Trustee, as instructed by the City pursuant to a City Certificate, for any lawful purpose permitted by the PID Act for which such additional Pledged Revenues may be used, including transfers to other Funds and Accounts created pursuant to the Indenture.

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, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account, as provided below.

If amounts in the Principal and Interest Account are insufficient for the purposes set forth in the preceding paragraph, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in the Reserve Fund provisions of the Indenture. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

Moneys in the Capitalized Interest Account shall be used for the payment of interest on the Bonds on the following dates and in the following amounts:

Date

Amount
\$

Any amounts on deposit in the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund, as directed by City Certificate, or if the Improvement Area #1 Improvements Account of the Project Fund and the Improvement Area #1 Major Improvements Account of the Project Fund have been closed as provided in the Indenture, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Project Fund

Money on deposit in the Project Fund shall be used for the purposes specified in the Indenture. Money on deposit in the Improvement Area #1 Improvements Account of the Project Fund shall only be used to pay Actual Costs of Improvement Area #1 Improvements and money on deposit in the Improvement Area #1 Major Improvements Account of the Project Fund shall only be used to pay Actual Costs of the Improvement Area #1 Major Improvements. Money on deposit in the Developer Improvement Account of the Project Fund shall only be used, subject to the withdrawal restriction provided in the Indenture, to pay the Actual Costs of the Improvement Area #1 Projects.

Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates.

Disbursements from the other Accounts of the Project Fund to pay Actual Costs of the Improvement Area #1 Projects shall be made by the Trustee upon receipt by the Trustee of either properly executed and completed Certification for Payment or written direction from the City or its designee approving the disbursement to the Developer or the Developer's designee. For the form of Certificate for Payment, see Exhibit B to "APPENDIX F — Form of Construction Funding Agreement." The disbursement of funds from the Improvement Area #1 Improvements Account of the Project Fund, the Improvement Area #1 Major Improvements Account of the Project Fund, or the Developer 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 Construction Funding Agreement; provided, however, that all disbursement of funds for the Actual Costs of Improvement Area #1 Improvements made pursuant to a Certification of Payment shall be made first, from the Improvement Area #1 Improvements Account, and second, from the Developer Improvement Account and all disbursements of funds for the Actual Costs of the Improvement Area #1 Major Improvements shall be made first, from the Improvement Area #1 Major Improvements Account, and second, from the Developer Improvement Account. Such provisions and procedures related to such disbursements contained in the Construction, Funding, and Acquisition Agreement are incorporated by reference and deemed set forth in the Indenture in full.

If the City Representative determines in his or her sole discretion that amounts then on deposit in the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund are not expected to be expended for purposes of the such Account due to the abandonment, or constructive abandonment, of the Improvement Area #1 Improvements or the Improvement Area #1 Major Improvements, respectively, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund will ever be expended for the purposes of such Account, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Area #1 Improvements Account of the Project Fund and/or the Improvement Area #1 Major Improvements Account of the Project Fund that are not expected to be used for purposes of such Account. If such City Certificate is so filed, the amounts on deposit in the Improvement Area #1 Improvements Account of the Project Fund and/or the Improvement Area #1 Major Improvements 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.

Upon the filing of a City 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 of the Improvement Area #1 Improvements are not required to be paid from the Improvement Area #1 Improvements Account of the Project Fund pursuant to a Certification for Payment or written direction from the City or its designee, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Area #1 Improvements Account of the Project Fund to the Principal and Interest Account of the Bond Fund and (ii) shall close the Improvement Area #1 Improvements Account. Upon the filing of a City Certificate stating that all Improvement Area #1 Major Improvements have been completed and that all Actual Costs of the Improvement Area #1 Major Improvements have been paid, or that any such Actual Costs of the Improvement Area #1 Major Improvements are not required to be paid from the Improvement Area #1 Major Improvements Account of the Project Fund pursuant to a Certification for Payment or written direction from the City or its designee, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Area #1 Major Improvements Account of the Project Fund to the Bond Fund and (ii) shall close the Improvement Area #1 Major Improvements Account. If the Improvement Area #1 Improvements Account and the Improvement Area #1 Major Improvements Account are closed as provided above, the Trustee shall transfer any remaining amounts in the Developer Improvement Account of the Project Fund to the Developer and shall close the Developer Improvement Account of the Project Fund. If the Improvement Area #1 Improvements Account, the Improvement Area #1 Major Improvements Account, and the Developer Improvement Account have been closed as provided above and the Costs of Issuance Account of the Project Fund has been closed pursuant to the below provisions, the Project Fund shall be closed.

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

Reserve Account of the Reserve Fund

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund, held by the Trustee for the benefit of the Bonds, and initially funded with proceeds of the Bonds in the amount of the Reserve Account Requirement. Pursuant to the Indenture, the "Reserve Account Requirement" for the Bonds is the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date of the Bonds, (ii) 125% of average Annual Debt Service on the Bonds as of the Closing Date of the Bonds, or (iii) 10% of the lesser of the principal amount of the Outstanding Bonds or the original issue price of the Bonds. As of the Closing Date, the Reserve Account Requirement is \$_____.

Whenever Bonds are to be redeemed with the proceeds of Prepayments, the Trustee shall transfer, on the Business Day prior to the redemption date (or on such other date as agreed to by the City and the Trustee), from the Reserve Account of the Reserve Fund to the Redemption Fund, an amount specified in a City Certificate 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 the principal amount of Bonds to be redeemed with Prepayments multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayments toward payment of accrued interest, there are insufficient funds in the Redemption Fund to pay the principal amount plus accrued and unpaid interest to the date fixed for redemption of the Bonds to be redeemed, as identified in a City Certificate as a result of such Prepayments and as a result of the transfer from the Reserve Account, the Trustee shall transfer an amount equal to the shortfall, and/or any additional amounts necessary to permit the 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 City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City 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 debt service on the Bonds on the next Interest Payment Date in accordance with the Indenture, unless within thirty days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under the Indenture, (ii) to a specified Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof, or (iii) for such other use specified in such City Certificate if the City receives a

written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such alternate use will not adversely affect the exemption from federal income tax of the interest on any Bond.

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 shall be transferred to the Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

If, after a Reserve Account withdrawal pursuant to the Indenture, 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 the Indenture.

If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount 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 Outstanding Bonds as of such Interest Payment Date.

Additional Interest Reserve Account of the Reserve Fund

The Indenture provides for the creation of the Additional Interest Reserve Account within the Reserve Fund, held by the Trustee for the benefit of the Bonds. The Trustee, if needed, will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Additional Interest Reserve Account on March 15 and September 15 of each year, commencing March 15, 2024, an amount equal to the Additional Interest collected, if any, until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account. If the amount on deposit in the Additional Interest Reserve Account shall at any time be less than the Additional Interest Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall, and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that the City shall not be required to replenish the Additional Interest Reserve Account in the event funds are transferred from the Additional Interest Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to the Indenture. In the event the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, then the deposits described in the immediately preceding sentence shall continue until the Additional Interest Reserve Account has been fully replenished. If, after such deposits, there is surplus Additional Interest remaining, the Trustee shall transfer such surplus Additional Interest to the Redemption Fund, and shall notify the City of such transfer in writing.

Administrative Fund

The City shall deposit or cause to be deposited to the District Administration Account of the Administrative Fund the amounts collected each year to pay Annual Collection Costs and Delinquent Collection Costs. Moneys in the District Administration Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds and Accounts created and administered thereunder and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan. See “APPENDIX C – Form of Service and Assessment Plan.”

THE ADMINISTRATIVE FUND SHALL NOT BE PART OF THE TRUST ESTATE AND SHALL NOT BE SECURITY FOR THE BONDS.

Defeasance

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 for such purpose, shall be sufficient to pay when due the principal of and interest on 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 or other authorized third-party selected by the City verifying the sufficiency of the moneys and/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 any Bonds are then rated, the Trustee shall have received written confirmation from each rating agency then publishing a rating on such Bonds that such deposit will not result in the reduction or withdrawal of the rating on such 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 the City 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; and provided further investments and are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council 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 the City 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 body of the City 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.

Events of Default

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

- (i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;
- (ii) The failure of the City to enforce the collection of the Assessments, including the prosecution of foreclosure proceedings;
- (iii) 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 thirty (30) days; provided, however,

that the payments are to be made only from Pledged Revenues or other funds currently available in the Pledged Funds and available to the City to make the payments; and

(iv) Default in the performance or observance of any covenant, agreement or obligation of the City under the Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate Outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied.

Nothing described above will be an Event of Default if it is in violation of any applicable state law or court order.

Remedies in Event of Default

Subject to the limitations on liability of the City provided within the Indenture, upon the happening and continuance of any of the Events of Default described above, the Trustee may, and at the written direction of the Owners of at least 25% of the Bonds then Outstanding and its receipt of indemnity satisfactory to it, shall proceed against the City for the purpose of protecting and enforcing the rights of the Owners under the Indenture, by action seeking mandamus or by 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 the City may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies of default.

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 all Outstanding Bonds during the continuance of an Event of Default, in the selection of Trust Estate assets to be used in the payment of Bonds due, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City 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 the City shall fail to deliver to the Trustee such City 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 the City by reason of such selection, liquidation or sale.

Whenever moneys are to be applied during the continuance of an Event of Default, 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 the City, 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, the City 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 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 not less than 25% 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 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 the Indenture, (iv) the Trustee has for ninety (90)

days after such notice failed or refused to exercise the powers 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 at least a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding 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 in the Indenture, 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.

Subject to provisions of the Indenture with respect to certain liabilities of the City, 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 the City 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 the City, 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 Default

All moneys, securities, funds and Pledged Revenues and other assets of the Trust Estate and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture related to Events of Default 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, notwithstanding other provisions of the Indenture, shall be applied by the Trustee, on behalf of the City, 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 (10) 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 Event of Default, 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 the City to its prior position after any and all defaults have been cured 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 or Account established pursuant to the Indenture shall be invested by the Trustee as directed by the City pursuant to a City Certificate filed with the Trustee at least two (2) days in advance of the making of such investment. The money in any Fund or Account shall be invested 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 may not be invested above the Yield (as defined in the Indenture) on the Bonds, unless and until the City 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 any Bond. 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 or Accounts may be invested in common investments of the kind described above, or in a common pool of such investment 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 or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is directed to invest and re-invest cash balances in Wilmington U.S. Government Money Market Fund – Institutional Share Class (CUSIP 97181C605); provided, however, that money required to be expended from any Fund or Account will be available at the proper time or times.

Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of the 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 the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

Against Encumbrances

Other than refunding bonds issued to refund all or a portion of the Bonds (“Refunding Bonds”), the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate, 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 under the Indenture, and except as set forth in the Indenture, the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds, if any, secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under the Indenture, except for a lien or pledge subordinate to the lien and pledge of such property related to the Bonds or indebtedness incurred in compliance with the Indenture.

Additional Obligations; Other Liens

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

Other than Refunding Bonds, the City 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 omit to be done any matter or things whatsoever whereby the lien of the Indenture or the priority hereof might or could be lost or impaired.

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

Notwithstanding anything to the contrary herein, no Refunding Bonds, Additional Obligations, or subordinate obligations may be issued by the City unless: (1) the principal (including sinking fund installments) of such Refunding Bonds, Additional Obligations, or subordinate obligations are scheduled to mature on September 15 of the years in which principal is scheduled to mature, and (2) the interest on such Refunding Bonds, Additional Obligations or subordinate obligations must be scheduled to be paid on March 15 and September 15 of the years in which interest is scheduled to be paid.

SOURCES AND USES OF FUNDS

The table that follows summarizes the expected sources and uses of proceeds of the Bonds and additional funds provided by the Developer:⁽¹⁾

Sources of Funds:	
Principal Amount	\$
Developer Contribution ⁽²⁾	
Total Sources	<u>\$</u>
Use of Funds:	
Deposit to Improvement Area #1 Improvements Account of the Project Fund	\$
Deposit to Improvement Area #1 Major Improvements Account of the Project Fund	
Deposit to Developer Improvement Account of the Project Fund ⁽²⁾	
Deposit to Capitalized Interest Account of the Bond Fund	
Deposit to Costs of Issuance Account of the Project Fund	
Deposit to Reserve Account of the Reserve Fund	
Deposit to District Administration Account of the Administrative Fund	
Underwriter's Discount ⁽³⁾	
Total Uses	<u>\$</u>

⁽¹⁾ To be updated and completed upon pricing.

⁽²⁾ Represents the Developer Contribution required to be deposited pursuant to the Development Agreement, Construction Funding Agreement, and the Indenture.

⁽³⁾ Includes Underwriter's Counsel fee in the amount of \$[_____].

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DEBT SERVICE REQUIREMENTS

The following table sets forth the anticipated debt service requirements for the Bonds:⁽¹⁾

<u>Year Ending</u> <u>(September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024 ⁽²⁾	\$	\$	\$
2025 ⁽²⁾			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
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2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>

⁽¹⁾ To be updated and completed upon pricing. Preliminary; subject to change.

⁽²⁾ Interest due in 2024 and 2025 will be funded with amounts on deposit in the Capitalized Interest Account.

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OVERLAPPING TAXES AND DEBT

Overlapping Taxes

The land within Improvement Area #1 lies within the corporate limits of the City. The land within Improvement Area #1 has been, and is expected to continue to be, subject to taxes imposed by taxing entities other than the City. Such taxes are payable in addition to the Assessments. The City, Collin County (the “County”), Collin County Community College District and the Plano Independent School District (“Plano ISD”) may each levy ad valorem taxes upon land within Improvement Area #1 for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. The City has no 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.

Overlapping Taxes

<u>Taxing Entity</u>	Tax Year 2022 <u>Ad Valorem Tax Rate⁽¹⁾</u>
City of Plano	\$0.417600
Collin County	0.152443
Collin County Community College District	0.081220
Plano Independent School District	<u>1.259750</u>
Total Current Tax Rate	<u>\$1.911013</u>

Estimated Average Annual Installment of Assessment in Improvement Area #1 as a Tax Rate Equivalent	\$0.457976 ⁽²⁾
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Estimated Total Tax Rate and Average Annual Installment in Improvement Area #1 as a Tax Rate Equivalent	\$2.368989⁽²⁾
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⁽¹⁾ As reported by the Collin Central Appraisal District. Per \$100 taxable appraised value.

⁽²⁾ Includes Assessments levied for payment of the Bonds. Derived from information in the Service and Assessment Plan. See “ASSESSMENT PROCEDURES — Assessment Methodology – Estimated Improvement Area #1 Value to Lien Ratios,” “— Assessment Amounts – Assessment Amounts” and “APPENDIX C — Form of Service and Assessment Plan.” Preliminary; subject to change.

Source: Collin Central Appraisal District and the Service and Assessment Plan.

Overlapping Debt

As noted above, Improvement Area #1 includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes. 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, and City debt to be secured by the Assessments.

Overlapping Debt

<u>Taxing or Assessing Entity</u>	Total Outstanding Debt as of September 1, 2023	Estimated % Applicable ⁽¹⁾	Direct and Estimated Overlapping Debt ⁽¹⁾
The City (Assessments - The Bonds)	\$ 5,000,000 ⁽²⁾	100.00%	\$5,000,000 ⁽²⁾
The City (Ad Valorem)	560,985,000	0.03%	150,182
Collin County	721,825,000	0.01%	48,014
Collin County Community College District	480,350,000	0.01%	35,652
Plano Independent School District	<u>992,285,000</u>	0.02%	<u>205,113</u>
Total	<u>\$2,760,445,000</u>		<u>\$5,438,960</u>

⁽¹⁾ Based on \$15,000,000 prospective market value at completion of Improvement Area #1, as calculated in the Appraisal (as defined herein), and on certified valuations for the Tax Year 2023 for the taxing entities as certified by the Collin Central Appraisal District.

⁽²⁾ Assumes the Bonds are issued. Preliminary; subject to change.

Source: Municipal Advisory Council of Texas (gross outstanding debt secured by property taxes), the Collin Central Appraisal District, Appraisal and the Service and Assessment Plan.

Property Owners' Association

In addition to the taxes and the Assessments described above, the Developer anticipates that each owner of property within Improvement Area #1 will pay an annual maintenance and operation fee and/or a property owners' association fee to a property owners' association (the "POA") to be formed by the Developer.

Agricultural Exemption

If land is devoted principally to agricultural use, the landowner can apply for an agricultural valuation on the property and pay ad valorem taxes based on the land's productive capacity. Agricultural use includes production of crop or livestock. It also can include leaving the land idle for a government program or for normal crop or livestock rotation.

If land qualified for an agricultural valuation but the land use changes to a non-agricultural use, "rollback taxes" are assessed for each of the previous three years in which the land received the lower agricultural valuation. The rollback tax is the difference between taxes paid on land's agricultural value and the taxes that the landowner would have paid if the land had been taxed on a higher market value for each year from the date on which taxes would have been due. If the land use changes to a non-agricultural use on only a portion of a larger tract, the landowner can fence off the remaining land and maintain the agricultural valuation on the remaining land. In this scenario, the landowner would only be responsible for rollback taxes on that portion of the land where use changed and not the entire tract.

All of the property within the District, including Improvement Area #1, is currently subject to an agricultural valuation with respect to its ad valorem taxes. The Developer and/or Landowners expects to remove the agricultural valuation on a phased basis as development within the District progresses. The Developer or purchasers purchasing property from the Developer will pay rollback taxes with respect to such property.

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 City determines to defray a portion of the costs of the Improvement Area #1 Authorized Improvements through Assessments, it must adopt a resolution generally describing the Improvement Area #1 Authorized Improvements and the land within Improvement Area #1 to be subject to Assessments to pay the costs therefor. The City has caused an assessment roll to be prepared (the "Assessment Roll"), which Assessment Roll shows the land within Improvement Area #1 to be assessed, the amount of the benefit to and the Assessment against each lot or parcel of land and the number of Annual Installments in which the Assessment is divided. The Assessment Roll was filed with the City Secretary and made available for public inspection. Statutory notice was given to the owners of the property to be assessed and a public hearing will be conducted to hear testimony from affected property owners as to the propriety and advisability of undertaking the Improvement Area #1 Authorized Improvements and funding the same with Assessments. The City expects to levy the Assessments and adopt the Assessment Ordinance on October 23, 2023, after which the Assessments will become legal, valid, and binding liens upon the Improvement Area #1 Assessed Property.

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

Assessment Methodology

The Service and Assessment Plan describes the special benefit to be received by each parcel of Improvement Area #1 Assessed Property as a result of the Improvement Area #1 Authorized 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 City allocates the special benefit of the Improvement Area #1 Authorized 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 Authorized Improvements are being funded with proceeds of the Bonds, which are payable from and secured by the Trust Estate consisting of the Pledged Revenues, including primarily the Assessments.

As set forth in the Service and Assessment Plan, the costs of the Major Improvements shall be allocated to Improvement Area #1 and the Major Improvement Area based upon Estimated Buildout Value of each Parcel or assessed property to the Estimated Buildout Value of the District. Currently, the Major Improvement Area is allocated 81.62% of the Major Improvements costs, and Improvement Area #1 is allocated 18.38% of the Major Improvements costs. See Exhibit B to the Service and Assessment Plan for the apportionment of such costs of the Major Improvements. The costs of the Improvement Area #1 Improvements, the Bond Issuance Costs and first year's Annual Collection Costs related to the Bonds shall be allocated 100% to the Improvement Area #1 Assessed Property. The costs of the Improvement Area #1 Authorized Improvements shall be allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property.

The City has determined that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly situated within Improvement Area #1 of the District. The Assessments and interest thereon are expected to be paid in Annual Installments as described above. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer, all other current owners of property within the District and all future owners and developers within the District. See "APPENDIX C — Form of Service and Assessment Plan."

The table below shows the estimated value to lien analysis in Improvement Area #1.

Estimated Improvement Area #1 Value to Lien Ratios⁽¹⁾

<u>Lot Type</u>	<u>Units/ Sq. Ft.⁽²⁾</u>	<u>Appraised Value Per Unit/ Sq. Ft.⁽³⁾⁽⁵⁾</u>	<u>Estimated Buildout Value per Unit/ Sq. Ft.</u>	<u>Total Estimated Buildout Value</u>	<u>Maximum Assessment Per Unit/ Sq. Ft.⁽⁴⁾</u>	<u>Estimated Ratio of Value of Appraised Value to Assessment⁽⁵⁾</u>	<u>Estimated Ratio of Estimated Buildout Value to Assessment⁽⁶⁾</u>
Multifamily	350	\$31,000	\$225,000	\$ 78,750,000	\$9,951.35	3.1152	22.6100
Office	98,000	42	350	34,300,000	15.48	2.7356	22.6100

⁽¹⁾ Derived from information presented in the Service and Assessment Plan.

⁽²⁾ Based on the concept plan for the District.

⁽³⁾ Based on the appraised value, as shown in the Appraisal. See "APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1" and "APPENDIX H — Appraisal."

⁽⁴⁾ Pursuant to the Service and Assessment Plan, the maximum Assessment (the "Maximum Assessment") that can be levied on a Lot within Improvement Area #1 is 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 E to the Service and Assessment Plan, as shown in the table above. See "APPENDIX C — Form of Service and Assessment Plan." Preliminary; subject to change.

⁽⁵⁾ Appraised values per unit and square foot are rounded to the nearest decimal. Estimated ratio of value of appraised value to Assessment may not total due to such rounding.

⁽⁶⁾ Estimated ratio of buildout value to Assessment may not total due to rounding.

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 regular ad valorem taxes of the City. The Assessments may be enforced by the City 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 municipal ad valorem taxes. See "BONDHOLDERS' RISKS — Assessment Limitations" herein.

In the Indenture, the City will covenant to collect, or cause to be collected, Assessments as provided in the Assessment Ordinance. No less frequently than annually, City staff or a designee of the City shall prepare, and the City Council 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. Assessments for Annual Collection Costs shall be allocated among all Parcels in proportion to the amount of the Annual Installments for the Parcels.

In the Indenture, the City will covenant, agree and warrant that, for so long as any Bonds are Outstanding, that it will 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 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 City, to the affected property owners on the same statement or such other mechanism that is used by the City, 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 City.

The City will determine or cause to be determined, no later than March 1 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City 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 City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Improvement Area #1 Assessed Property.

The City expects to implement the basic timeline and procedures for Assessment collections and pursuit of delinquencies set forth in Exhibit C of the Form of Disclosure Agreement of Issuer set forth in APPENDIX E-1 and to comply therewith to the extent that the City reasonably determines that such compliance is the most appropriate timeline and procedures for enforcing the payment of delinquent Assessments.

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

Annual Installments will be paid to the City or its agent. Annual Installments are due when billed 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 increases 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 Assessment has been established by the methodology described in Section VI.A of, and shown in Exhibit E to, the Service and Assessment Plan. The Assessment Roll sets forth for each year the Annual Installment for each Parcel consisting of (i) the annual portion allocable to principal and interest on the Assessment for each Parcel, (ii) the Additional Interest and (iii) the component of the Annual Installment allocable to Annual Collection Costs. The Annual Installments may not exceed the amounts shown on the Assessment Roll. The Assessments will be levied against the Parcels comprising the Improvement Area #1 Assessed Property as indicated on the Assessment Roll. See “APPENDIX C — 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, the Additional Interest, and actual Annual Collection Costs (as provided for in the definition of such term).

Method of Apportionment of Assessments. For purposes of the Service and Assessment Plan, the City Council has determined that the Assessments shall initially be allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property.

Upon the division of any Improvement Area #1 Assessed Property without the recording of a subdivision plat, the PID Administrator shall reallocate the Assessment for the Improvement Area #1 Assessed Property prior to the subdivision among the newly divided Improvement Area #1 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 Improvement Area #1 Assessed Property

B = the Assessment for the Improvement Area #1 Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Improvement Area #1 Assessed Property

D = the sum of the Estimated Buildout Value for all the newly divided Improvement Area #1 Assessed Properties

Upon the subdivision of any Improvement Area #1 Assessed Property based on a recorded subdivision plat, the PID Administrator shall reallocate the Assessment for the Improvement Area #1 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 Parcel 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

Prior to the recording of a subdivision plat, the Developer, or other owner of the property shall provide the City the estimated gross building square footage by Lot Type for the newly subdivided Lot. The calculation of the Assessment of a Lot of Improvement Area #1 Assessed Property shall be performed by the PID Administrator and confirmed by the City Council based on the Estimated Buildout Value of that Lot of Improvement Area #1 Assessed Property, as provided by the Developer, homebuilders, third-party consultants and/or the Official Public Records of the County.

The sum of the Assessment for all newly subdivided Lots shall not exceed the Assessment for the portion of the Improvement Area #1 Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Improvement Area #1 Assessed Property. The reallocation of an Assessment for an Improvement Area #1 Assessed Property that is a homestead under State law may not exceed the Assessment

prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council. The Assessment for any resulting Lot Type may not exceed the Maximum Assessment for such Lot Type. See “APPENDIX C — Form of Service and Assessment Plan.”

The following table reflects the estimated allocation of Assessments to be levied and collected.

Estimated Allocation of Assessments⁽¹⁾					
<u>Lot Type</u>	<u>Number of Units/ Sq. Ft.⁽²⁾</u>	<u>Maximum Assessment Per Unit/ Sq. Ft.</u>	<u>Total Assessment</u>	<u>Estimated Average Annual Installment per Unit/ Sq. Ft.</u>	<u>Assessments Equivalent Tax Rate per \$100 Assessed Value</u>
Multifamily	350	\$9,951	\$3,482,972.14	\$1,030.45	\$0.4580
Office	98,000	15	1,517,028.86	1.60	0.4580
Total			\$5,000,000.00		

⁽¹⁾ Preliminary; subject to change. Derived from information in the Service and Assessment Plan.

⁽²⁾ Based on the concept plan for the District.

The Bonds are secured by a lien on and pledge of the Trust Estate consisting primarily of Pledged Revenues, including the Assessments. See “SECURITY FOR THE BONDS” and “APPENDIX C — Form of Service and Assessment Plan.”

Prepayment of Assessments

Voluntary Prepayments. Pursuant to the PID Act and the Indenture, the owner of any Improvement Area #1 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 Prepayment. If an Improvement Area #1 Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefitted Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Improvement Area #1 Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment.

True-Up of Assessments if Maximum Assessment Exceeded at Plat. Upon submission of a preliminary plat and/or site plan by the Developer, Landowners, or other owner of the property to the City, the Developer, Landowners, or other owner shall provide the City the gross building square footage and use type for land included in the preliminary plat and/or site plan for each Lot anticipated to be created by the preliminary plat and/or site plan considering factors that may impact value. The PID Administrator will review the preliminary plat and/or site plan to determine if such plat and/or site plan will or will not result in the Assessment per Lot for any Lot Type within the preliminary plat and/or site plan exceeding the Maximum Assessment. If the PID Administrator determines the preliminary plat and/or site plan results in an Assessment per Lot for any Lot Type exceeding the Maximum Assessment, prior to the City issuing any building permit for any such Lot described in the reviewed preliminary plat or site plan, the entity submitting the preliminary plat and/or site plan will make a Prepayment in an amount sufficient to reduce the Assessment for each Lot within such preliminary plat and/or site plan to the Maximum Assessment. The City’s approval of an Annual Service Plan Update, a preliminary plat, or a site plan without payment of such Prepayment amounts does not eliminate the obligation of the entity submitting the preliminary plat and/or site plan to pay such amounts.

Prepayment as a Result of an Eminent Domain Proceeding or Taking. Subject to applicable law, if any portion of any Parcel of Improvement Area #1 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 Improvement Area #1 Assessed Property is made to an entity with the authority to condemn all or a portion of the Improvement Area #1 Assessed Property in lieu of or as a part of an eminent domain proceeding (a “Taking”), the portion of the Improvement Area #1 Assessed Property that was taken or transferred (the “Taken Property”) shall be reclassified as Non-Benefitted Property.

For the Improvement Area #1 Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Improvement Area #1 Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Improvement Area #1 Assessed Property (the Improvement Area #1 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, pursuant to the terms of the Service and Assessment Plan, as updated, and the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in 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 applicable Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City and the PID 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 applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding Bonds.

Reduction of Assessments. If the Actual Costs of completed Improvement Area #1 Projects are less than the Assessments, 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 pursuant to the terms of the Indenture. Excess Bond proceeds shall be applied to redeem outstanding Bonds pursuant to the terms of the Indenture.

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 Assessment Ordinance until the Assessment is paid and may be enforced by the City in the same manner as an ad valorem tax levied against real property may be enforced by the City. The owner of any Improvement Area #1 Assessed Property 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 City 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 City 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. The City is not required under any circumstance to purchase or make payment for the purchase of the delinquent Assessment on the corresponding Improvement Area #1 Assessed Property.

In the Indenture, the City will covenant 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 of the Assessments, provided that the City 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 Revenues to be deposited into the Pledged Revenue Fund upon receipt by the City and distributed in accordance with the Indenture. See “APPENDIX B — Form of Indenture.” See also “APPENDIX E-1 — Form of Disclosure Agreement of Issuer” for a description of the expected timing of certain events with respect to collection of the delinquent Assessments.

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

THE CITY

General

The City is, a political subdivision and home-rule municipal corporation of the State, duly organized and existing under the laws of the State, including the City’s Home Rule Charter. The City first adopted its Charter on June 10, 1961, and operates under the Council/Manager form of government with a City Council comprised of the Mayor and seven Council Members. At an election held on November 8, 2011, City of Plano voters approved a charter amendment revising Council Member terms of office to four years and establishing staggered, odd-numbered year an election. Council Members in office at the time of the election were held over. The Mayor and three other Council Members’ terms expire in 2025 and the other four Council Members’ terms expire in 2027. The City Manager is the chief administrative officer for the City. Some of the services that the City provides are: police, fire and emergency medical services, including all facilities, equipment and personnel, highways and streets, water and sanitary sewer utilities, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The 2020 Census population of the City was 285,494 and the City’s estimated 2023 population is 292,100. The City covers approximately 72 square miles.

The current members of the City Council and their respective expiration of terms of office and the principal administrators of the City are shown on page i hereof. General information regarding the City and the surrounding area can be found in “APPENDIX A — General Information Regarding the City and Surrounding Area.”

Financing of City Subdivision Improvements

Pursuant to the Development Agreement, the City agreed to reimburse the Developer for the costs of the City Subdivision Improvements in an amount not to exceed \$6,630,623, subject to certain adjustments, with lawfully available funds of the City to be deposited with the Trustee under the Indenture. The City has set aside proceeds from an issuance of general obligation bonds to make such deposit. See “THE DEVELOPMENT — Development Agreement.”

THE DISTRICT

General

The PID Act authorizes municipalities, such as the City, to create public improvement districts within their boundaries or extraterritorial jurisdiction, and to impose assessments within the public improvement district to pay

for certain improvements. The District includes approximately 142.49 acres and lies entirely within the corporate limits of the City. The District was created by Resolution of the City adopted on January 9, 2023, in accordance with the PID Act (the “Creation Resolution”) for the purpose of undertaking and financing the cost of certain public improvements within the District, including the Improvement Area #1 Authorized Improvements, authorized by the PID Act, and approved by the City Council that confer a special benefit on the District property. The District is not a separate political subdivision of the State and is administered by the City Council. A map of the property within the District is included on page iii hereof.

Powers and Authority of the City

Pursuant to the PID Act, the City 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, including Improvement Area #1, whether located within the City limits or the City’s extraterritorial jurisdiction. The PID Act provides that the City may levy and collect Assessments on property in Improvement Area #1, or portions thereof, payable in full or 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 and the Creation Resolution, the City has the power to undertake, or reimburse a developer for the costs of, the financing, acquisition, construction, or improvement of the Improvement Area #1 Authorized Improvements. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS.” Pursuant to the authority granted by the PID Act and the Creation Resolution, the City has determined to undertake the construction, acquisition or purchase of certain streets, water, sewer, parks, and drainage improvements within Improvement Area #1 comprising the Improvement Area #1 Projects and to finance the costs thereof through the issuance of the Bonds. The City has further determined to provide for the payment of debt service on the Bonds through the Pledged Revenues. See “ASSESSMENT PROCEDURES” and “APPENDIX C — Form of Service and Assessment Plan.”

THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS

General

The Improvement Area #1 Authorized Improvements consist of the (i) Improvement Area #1 Projects, (ii) the first year’s Annual Collection Costs related to the Bonds and (iii) Bond Issuance Costs. A portion of the costs the Improvement Area #1 Authorized Improvements will be funded with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Authorized Improvements will be paid by the Developer under the terms of the Development Agreement, the Construction Funding Agreement, and the Service and Assessment Plan without reimbursement by the City. See “APPENDIX C — Form of Service and Assessment Plan.”

Improvement Area #1 Authorized Improvements

Major Improvements. The Improvement Area #1 Authorized Improvements consist of Improvement Area #1’s allocable share of the following Major Improvements:

Streets. Improvements including subgrade stabilization, concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalk, landscaping, and streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

Water. Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within the District.

Sewer. Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within the District.

Drainage. Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within the District.

Linear Parks. Linear parks with 10-12 foot wide trails, including a 12-foot pedestrian trail located along the creek extending from the northern border of Tract 2 to the southern border of Tract 3, a 10-foot trail connection to Tract 1 over a 12-foot wide pedestrian bridge, a 12-foot wide pedestrian trail meandering along the south side of Pinehaven Drive spanning from Parkwood Blvd to the creek, and two 10-foot wide trails extending from the creek to Spring Creek Pkwy on either side of Pinehaven Drive.

Soft Costs. Costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, District Formation Costs (as defined below), legal fees, and consultant fees. “District Formation Costs” means the costs associated with forming the District, including, but not limited to, attorney fees, and any other cost or expense incurred by the City, the Developer or the Landowners, directly associated with the establishment of the District.

Improvement Area #1 Improvements. The Improvement Area #1 Authorized Improvements consist of the following Improvement Area #1 Improvements:

Water. Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

Sewer. Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

Drainage. Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

Soft Costs. Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal fees, and consultant fees.

Initial Administrative Fund Deposit. Equals the amount necessary to fund the first year’s Annual Collection Costs for the Bonds.

Bond Issuance Costs. The Improvement Area #1 Authorized Improvements also include the “Bond Issuance Costs,” which include the costs associated with issuing the Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter’s discount, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of the Bonds.

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Costs of Improvement Area #1 Authorized Improvements

The following table reflects the expected total costs of the Improvement Area #1 Authorized Improvements.

<u>Expected Costs of Improvement Area #1 Authorized Improvements⁽¹⁾</u>	
<u>Improvement Area #1 Authorized Improvements</u>	Total Expected Costs of Improvement Area #1 Authorized Improvements
Major Improvements⁽²⁾	
Streets	\$ 784,336
Water	284,903
Sewer	300,689
Drainage	602,024
Linear Parks	137,838
Soft Costs	<u>384,924</u>
<i>Subtotal</i>	<i>\$2,494,714</i>
Improvement Area #1 Improvements	
Water	\$ 569,020
Sewer	146,120
Drainage	633,390
Soft Costs	<u>134,853</u>
<i>Subtotal</i>	<i>\$1,483,383</i>
Initial Administrative Fund Deposit	\$ 70,000
Bond Issuance Costs	
Debt Service Reserve	\$ 453,000
Capitalized Interest	800,000
Costs of Issuance	312,611
Underwriter's Discount	<u>150,000</u>
<i>Subtotal</i>	<i><u>\$1,715,611</u></i>
Total⁽³⁾	<u>\$5,763,708</u>

⁽¹⁾ Derived from information in the Service and Assessment Plan. Preliminary; subject to change.

⁽²⁾ Represents Improvement Area #1's allocable share of the Major Improvements. Approximately \$11,428,414 of the Major Improvements have been allocated to the Major Improvement Area.

⁽³⁾ Totals may not add due to rounding.

The total costs of all of the Improvement Area #1 Authorized Improvements are expected to be approximately \$5,763,708*. Only a portion of the costs of the Improvement Area #1 Authorized Improvements, in the approximate amount of \$5,000,000*, are expected to be paid with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Authorized Improvements, in the total approximate amount of \$763,708*, will be financed by the Developer and will not be reimbursed by the City. The Developer expects to begin construction of the Improvement Area #1 Projects in November of 2023. See "THE DEVELOPER — History and Financing of the District."

The Appraisal estimates that the "market value as if complete" of the fee simple interest in the property within Improvement Area #1 under certain conditions, including the completion of the Improvement Area #1 Projects, as of September 30, 2024, is \$15,000,000. The Appraisal is attached hereto as APPENDIX H and should be read in its entirety in order to understand the meaning and basis of the information set forth therein. The Appraisal is addressed to the City and the Underwriter. The estimates of value presented in the Appraisal are no indication of the appraised property's actual market value. Investors should not assume that the disposition of the property within Improvement Area #1 in the event of default would provide sufficient funds to pay the principal of Bonds outstanding at that time. The conclusions reached in the Appraisal are subject to certain assumptions,

* Preliminary; subject to change.

hypothetical conditions, and qualifications, including the completion of the Improvement Area #1 Projects, which are set forth in the Appraisal. See “APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1” for further information regarding the Appraisal, including with respect to such assumptions, hypothetical conditions, and qualifications.

Ownership and Maintenance of Improvement Area #1 Projects

The Improvement Area #1 Projects will be dedicated to and accepted by the City and will constitute a portion of the City’s infrastructure improvements. The City will provide for the ongoing maintenance and repair of the Improvement Area #1 Projects constructed and conveyed, as outlined in the Service and Assessment Plan.

THE DEVELOPMENT

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City and the Underwriter, and neither the City nor the Underwriter have any way of guaranteeing the accuracy of such information.

Overview

The Development is an approximately 142.49-acre mixed-used project located approximately 900 feet east of the Dallas North Tollway, and bound by Parkwood Boulevard, Spring Creek Parkway and Windhaven Parkway. The Development is within the corporate limits of the City. The project is organized around The Almanac, a farm to table restaurant, event center and retail village named as a tribute to the farming history of the Haggard family, who has owned and farmed the land within the District since 1856.

Option Agreement

Option to Purchase. The Developer does not currently own the land within the District; however, the Developer’s parent company, Stillwater has exclusive right to purchase the land within the District, other than the Assisted Living Parcels, which option to purchase is subordinate to Forefront Living, as described herein, pursuant to the Option Agreement with the Landowners, both of which are affiliated with the Haggard family. The Landowners expect that (i) Acres of Sunshine will convey to AOS Land, LLC, an affiliate of the Landowners, all of the land within the District owned by Acres of Sunshine, save and except the land within Phase 1A, and (ii) Enterprises will convey to HEL Land, LLC, an affiliate of the Landowners, all of the land within the District owned by Enterprises by the end of the first quarter of 2024. Concurrently with such land transfers, the Landowners expect that they will assign their rights, interests and obligations under the Option Agreement, Development Agreement and Parks Agreement to the respective purchaser.

Under the Option Agreement, Stillwater has the option (the “Option”) to purchase the “Option Property,” which consists of (i) “Almanac Tract”, consisting of Tract 1, Parcel 3 of Phase 1B, (ii) the “Hotel Tract”, consisting of Tract 1, Parcel 4 of Phase 1B, (iii) the “Townhome Site Tract”, consisting of Phase 1C, (iv) the “Remainder Option Tract,” consisting of Phases 1A, 1C, 2, 3 and 4, and (v) the “Park/Open Space Tract.”

The purchase price (the “Purchase Price”) for each Subject Tract (defined below) shall be (i) \$18.00 per square foot of the Subject Tract located within the Almanac Tract for up to five (5) acres of the Subject Tract located within the Almanac Tract, and \$20.00 per square foot for the remainder of the Almanac Tract, (ii) \$20.00 per square foot of the Subject Tract located within the Townhome Site Tract, (iii) \$22.00 per square foot of the Subject Tract located within the Hotel Tract, (iv) \$20.00 per square foot of the Subject Tract located within the Remainder Option Tract; and (v) \$0.00 per square foot of the Subject Tract located within the Park/Open Space Tract; provided, however, on each anniversary following Stillwater’s (or its assignee’s) first closing of a Subject Tract that includes land other than Park/Open Space Tract (the “Initial Developable Tract Closing”), the Purchase Price shall increase by 3.5% with respect to any Subject Tract for which a Closing Notice has not been provided as of such anniversary. For sake of clarity, the Purchase Price for a Subject Tract shall be determined as of the date the Closing Notice for such Subject Tract is delivered. In the event Stillwater acquires any Park/Open Space Tract, Stillwater shall dedicate such Park/Open Space Tract to the City, and Stillwater shall thereafter pay to Haggard the amount actually received by Stillwater from the City as consideration for such dedication, less all closing costs and expenses incurred by Stillwater in connection with such dedication. Notwithstanding anything to the contrary, upon request from Stillwater, Haggard shall convey the Park/Open Space Tract (or such portions thereof as designated by

Stillwater) directly to the City subject to the terms of the Parks Agreement, and upon such conveyance by Haggard to the City at Stillwater's request, such Park/Open Space Tract so conveyed shall be deemed released from the Option Agreement.

The initial term of the Option commenced on September 1, 2023 and shall continue until the date that is five years after the Initial Developable Tract Closing. In the event Stillwater delivers any Closing Notice(s), the term of the Option shall automatically extend to the date that is five years after the last closing of a Subject Tract, but in no event shall the term of the Option extend beyond the date that is ten years after the Initial Developable Tract Closing. Additionally, Stillwater shall have the right to terminate the term of the Option at any time by written notice to Haggard. The term of the Option, as may be extended or terminated as provided herein, is referred to herein as the "Term."

In order to exercise the Option, during the Term, Stillwater must notify Haggard in writing (a "Closing Notice") of Stillwater's desire to purchase all or any portion of the Option Property from Haggard (with any portion of the Option Property identified in a Closing Notice being referred to herein as the "Subject Tract" with respect to the acquisition of such portion of the Option Property). Each Closing Notice must (i) identify the applicable Subject Tract to be purchased by including a survey, site plan, or other depiction or description reasonably identifying the location of the Subject Tract, and (ii) provide the time frames for the "closing date" and any applicable extension rights with respect to same to be included in the PSA (defined below) for such Subject Tract; provided, however, in no event may the closing date pursuant to a PSA be later than the date that is the earlier of (a) the last day of the Term, (b) the date that is 90 days after the date of the Closing Notice; provided, however, if Haggard delivers a JV Participation Notice (as defined in the Option Agreement), the Closing Date may be extended to the date that is 90 days after the date either (i) Haggard and Stillwater enter into a mutually agreeable form of limited partnership agreement or limited liability agreement or (ii) a JV Participation Termination (defined below) occurs. Upon receipt of a Closing Notice, Haggard shall have a period of 30 days to elect to participate in the acquisition and development of the Subject Tract by acquiring up to a 50% interest in a limited partnership or limited liability company with Stillwater (a "Joint Venture"). Upon any such election by Haggard, Stillwater and Haggard will negotiate in good faith to execute a limited partnership agreement or limited liability company agreement relating to the Subject Tract within 90 days thereafter, provided, that if such agreement is not executed within such 90-day period for any reason other than Stillwater's failure to negotiate in good faith, then Haggard's right to participate in the acquisition and development of the Subject Tract shall terminate and be deemed null and void (a "JV Participation Termination").

Upon Stillwater's delivery of a Closing Notice to purchase a Subject Tract, Stillwater and Haggard shall enter into a Purchase & Sale Agreement and Joint Escrow Instructions with respect to such Subject Tract in substantially the form attached to the Option Agreement and otherwise incorporating the terms set forth in the Closing Notice (a "PSA"). Stillwater shall prepare the draft of the PSA for the Subject Tract following delivery of a Closing Notice, and Haggard shall execute and return such PSA to Stillwater within ten business days after receiving same.

If Stillwater fails to commence any digging, grading or other earth moving work in connection with its development of a Subject Tract within one year following the closing of Stillwater's acquisition of such Subject Tract (the "Subject Tract Construction Commencement Deadline"), or, in the event of the Park/Open Space Tract, Stillwater fails to dedicate such Subject Tract to the City within one year following Stillwater's acquisition of such Subject Tract (the "Dedication Deadline"), Haggard shall have the right to repurchase the Subject Tract by delivering written notice to Stillwater (a "Repurchase Notice") before the earlier to occur of (i) Stillwater commencing any digging, grading or other earth moving work in connection with its development of that Subject Tract, or in the case of the Park/Open Space Tract, Stillwater dedicating such Subject Tract to the City, and (ii) the date that is 90 days following the Subject Tract Construction Commencement Deadline or the Dedication Deadline, as applicable. If Haggard timely delivers a Repurchase Notice, Haggard shall repurchase the applicable Subject Tract at the same price that Stillwater paid for the Subject Tract plus 3.5%, which in the case of the Park/Open Space Tract shall be \$0. If Haggard fails to timely provide a Repurchase Notice for a Subject Tract, or if Haggard fails to timely close on the repurchase of such Subject Tract following delivery of a Repurchase Notice, Haggard's right to repurchase the Subject Tract shall be null and void and of no further force or effect.

Exercise of Option. The Developer expects that, as development progresses within the District, Stillwater will exercise the option to purchase parcels of land under the Option Agreement. Any tracts to be purchased under the Option Agreement are expected to be purchased by either (i) Stillwater, (ii) a single-purpose entity created by

Stillwater for the purpose of purchasing such property or (iii) a Joint Venture between Stillwater and the Landowners. SW Haggard Office was created by Stillwater for the purpose of purchasing the office parcel within Phase 1A. While such entity has been created, the equity partner of such entity has not been determined. Acres of Sunshine may elect to participate in such entity under the terms of the Option Agreement. If such election is made, the value of the land would be contributed as limited partner equity in the capital stack of SW Haggard Office. The Developer expects that SW Haggard Office will purchase the office parcel within Phase 1A and Stillwater, an affiliate of Stillwater or a Joint Venture will purchase the multifamily tract within Phase 1A under the terms of the Option Agreement upon closing of the Bonds.

Development Plan

Overview. The Developer expects to develop the District in multiple Phases, beginning with the construction of the Major Improvements and the Improvement Area #1 Improvements. The Developer expects to begin construction of the Major Improvements and the Improvement Area #1 Improvements in November of 2023 and expects to complete such construction in September of 2024.

Pursuant to the Development Agreement, the Developer also agreed to construct the Park Improvements and the City Subdivision Improvements, to be reimbursed by the City in accordance with the Development Agreement and the Parks Agreement. See “— Development Agreement” and “— Parks Agreement” below.

In addition to the Development Agreement Improvements, the Developer will construct the “Private Improvements,” benefitting the District and Improvement Area #1, consisting of, among other things, grading, paving for private streets, water, sewer, storm drains that serve individual lots, duct bank, gas mains and conduit for franchise utilities and certain landscaping. The Developer expects such improvements to cost approximately \$5,200,574. The Developer plans to finance the costs of such improvements with funds advanced under the Line of Credit (as defined herein) and will not be reimbursed for such costs by the City. The Developer expects to begin construction of the Private Improvements by the fourth quarter of 2023 and complete such construction by the fourth quarter of 2024. See “THE DEVELOPER — History and Financing of the District.”

Concept Plan. The Development is organized around The Almanac, expected to consist of an 8,600 square foot restaurant, 16,450 square foot event hall and 38,000 square foot retail village, comprising Phase 1B of the District. The Almanac will contain an event barn that is expected to book weddings and other ceremonies on weekends and be used for business purposes during weekdays. The Almanac will be centrally located behind a 2-acre pond and a linear park that is expected to contain a creek and 12’ hike & bike trail. A 3-acre neighborhood park will be constructed on the east side of the creek north of Pinehaven Drive, and will be completed before the second multifamily phase receives its certificate of occupancy. The neighborhood park will be accessible to Phase 1, including The Almanac, to the west with a 240’ pedestrian bridge that crosses the creek in the floodplain linear park. The park will be accessible to the parcels south of Pinehaven Drive with a “Z-Crossing”, featuring stamped pavement and a flashing signal. In total, there will be 33 acres of linear parks and approximately 3 miles of hike and bike trails. Development of the Linear Parks Land and the Neighborhood Park Land (both as defined herein) is further described in the “— Parks Agreement” below.

The Developer expects that it will be responsible for constructing all of the horizontal improvements and vertical improvements on each parcel purchased under the Option Agreement. The Developer anticipates that the purchaser of the land under the Option Agreement will sell or lease completed buildings to tenants. The current intent is for an affiliate of the Developer to hold and lease the property in Phases 1A, 1B and 1C. The Developer expects that internal development of Phases 1B-4 will be complete between 2024 and 2027.

The Development is expected to include approximately (i) 100 high-end attached townhome units, (ii) two 350-unit luxury apartments with structured parking garages, resort style swimming pool, multiple courtyards, co-working facilities, fitness connected to the community with a series of pedestrian trails, (iii) four buildings, totaling 427 units for assisted and senior living (including independent senior living, assisted senior living and memory care units), (iv) a 122-room boutique hotel, (v) 69,650 square feet of retail space, and (vi) 623,900 square feet of office space. Improvement Area #1 is expected to consist of 350 multifamily units and 98,000 square feet of office space. The Major Improvement Area is expected to consist of 100 townhome units, 350 multifamily units, 427 assisted living units, a 122-room hotel, 69,650 square feet of retail space, and 525,900 square feet of office space.

Below is a table showing the expected uses of the various parcels within the District. See also “MAP SHOWING CONCEPT PLAN OF THE DISTRICT” and “APPENDIX C — Form of Service and Assessment Plan.”

Improvement Area	Phase	Tract/Parcel	Product	Units	Total
1	1A	Tract 1, Parcel 1	Multifamily	Units	350
1	1A	Tract 1, Parcel 2	Office	SF	98,000
MIA	1B	Tract 1, Parcel 3	Event Center	SF	16,450
MIA	1B	Tract 1, Parcel 3	Retail & Restaurant	SF	46,600
MIA	1B	Tract 1, Parcel 4	Hotel	Keys	122
MIA	1C	Tract 4, Parcel 1	Townhomes	Units	100
MIA	2	Tract 2, Parcel 1	Multifamily	Units	350
MIA	2	Tract 2, Parcels 2-3	Office	SF	100,000
MIA	2	Tract 2, Parcel 4	Retail & Restaurant	SF	6,600
MIA	3	Tract 1, Parcels 5-7	Office	SF	339,500
MIA	4	Tract 3, Parcels 1-2	Office	SF	86,400
MIA	4	Tract 3, Parcels 3-5	Assisted Living	Units	427

Current Contracts. SW Haggard Office, an affiliate of the Developer and Stillwater, has executed a lease with WRA Architects, Inc., a Texas corporation (“WRA”), which is contingent upon SW Haggard Office’s acquisition of Tract 1, Parcel 2 in Phase 1A (the “Phase 1A Office Parcel”), for approximately 34,920 square feet of office space in Improvement Area #1. The office space lease in Improvement Area #1 is expected to commence on January 1, 2025 (the “Commencement Date”) and expire on October 31, 2035, unless extended in accordance with the lease terms. If the office building is complete prior to the Commencement Date, WRA has the right to occupy the premises up to six months prior to the Commencement Date. SW Haggard Office, through an assignment by Stillwater, expects to exercise its option to purchase the Phase 1A Office Parcel upon closing of the Bonds.

Stillwater has a letter of intent with Robert Elliot Custom Homes, LLC (“RECH”), an affiliate of the Developer and Stillwater, for the purchase of the approximately 100 townhome units within the Major Improvement Area. The letter of intent with RECH anticipates a \$200,000 purchase price per developed lot with a 5% annual escalation. Closing shall occur no later than 20 days following subdivision acceptance by the City with RECH closing on a minimum of 15 lots every 90 days until all lots have been purchased. The Developer expects the infrastructure of Phase 1C to be complete by the first quarter of 2025 and to begin selling lots to RECH the second quarter of 2025, with an expected final sale date of lots by the fourth quarter of 2026. The Developer anticipates that RECH will sell the 100 townhomes to residents between 2026 and 2027.

The Landowners have entered into the Assisted Living Agreement with Forefront Living, which grants Forefront Living the option to purchase approximately 13.6 acres of land, consisting of approximately 10.1 acres within the District comprising the Assisted Living Parcels, Tract 2, Parcels 3-5 and approximately 2.5 acres adjacent to the District. Forefront Living also owns approximately 18.3 acres adjacent to the District. The term of the Assisted Living Agreement is from December 28, 2020 through December 27, 2027. The Landowners and Forefront Living also entered into the Right of First Refusal Agreement, which grants Forefront Living a right of first refusal to purchase the same property during the term of such agreement, which runs from December 28, 2027 through December 27, 2029. If purchased, Forefront Living would be responsible for construction of the internal horizontal and vertical improvements. Stillwater’s option to purchase the Assisted Living Parcels is subordinate to Forefront Living’s option to purchase to such land. If Forefront Living does not exercise its option under the Assisted Living Agreement, the Developer will have the option to purchase these parcels.

Development Agreement

Pursuant to the Development Agreement, the Developer agreed to construct the Authorized Improvements and certain public infrastructure and improvements that not only serve the District, but also benefit other properties and developments within the City that are authorized to be funded by the City pursuant to the PDD Ordinance (as

defined herein) (the “City Subdivision Improvements”). The City agreed to reimburse the Developer for the costs of the Authorized Improvements in an amount not to exceed the amounts set forth in the Service and Assessment Plan through the proceeds of the Bonds, the Major Improvement Area Bonds, the Assessments, or the Major Improvement Area Assessments, as the case may be. The City also agreed to reimburse the Developer for the costs of the City Subdivision Improvements in an amount not to exceed the amounts set forth in the Service and Assessment Plan (the “City Subdivision Improvement Reimbursement Cap”) with lawfully available funds of the City to be deposited with the Trustee under the MIA Indenture. The costs of the City Subdivision Improvements set forth in the Service and Assessment Plan are \$6,630,623. Notwithstanding the foregoing, the City Representative may approve a reimbursement amount to be paid by the City in excess of the City Subdivision Improvement Reimbursement Cap; provided such amount is equal to or less than \$100,000, without amending the Development Agreement. All Authorized Improvements and City Subdivision Improvements shall be dedicated to, and owned, operated, and maintained by, the City. See “APPENDIX G — Form of Development Agreement.”

The Development Agreement sets forth certain requirements with respect to the construction of the improvements, levy of assessments within the District and the issuance of bonds for the District (“PID Bonds”), including, but not limited to: (i) the Authorized Improvements must be completed within 36 months of commencement of such improvements; (ii) the maximum aggregate par amount of the PID Bonds to be issued by the City shall not exceed \$115,000,000; (iii) the maximum “tax rate” for the projected annual assessment shall be no greater than \$1.00 per \$100 of assessed value at the time of the assessment, based on the Estimated Buildout Value of each Lot; (iv) the total value to lien ratio is at least 3:1 for each Lot (with the exception of the Lots identified as Office Lot Type – Improvement Area #1 in the Service and Assessment Plan, for which Lots the required value to lien ratio shall be no less than 2.5:1); and (v) the Developer Contribution must be delivered to the City prior to the Closing Date.

Under the Development Agreement, a certificate of occupancy will not be issued for the first phase of multifamily, not to exceed 350 units and located in Tract 1, until the following are completed: (i) a certificate of occupancy has been issued for a minimum of 100,000 square feet of nonresidential use(s) in Tract 1, including 10,000 square feet of Village Retail; for the purposes of this standard, retirement housing will not be considered a nonresidential use; and (ii) the trail along the full extent of the creek in Tract 2 is connected to development in Tract 1 via a pedestrian bridge within the creek. A certificate of occupancy will not be issued for the second phase of multifamily, not to exceed 350 units and located in Tract 2, until the following are completed: (i) a certificate of occupancy has been issued for a minimum of a cumulative 300,000 square feet of nonresidential uses in Tract 1 and Tract 2, which includes the 100,000 square feet required within Phase 1; for the purposes of this standard, retirement housing will not be considered a nonresidential use; and (ii) the completion of all open spaces located in Tract 1 and Tract 2. No certificate of occupancy or temporary certificate of occupancy may be issued by the City or requested by the Developer for Phase 1 until: (i) the Linear Parks (as defined herein) are final accepted by the City as described in the PDD Ordinance; (ii) the traffic signal at Pinehaven and Parkwood is operational; and (iii) Pinehaven is fully constructed between Spring Creek and Parkwood, including a Z crossing, and has been accepted by the Director of Engineering as described in the PDD Ordinance. All parks within the District must be final accepted as described in the PDD Ordinance before final plat of Phase 2.

Parks Agreement

The City, Landowners and Developer entered into the Park Reimbursement Agreement effective as of August 28, 2023 (the “Parks Agreement”), pursuant to which the City will purchase approximately 3 acres of land within Phase 1A (the “Linear Parks Land”) and approximately 30 acres of land within Phase 2 (the “Neighborhood Park Land” and, together with the Linear Parks Land, the “Park Land”) from the Landowners and the Developer will construct improvements on the Linear Parks Land (the “Linear Park Improvements”) and improvements on the Neighborhood Park Land (the “Neighborhood Park Improvements” and, together with the Linear Parks Improvements, the “Park Improvements”). The Park Improvements shall be constructed on the Park Land before the City’s acceptance of the dedication of the applicable Park Land, as described below. The Parks Agreement is included as Exhibit C to the Development Agreement. See “THE DEVELOPMENT — The Development Agreement” and “APPENDIX G — Form of Development Agreement.”

Below is a description of the Park Improvements, as set forth in the Parks Agreement.

LINEAR PARK #1

1. Concrete trail requirements

- a. 12' wide trail east-west along the south side of proposed Pinehaven Drive meandering through the utility easement from Parkwood Boulevard to the enhanced crossing across Pinehaven Drive
- b. 10' wide trail east-west along the south side of proposed Pinehaven Drive meandering through the utility easement from the enhanced crossing across Pinehaven Drive to Spring Creek Parkway
- c. 12' trail north-south along east side of creek connecting to the enhanced crossing across Pinehaven Drive to the 12' trail in Linear Park #3
- d. Trail amenities

LINEAR PARK #2

- 1. Concrete trail requirements
 - a. 12' wide trail north-south along east side of creek connecting to existing trail along Spring Creek Parkway to the enhanced crossing across Pinehaven Drive
 - b. 10' wide trail east-west connecting Tract 2 to the pedestrian bridge across creek
 - c. 10' wide trail east-west connecting Tract 1 to the pedestrian bridge across creek
 - d. 10' wide trail east-west along the north side of proposed Pinehaven Drive connecting Tract 1 to existing trail on Spring Creek Parkway
 - e. Trail amenities
- 2. Pedestrian bridge requirements
 - a. 12' wide bridge with 10' wide trail across creek connecting Tract 1 and Tract 2

LINEAR PARK #3

- 1. Concrete trail requirements
 - a. 12' trail north-south along east side of creek connecting the 12' trail in Linear Park #2 and the existing 12' trail west of the existing senior living facility
 - b. Trail amenities

LINEAR PARK TRAIL AMENITIES

- 1. Three (3) trail amenities are required for the Linear Parks. Acceptable trail amenities appropriate approved by Director of Parks & Recreation could include, but are not limited to the following:
 - a. Benches
 - b. Signage
 - c. Water fountains/dog bowls
 - d. Misting stations
 - e. Bike parking
 - f. Bike repair stations
 - g. Wildflower plantings

PINEHAVEN RIGHT-OF-WAY

- 1. Enhanced crossing standards, or alternate standards as approved by the City Engineer
 - a. A "Z-Crossing" that provides a refuge area in the median;
 - b. Differentiated paving material consisting of pavers or stamped concrete;
 - c. Standard MUTCD Traffic Signage and Striping; and
 - d. A Rectangular Rapid-Flashing Beacon at each end of the crossing.

NEIGHBORHOOD PARK

- 1. Developer and the Director of Parks & Recreation will collaborate on the design of the neighborhood park development per Section 1.04. Amenities shall include the following according to city specifications;
 - a. Shade pavilion with contents
 - i. Picnic tables
 - ii. Grill
 - b. Connected walkway 'loop'
 - i. Connecting to trail and interconnecting neighborhood park elements

- ii. Benches
 - iii. Trash receptacles on concrete pads
 - c. Play pit with integrated shade play equipment
 - i. Ages 2-5
 - ii. Ages 5-12
 - 1. Swings
 - d. Water fountain with dog bowl
 - e. Misting station
 - f. Planted trees
 - g. .5 uninterrupted open space play lawn
 - h. Turf and tree irrigation
- 2. Other amenities may be implemented as approved by Director of Parks & Recreation
 - a. Agriculturally inspired plantings
 - b. Public art or sculptures
 - c. Sports court
 - d. Bike parking
 - e. Bike repair station

The City will purchase the Linear Parks Land from the Landowners or Stillwater, as applicable, at the time of final plat for the reasonable cost of the Linear Parks Land, based upon the amount of land dedicated and equal to \$130,000 per acre. The City will purchase the Neighborhood Park Land, based on an appraisal of the Neighborhood Park Land and will enter into an escrow agreement with the Landowners and the Developer within three months of the execution of the Parks Agreement to provide for the purchase of the Neighborhood Park Land (the “Land Escrow Agreement”). The Land Escrow Agreement will indicate that the exchange of the funds from the City will occur when the Landowners or Stillwater, as applicable, provide a warranty deed conveying the Neighborhood Park Land to the City, the deed will be held in escrow until the final plat of the Neighborhood Park Land or five years, whichever comes first.

The Linear Parks Improvements constitute Major Improvements and are expected to be reimbursed with proceeds of the Bonds and the Major Improvement Area Bonds. Upon receipt of the request for a notice to proceed to construct the Neighborhood Park Improvements, at the request of the Developer, the City and Developer will prepare an agreement that will provide that the City will escrow funds for the cost of the Neighborhood Park Improvements that will allow the Developer to draw down the escrow funds as the Neighborhood Park Improvements are completed (the “Improvements Escrow Agreement”). The Improvements Escrow Agreement, if requested, will be funded by the City no later than the date of the issuance by the City Director of Parks and Recreation of the notice to proceed with construction. If an Improvement Escrow Agreement is not requested by the Developer, the City will pay for the Neighborhood Park Improvements upon demand after the adoption of the final plat for the applicable phase. Notwithstanding any other provisions of the Parks Agreement, upon the expiration of five years from the date of execution of the Land Escrow Agreement, the City may elect to record the warranty deed for the Neighborhood Park Land and undertake the Neighborhood Park Improvements at its own expense (the “City Neighborhood Park Election”). The City shall provide written notice to the Developer and the Landowners of the City Neighborhood Park Election at least 60 days prior to the recordation of the warranty deed for the Neighborhood Park Land and allow the Developer an opportunity to respond to the City with a timeline outlining its completion of the Neighborhood Park Improvements. The City has discretion as to whether to allow the Developer to proceed under their proposed timeline or to proceed with construction itself. The Developer shall not be reimbursed for costs of the Neighborhood Park Improvements constructed by the City pursuant to the City Neighborhood Park Election.

In order to guarantee completion of the Park Improvements, the Developer must deliver to the City a surety. The surety must be either (i) a performance bond, (ii) written evidence from a financial institution or other lender of funds available to complete the Park Improvements pursuant to an irrevocable letter of credit or set aside letter by such lender, or (iii) a cash escrow. For the Linear Park Improvements, the surety amount shall be 20% of the Service and Assessment Plan budget for the Linear Park Improvements. For the Neighborhood Park Improvements, the surety amount will be the amount of compensation the City will pay the Developer for said Neighborhood Park Improvements as determined in the Improvement Escrow Agreement.

Zoning/Permitting

The development and zoning of the property within the District will be governed by the Development Agreement, Development Regulations and Applicable Law (each as defined in the Development Agreement), and the Planned Development Ordinance approved by the City on December 7, 2021 (the “PDD Ordinance”).

Education

The Development is served by Plano ISD. Plano ISD encompasses 100 square miles and enrolls over 49,000 students in seventy-three campuses. Brinker Elementary School, which is approximately 0.75 miles from the District, Renner Middle School, which is approximately 0.7 miles from the District, Shepton High School (grades 9 and 10), which is approximately 2.6 miles from the District, and Plano West Senior High School (grades 11 and 12), which is approximately 0.85 miles from the District, are expected to serve residents in the District.

GreatSchools.org rated Brinker Elementary School and Shepton High School “average” and Renner Middle School and Plano West Senior High School “above average.” According to the Texas Education Agency 2021-2022 annual school report cards, Brinker Elementary School and Plano West Senior High School were rated as “A” and Plano ISD, Renner Middle School, and Shepton High School were rated as “B.” The categories for public school districts and public schools are A, B, C, D or Not Rated.

Environmental

Site Evaluation. A Phase One Environmental Site Assessment (the “Phase One ESA”) of approximately 57.5 acres of the property within the District owned by Acres of Sunshine, consisting of Phases 1A and 1B, the Linear Parks Land and future Pinhaven right-of-way, was completed on May 25, 2023. Based on the information presented in the Phase One ESA, there was no evidence of recognized environmental conditions, controlled recognized environmental conditions or significant data gaps in connection with the property.

Endangered Species. According to the website for the United States Fish and Wildlife Service, the Whooping Crane is an endangered species in Collin County. The Developer is not aware of any endangered species located on District property.

Utilities

Water and Wastewater. The City will provide both water and wastewater service to the Development. The City purchases its water wholesale from the North Texas Municipal Water District and maintains its own water distribution system and wastewater collection and treatment system. The City’s water distribution system and wastewater collection and treatment system currently have sufficient capacity to provide water and wastewater service to the Development.

Additional Utilities. The Developer anticipates additional utilities to be provided by: (1) Telecom – Frontier and Spectrum; (2) Electric – Oncor Electric; and (3) Natural Gas – Atmos Gas.

THE DEVELOPER

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City and the Underwriter, and neither the City nor the Underwriter have any way of guaranteeing the accuracy of such information.

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 internet, gas 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 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 Stillwater and the Developer

Stillwater. Stillwater is a private real estate firm headquartered in Dallas, Texas. Stillwater has delivered over \$2 billion in projects to-date, with a focus on mixed-use, multifamily, industrial and condominium assets. The largest project to date has been the relocation of the PGA headquarters from West Palm Beach, Florida to Frisco, Texas. To complete this 660-acre master plan, Stillwater formed partnerships with PGA of America, Woods Capital and Omni Hotels and public private partnerships with The City of Frisco, Frisco ISD and Frisco Economic Development Corporation. The 100,000 square foot PGA Headquarters opened in August 2022, and the 500-room Omni resort with 130,000 square foot of conference space opened in May 2023.

The adjacent 240 acres, named The Link after its direct pedestrian connection to PGA Frisco, will be home to 2.4 million square feet of Class A Office, 200,000 square feet of retail, restaurants, and entertainment, 2,700 residential units and 350 hotel keys integrated with pocket parks and pedestrian connectivity. The initial phase of 215 luxury build-to-rent single family units began construction in January 2023 and the second phase, a 350-unit apartment, began construction in August 2023.

Stillwater is leading the master development of Downtown Flying Horse in Colorado Springs, Colorado. The project is adjacent to the Flying Horse luxury residential and golf community in Colorado Springs. The area will provide a mixed-use neighborhood appropriate for the outdoor lifestyle found on the front range. At completion, the development will include office, retail, residential, and hotel uses centered around a public realm environment suitable for the local community. The initial phase will begin construction in the second quarter of 2024.

Stillwater is also leading the development of a 200-acre master planned district in Mansfield, Texas. The area has been identified as the "modern city center" and will contain a series of mixed-use neighborhoods conducive to pedestrian activity. The master plan is centered around a large green space, main street retail, and full-service hotel with conference facility. At completion, the development will also include urban styled retail, office, medical, and residential uses. The first phase, The Atwell, is a 297-unit apartment that delivered in February 2022. This project currently has 254 townhomes and approximately 20,000 sf of retail under construction and will break ground by the end of the fourth quarter of 2023.

Developer. The Developer is a single-purpose entity and subsidiary of Stillwater, created for the purpose of developing the property in the District. Any single-purpose entities created by Stillwater to purchase land within the District will be nominally capitalized, the primary asset of which will be property within the District. Such entities will have no source of funds with which to pay Assessments or taxes levied by the City or any other taxing entity other than funds resulting from the sale or lease of property within the District and funds provided by Stillwater. The applicable landowner's ability to make full and timely payments of Assessments or taxes will directly affect the City's ability to meet its obligation to make payments on the Bonds. See "BONDHOLDERS' RISKS — Dependence Upon Stillwater and Landowners."

Executive Biography of Principals of Stillwater

Aaron Sherman. As a founding partner of Stillwater Capital, Aaron Sherman is responsible for driving corporate growth and investment activities in market-leading projects. With more than two decades of industry experience, Aaron is widely respected for his strategic vision and expertise in real estate development and investments. Under Aaron's leadership, Stillwater has developed over \$2 billion worth of multifamily and industrial projects, delivering innovative value to the communities it serves. Before co-founding Stillwater, Aaron spent 10 years with Hillwood, a Perot company, where he gained extensive insight into complex deal structuring, finance, investment management and related fields. During his tenure, Aaron played a key role in managing high-profile transactions and overseeing the financial performance of various portfolios. Aaron holds a Bachelor of Science in Engineering from Texas A&M University.

Robert Elliot. Mr. Elliot is a founding partner of Stillwater, where he oversees the company's development and investment activities in market-leading projects. Robert spearheads strategic initiatives playing an integral role

in procuring and acquiring multiple award-winning mixed-use opportunities, such as the PGA of America HQ and The Link in Frisco, Texas. He drives growth across various Stillwater divisions, raising capital, providing direction, and fostering strong relationships with private investors across multifamily funds, land acquisitions and industrial platforms. Recognizing the opportunity created by the 2008 real estate recession, Robert's business acumen led to the formation of RECH, Stillwater's custom home-building brand. Robert holds a Bachelor of Business Administration from Texas A&M University.

Rich Coady. Mr. Coady is a founding partner of Stillwater, where he plays a vital role in the firm's strategic direction and oversees all aspects of the firm's investments. For seven years, Rich played professional football for the St. Louis Rams, winning the Super Bowl in 2000. Since then, he has become a prominent figure in the Dallas real estate community, co-leading Stillwater's custom home-building brand, RECH. Rich's leadership and commitment to excellence have been instrumental in building RECH's reputation for delivering innovative and high-quality custom home designs having completed over 200 homes in and around the Park Cities area of Dallas, establishing its position as a top-tier single-family builder. Rich holds a Bachelor of Business Management from Texas A&M.

Clay Roby. Mr. Roby is a Managing Director and member of the investment committee at Stillwater, where he is responsible for evaluating and implementing investment and development strategies for the firm. Additionally, Clay manages the mixed-use division for the company, focusing on the design, branding and development of large-scale commercial districts. The platform pipeline exceeds \$3 billion, with notable developments including PGA Frisco, The Link at PGA Frisco and Haggard Farm in Plano, Texas. Prior to joining Stillwater, Clay held numerous positions with Woodbine Development, a multi-billion-dollar real estate investment and development company focused on the hospitality industry, and Crow Holdings, a leading national real estate investment and development firm with \$30 billion of assets under management. Clay received a degree in Mechanical Engineering from Texas A&M University.

History and Financing of the District

The Haggard family has owned and operated the property within the District, as well as adjacent property, as a family farm since 1856. Acres of Sunshine and Enterprises are both entities used by the family to manage this land holding and consist of members of the extended Haggard family.

The Developer does not currently own the land within the District; however, Stillwater has exclusive right to purchase the land within the District, subject to Forefront Living's prior right to purchase the Assisted Living Parcels, pursuant to the Option Agreement with the Landowners. The purchase price for the various tracts under the Option Agreement are set forth under "THE DEVELOPMENT — Option Agreement." Any tracts to be purchased under the Option Agreement are expected to be purchased by either (i) Stillwater, (ii) a single-purpose entity created by Stillwater for the purpose of purchasing such property, or (iii) a Joint Venture between Stillwater and the Landowners. Stillwater expects to finance the acquisition of such property through (i) partner capital, (ii) institutional investors and (iii) available cash. See "THE DEVELOPMENT — Option Agreement — Option to Purchase."

The total costs of the Improvement Area #1 Authorized Improvements are expected to be approximately \$5,763,708*. Only a portion of the costs of the Improvement Area #1 Authorized Improvements, in the approximate amount of \$5,000,000*, are expected to be paid with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Authorized Improvements, in the total approximate amount of \$763,708*, will be financed by the Developer and will not be reimbursed by the City. Pursuant to the Development Agreement, Construction Funding Agreement and Indenture, the Developer will deposit the Developer Contribution in the amount of \$763,708* with the Trustee under the Indenture to pay for the Improvement Area #1 Projects upon depletion of the other Accounts with the Project Fund. The Developer will finance the Developer Contribution with proceeds from the Line of Credit. See "SECURITY FOR THE BONDS — Project Fund," "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS," "APPENDIX B — Form of Indenture," "APPENDIX C — Form of Service and Assessment Plan" and "APPENDIX F — Form of Construction Funding Agreement."

* Preliminary; subject to change.

The total costs of the City Subdivision Improvements are expected to be \$6,630,623. The Developer will finance the construction of such improvements with funds deposited with the Trustee under the MIA Indenture for such purpose. See “THE DEVELOPMENT — The Development Agreement” and “APPENDIX G — Form of Development Agreement.”

Stillwater, Stillwater Capital Holdings, LLC (“Stillwater Capital Holdings”) and RECH (the “Borrowers”) have entered into a revolving line of credit (the “Line of Credit”) with SW RE WC, LLC (“SW RE”) for \$15,000,000. The Borrowers may use the proceeds of the Line of Credit as operating capital for real estate development activities of various affiliates of the Borrowers (the “Pledgors”). The Line of Credit is secured by, among other things, 100% of the cash flow of the Pledgors. Aaron Sherman, Robert Elliot, and Richard Coady have each executed a guaranty with respect to the Line of Credit.

The Developer expects to finance the costs to construct the Private Improvements, in the amount of \$5,200,574, and any future internal horizontal improvements necessary to serve future Phases within the District with funds advanced under the Line of Credit.

There are currently no liens on the property within the District. However, the Developer expects that Stillwater, an affiliate of Stillwater, or the Developer may incur liens on the property within the District with respect to the vertical construction of each parcel. The Developer expects that vertical construction will be financed through (i) partner capital, (ii) institutional investors and (iii) available cash. The Developer expects to raise traditional debt and equity on each parcel that it purchases with a target of approximately 55-65% land to value on debt financing.

The PID Act provides that the Assessment Lien is a first and prior lien against the Improvement Area #1 Assessed Property and is superior to all other liens and claims except liens or claims for State, county, school district, or municipality ad valorem taxes.

PID ADMINISTRATOR

The following information has been provided by the PID Administrator. Certain of the following information is beyond the direct knowledge of the City and the Underwriter, and neither the City nor the Underwriter have any way of guaranteeing the accuracy of such information.

The City has selected P3Works, LLC as the initial PID Administrator. The City has entered into an agreement with the PID Administrator to provide specialized services related to the administration of the District needed to support the issuance of the Bonds. The PID Administrator will primarily be responsible for preparing the annual update to the Service and Assessment Plan. The PID Administrator is a consulting firm focused on providing district services relating to the formation and administration of public improvement districts, and has offices in Austin, Houston, and North Richland Hills, Texas.

The PID 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;
- 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 public improvement costs.

APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1

The Appraisal

General. Integra Realty Resources – Dallas (the “Appraiser”) prepared an appraisal report for the City and the Underwriter dated as of August 24, 2023, based upon a physical inspection of the District conducted on May 29,

2023 (the “Appraisal”). The Appraisal was prepared at the request of the City 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 H 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 H — Appraisal.”

Value Estimates. The Appraiser estimated the prospective market value at completion of the fee simple interest in the tracts of land comprising Improvement Area #1 under certain hypothetical conditions. The Appraisal does not reflect the value of the District or Improvement Area #1 as if sold to a single purchaser in a single transaction. The hypothetical conditions include the assumption that all of the Improvement Area #1 Projects have been completed in accordance with plans and specifications of September 30, 2024. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS” and “THE DEVELOPMENT — Development Plan.” The Appraisal does not reflect the as-is condition of Improvement Area #1. See “APPENDIX H — Appraisal.”

The value estimate for the Improvement Area #1 Assessed Property using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal as of September 30, 2024, is, with respect to the multifamily parcel, \$10,850,000 and, with respect to the office parcel, \$4,150,000. None of the City, the Developer or the Underwriter makes 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 the City, the Developer 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 estimate 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 forecasts 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 Bonds will not necessarily trade at values determined solely by reference to the underlying value of the properties in the District.

In performing its analyses, an 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 City’s control, as well as to 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.

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 THE CITY PAYABLE SOLELY FROM THE PLEDGED 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 CITY 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 THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE.

The ability of the City to pay debt service on the Bonds as due is subject to various factors that are beyond the City'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 City, (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 property within the District, it being understood that poor economic conditions within the City, State and region may slow the assumed pace of sales of such property.

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, including Improvement Area #1, should proceed more slowly than expected and Acres of Sunshine, Stillwater, the Developer, or affiliates of Stillwater or Acres of Sunshine are unable to pay the Assessments, only the value of the Improvement Area #1 Assessed Property, 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 expeditious liquidation of the lands within Improvement Area #1. There is no assurance that the value of such lands will be sufficient for that purpose and the expeditious 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, the City, or the City'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.

Deemed Representations and Acknowledgment by Purchasers

Each purchaser of Bonds (each a "Purchaser") will be deemed to have acknowledged and represented to the City the matters set forth under the heading "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS" which include, among others, a representation and acknowledgment that the purchase of the Bonds involves investment risks, certain of which are set forth under this heading "BONDHOLDERS' RISKS" and elsewhere herein, and each Purchaser, either alone or with its purchaser representative(s) (as defined in Rule 501(h) of Regulation D under the Securities Act of 1933), has sophisticated knowledge and experience in financial and business matters and the capacity to evaluate such risks in making an informed investment decision to purchase the Bonds, and the Purchaser can afford a complete loss of its investment in the Bonds.

Infectious Disease Outbreak

In March 2020, the World Health Organization and the President of the United States (the "President") separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency (the "Pandemic"). On April 10, 2023, the President signed a resolution terminating the national emergency related to the Pandemic, and on May 5, 2023, the World Health Organization declared COVID-19 no longer represented a global health emergency. There are currently no COVID-19 related operating limits imposed by executive order of the Governor for any business or other establishment in the State. The Governor retains the

right to impose additional restrictions on activities if needed in order to mitigate the effects of COVID-19. The City has not experienced any decrease in property values or unusual tax delinquencies as a result of COVID-19. However, the City cannot predict the long-term economic effect of COVID-19 or a similar virus should there be a reversal of economic activity and re-imposition of restrictions.

Assessment Limitations

Annual Installments of Assessments are billed to property owners of Improvement Area #1 Assessed Property. Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as 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, interest, 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, the City 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 of Property Owner” 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 original property owner.

Based upon the language of Texas Local Government Code, Section 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 Section 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 Ordinance. **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 Ordinance (“Pre-existing Homestead Rights”) for as long as such rights are maintained on the property.** It is unclear under State 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 State 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 Assessment Ordinance, no such homestead rights will have been claimed. Furthermore, the Landowners own 100% of the property within Improvement area #1 and are not eligible to claim homestead rights. Consequently, there are and can be no homestead rights on the Improvement Area #1 Assessed Property superior to the Assessment Lien and, therefore, the Assessment Liens may be foreclosed upon by the City.

Failure by owners of the parcels to pay Annual Installments when due, depletion of the Reserve Fund, delay in foreclosure proceedings, or the inability of the City 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 the City to make full or punctual payments of debt service on the Bonds.

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

PACE Lien Priority

Pursuant to Chapter 399, Texas Local Government Code, as amended, (the “Property Assessed Clean Energy Act” or “PACE”) commercial property owners in Texas may obtain long-term financing for water conservation, energy-efficiency, and renewable energy projects. Such financing would be repaid through a contractual assessment placed on the property pursuant to a program established by a city or county. This assessment is a first and prior lien against the property and has the same lien priority as ad valorem taxes, from the time the lien is recorded in the County real property records. As such, to the extent that a property subject to both an Assessment and also a PACE assessment is foreclosed on for nonpayment of taxes or assessments, the proceeds from the foreclosure sale of the property, would be used first to pay and any delinquent ad valorem taxes and the PACE lien.

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 Developer or Landowners within Improvement Area #1 do not provide the required notice and prospective purchasers of property within Improvement Area #1 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 may 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 Developer or Landowners within Improvement Area #1 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 Appendix B to the Service and Assessment Plan. See “Appendix C — 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 88th Legislative Session of the State (the “88th Regular Session”) concluded on May 29, 2023. When the regular Legislature is not in session, the Governor of Texas may call one or more special sessions, at the Governor’s direction, each lasting no more than 30 days, and for which the Governor sets the agenda. Immediately after the conclusion of the 88th Regular Session, the Governor called a special session; the first special session began on May 29, 2023 and concluded on June 27, 2023. At the conclusion of the first special session, the Governor called a second special session, which began on June 27, 2023 and adjourned sine die on July 13, 2023. Both special sessions ended without any legislation being passed by either chamber of the Texas legislature recommending oversight of bonds secured by assessments. The Governor called a third special session that began on October 9, 2023. The proclamation for such session does not include legislation

recommending oversight of bonds secured by assessments. It is impossible to predict what new proposals may be presented regarding the PID Act and the issuance of special assessment bonds during any upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Texas Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. It is impossible to predict with certainty the impact that any such future legislation will or may have on the security for the Bonds.

Successor Trustee

In the event that at some point subsequent to the date of the Indenture, the Trustee reasonably expects that the value of the Indenture would otherwise exceed the value limitation established under the terms of the Indenture but for such contractual limitation, the Trustee may seek to (i) amend the Indenture to increase such value if such amendment may be made in accordance with applicable Texas law and the Indenture or (ii) resign as trustee and paying agent pursuant to the terms of the Indenture. Any such amendment to the Indenture (including a supplement appointing a successor trustee) would have to be made in accordance with the terms of the Indenture. Any successor trustee would have to satisfy the qualifications set forth in, and be appointed in accordance with the terms of, the Indenture. Under certain facts and circumstances, a delay in identifying or appointing a qualified successor trustee to assume the duties and responsibilities of trustee under the Indenture and in accordance with applicable Texas law could result in the delay of certain remedies being available to the Owners of the Bonds. See “APPENDIX B — Form of Indenture” for more information regarding the process of amending or supplementing the Indenture and the appointment of a successor trustee.

The Indenture provides that, if the position of Trustee shall become vacant for any 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 the City. Unless such successor Trustee shall have been appointed by the Owners the Bonds, the City shall forthwith (and in no event in excess of 30 days after such vacancy occurs) appoint a Trustee to act under the Indenture. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City 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 the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds. See “APPENDIX B — Form of Indenture” for more information regarding the process of amending or supplementing the Indenture and the appointment of a successor trustee.

General Risks of Real Estate Investment and Development

The Developer has the right to modify or change its plan for development of the District, from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size, and number of units to be developed. No defined “true-up” agreement has been entered into between the City and Developer, nor is there a requirement that future developers or landowners enter into such an agreement. There can be no assurance, in the event the Developer or a subsequent developer modifies or changes its plan for development that the necessary revisions to the Service and Assessment Plan will be made, or if made will provide the necessary assessment revenues required to service debt on the Bonds. Nor can there be an assurance that the eventual assessment burden on the property will be marketable.

The ability of the Developer, affiliates of the Developer, the Landowners, and builders to sell townhomes or lease commercial space and apartment units to maximum occupancy levels within the District may be affected by unforeseen changes in the general economic conditions, fluctuations in the real estate market and other factors beyond the control of the owner of the commercial space, or multifamily apartments. In the event that a large number of residential, commercial or multifamily projects are constructed outside of the District, and compete with the Development, the demand for residential housing and commercial properties within the District could be reduced, thereby adversely affecting the continued development of the Development, or its attraction to businesses and residents.

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, including the schedule for and/or the

costs of the various improvements to be constructed within the District necessary to serve residents therein, as well as the operating revenues of the Developer, including those derived from the Development, are not within the control of the Developer. 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 Developer.

The Development cannot be completed without the Developer obtaining a variety of governmental approvals and permits, some of which have already been obtained. Certain permits are necessary to initiate construction of each phase 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 Developer.

A slowdown of the development process and the related absorption rate within the Development because of any or all of the foregoing could affect adversely land values. The timely payment of the Bonds depends on the willingness and ability of Acres of Sunshine, Stillwater, the Developer, or affiliates of Stillwater or Acres of Sunshine, and any subsequent owners to pay the Assessments when due. Any or all of the foregoing could reduce the willingness and ability of such owners to pay the Assessments and could greatly reduce the value of the property within Improvement Area #1 in the event such property has to be foreclosed. If Annual Installments of Assessments are not timely paid and there are insufficient funds in the accounts of the Reserve Fund, a nonpayment could result in a payment default under the Indenture.

Risks Related to the Current Residential Real Estate Market

In the past, the real estate market has experienced significant slowing of new home sales and new home closings due in part to the subprime mortgage crisis involving adjustable-rate mortgages and other creative mortgage financing tools that allowed persons with higher credit risk to buy homes. The economic crisis that resulted from higher interest rates, at a time when many subprime mortgages were due to reset their interest rates, has served to reduce the availability of mortgages to many potential home buyers, making entry into the real estate market more difficult. Downturns in the real estate market and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of parcel, lot, and residential sales within the District. No assurances can be given that projected buildout values presented in this Limited Offering Memorandum will be realized.

Risks Related to Recent Increase in Costs of Building Materials

As a result of the Pandemic, and 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 the Improvement Area #1 Projects are substantially greater than the estimated costs or if the Developer is unable to access building materials in a timely manner, it may affect the ability of the Developer to complete the Improvement Area #1 Projects or pay the Assessments when due. Additionally, if the costs of material continue to increase, it may affect the ability of the Developer to complete the Improvement Area #1 Projects and the Developer or future builders to construct vertical improvements within Improvement Area #1. 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. See “THE DEVELOPER — History and Financing of the District.”

Competition

The housing industry in the Dallas-Fort Worth area is very competitive, and none of the Developer, the City, the City’s Financial Advisor, or the Underwriter can give any assurance that the building programs which are

planned will ever commence or be completed in accordance with the Developer's expectations. The competitive position of the Developer 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.

Competitive projects in the area include:⁽¹⁾

<u>Project Name</u>	<u># of Units/Sq. Ft.</u>	<u>Proximity to Development</u>	<u>Developer</u>	<u>Date Started</u>	<u># of Units Remaining</u>
Legacy West	621 apartments 292 hotel keys 4+ million sf office	1.2 miles	KDC, The Kaharan Cos, Columbus Realty	2014	N/A
The Star	15,000 sf retail, 500,000 sf entertainment, 300,000 sf medical office, 400,000+ sf office	4.5 miles	Blue Star Development	2016	TBD
Southstone Yards	240,000 sf office 700 multifamily units	4.5 miles	Crow Holdings Office	2022	240,000 sf office, 700 multifamily units
Collin Creek	500 single-family units 2,600 multifamily/independent living units 130,637 sf retail 256,137 sf mall urban core retail 40,000 sf restaurant 1,300,000 sf office/hotel public parks	9.3 miles	Centurion American Development Group	2020	TBD

⁽¹⁾ Information provided by Developer.

There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise able to compete with the Development.

Lien Foreclosure and Bankruptcy

The payment of Assessments and the ability of the City 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 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. See "OVERLAPPING TAXES AND DEBT."

Depletion of Reserve Account of the Reserve Fund

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. The Indenture provides that if, after a withdrawal from the Reserve Account of the Reserve Fund, the amount in the Reserve Account of the Reserve Fund is 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 Account of the Reserve Fund” herein.

Hazardous Substances

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 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 consider the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the parcel. The City 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 the City 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. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency.

See “THE DEVELOPMENT — Environmental” for discussion of the 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.

100-Year Flood Plain

Approximately 16.7 acres within the District (1.1 acres within Improvement Area #1) are located within an official FEMA 100-year flood plain, as shown on the current Federal Emergency Management Agency’s Flood Insurance Rate Map Community Panel Nos. 48085C0355K, 48085C0365K and 48085C0370K, dated June 7, 2017 (the “Floodplain”). The Developer has submitted a Conditional Letter of Map Revision (CLOMR) to FEMA to reclaim approximately 2.9 acres of the Floodplain within the District, including the 1.1 acres within Improvement Area #1, on which to construct a multifamily building. All the lands identified to be within the non-reclaimed portion of the Floodplain will be located within dedicated open space, park, or drainage easements.

Additionally, FEMA will from time to time revise its Flood Insurance Rate Maps. None of the City, the Underwriter, or the Developer 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 exceed the Flood Plain.

Risk from Weather Events

All of the State, including the City, is subject to extreme weather events that can cause loss of life and damage to property through strong winds, hurricanes, tropical storms, 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 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 City, including land within the District.

Bondholders' Remedies and Bankruptcy of Property Owners

In the event of default in the payment of principal of or interest on the Bonds or the occurrence of any other Event of Default under the Indenture the Trustee may, and upon the written request of at least 25% of the owners of the Bonds then Outstanding and its receipt of indemnity satisfactory to it, the Trustee shall proceed to protect and enforce its rights and the rights of the owners of the Bonds under the Indenture by action seeking mandamus or by other suits, actions or special proceedings in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by the Indenture or by Applicable Law, 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 the City may be sought or shall be permitted. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the City's obligations under the Bonds or the Indenture and such obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The owners of the Bonds cannot themselves foreclose on property within Improvement Area #1 of the District or sell property within Improvement Area #1 of the District in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the owners of the Bonds further may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. In this regard, should the City file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the City to seek judicial foreclosure of its Assessment Lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "BONDHOLDERS' RISKS — Chapter 9 Bankruptcy Limitation to Bondholders' Rights" herein.

Any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a property owner within the District pursuant to the Federal Bankruptcy Code could, subject to its discretion, delay or limit any attempt by the City to collect delinquent Assessments, or delinquent ad valorem taxes, against such property owner.

In addition, in 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) ("Tooke") that a waiver of sovereign immunity must be provided for by statute in "clear and unambiguous" language. In so ruling, the Court declared that statutory language such as "sue and be sued", in and of itself, did not constitute a clear and unambiguous waiver of sovereign immunity. In *Tooke*, the Court noted the enactment in 2005 of sections 271.151-.160, Texas Local Government Code (the "Local Government Immunity Waiver Act"), which, according to the Court, waives "immunity from suit for contract claims against most local governmental entities in certain circumstances." The Local Government Immunity Waiver Act covers cities and relates to contracts entered into by cities for providing goods or services to cities.

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) ("Wasson"), the Texas Supreme Court (the "Court") addressed whether the distinction between governmental and proprietary acts (as found in tort-based causes of action) applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that "a city's proprietary functions are not done pursuant to the 'will of the people'" and protecting such municipalities "via the [S]tate's immunity is not an efficient way to ensure efficient allocation of [S]tate resources." While the Court recognized that the distinction between governmental and proprietary functions is not clear, the Wasson opinion held that the Proprietary-Governmental Dichotomy applies in a contract-claims context. The Court reviewed Wasson for a second time and issued an opinion on October 5, 2018 clarifying that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function was

proprietary or governmental based upon the statutory and common law guidance at the time of inception of the contractual relationship. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under authority or for the benefit of the State; these are usually activities that can be, and often are, provided by private persons, and therefore are not done as a branch of the State, and do not implicate the state's immunity since they are not performed under the authority, or for the benefit, of the State as sovereign. Notwithstanding the foregoing new case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgement, is justiciable against a municipality.

The City is not aware of any State court construing the Local Government Immunity Waiver Act in the context of whether contractual undertakings of local governments that relate to their borrowing powers are contracts covered by such act. Because it is unclear whether the Texas legislature has effectively waived the City's sovereign immunity from a suit for money damages in the absence of City action, the Trustee or the owners of the Bonds may not be able to bring such a suit against the City for breach of the Bonds or the Indenture covenants. As noted above, the Indenture provides that owners of the Bonds may exercise the remedy of mandamus to enforce the obligations of the City under the Indenture. Neither the remedy of mandamus nor any other type of injunctive relief was at issue in Tooke, and it is unclear whether Tooke will be construed to have any effect with respect to the exercise of mandamus, as such remedy has been interpreted by State courts. In general, State courts have held that a writ of mandamus may be issued to require public officials to perform ministerial acts that clearly pertain to their duties. State courts have held that a ministerial act is defined as a legal duty that is prescribed and defined with a precision and certainty that leaves nothing to the exercise of discretion or judgment, though mandamus is not available to enforce purely contractual duties. However, mandamus may be used to require a public officer to perform legally-imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party (including the payment of moneys due under a contract).

Judicial Foreclosures

Judicial foreclosure proceedings are not mandatory; however, the City has covenanted 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 City 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 City 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 the Assessments may be adversely affected by the effects of market conditions on the foreclosure 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 any event, including 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 assurance 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 of Improvement Area #1 subject to the Assessments, existing real estate and financial market conditions and other factors.

No Credit Rating

The City has not applied for or received a rating on the Bonds. Even if a credit rating had been sought for the Bonds, it is not anticipated that such a rating would have been investment grade. 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.

Chapter 9 Bankruptcy Limitation to Bondholders' Rights

The enforceability of the rights and remedies of the owners of the Bonds may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. The City is authorized under State law to voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946. The City may proceed under Chapter 9 if it (1) is generally not paying its debts, or unable to meet its debts, as they become due, (2) desires to effect a plan to adjust such debts, and (3) has either obtained the agreement of or negotiated in good faith with its creditors, is unable to negotiate with its creditors because negotiation is impracticable, or reasonably believes that a creditor may attempt to obtain a preferential transfer.

If the City decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the City would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the plan if (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code, (2) all payments to be made in connection with the plan are fully disclosed and reasonable, (3) the City is not prohibited by law from taking any action necessary to carry out the plan, (4) administrative expenses are paid in full, (5) all regulatory or electoral approvals required under State law are obtained and (6) the plan is in the best interests of creditors and is feasible. The rights and remedies of the owners of the Bonds would be adjusted in accordance with the confirmed plan of adjustment of the City's debt. The City cannot predict a Bankruptcy Court's treatment of the Bondholders' creditor claim and whether a Bondholder would be repaid in full.

Tax-Exempt Status of the Bonds

The Indenture contains covenants by the City 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 the Bonds were issued as a result of future acts or omissions of the City 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 the City 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 the City 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 the City 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 Bondholders for federal income tax purposes, the City 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.

Management and Ownership

The management and ownership of the Developer and Landowners 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 projects comparable to the Development.

Availability of Utilities

The progress of development within the District is also dependent upon the City providing an adequate supply of water and sufficient capacity for the collection and treatment of wastewater. 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. See "THE DEVELOPMENT — Utilities."

Dependence upon Acres of Sunshine

As the current landowner of the property within Improvement Area #1, Acres of Sunshine currently has the obligation for payment of 100% of the total Assessments. The ability of Acres of Sunshine to make full and timely payment of the Assessments will directly affect the ability of the City to meet its debt service obligations with respect to the Bonds. There can be no assurances given as to the financial ability of Acres of Sunshine to advance any funds to the City to supplement revenues from the Assessments if necessary, or as to whether Acres of Sunshine will advance such funds.

Moreover, the City will pay the Developer, or the Developer's designee, from proceeds of the Bonds for project costs actually incurred in developing and constructing the Improvement Area #1 Projects within Improvement Area #1. See "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS." There can be no assurances given as to the financial ability of the Developer to complete the Improvement Area #1 Projects or any other improvements.

TAX MATTERS

Tax Exemption

The delivery of the Bonds is subject to the opinion of Bond Counsel to the effect that interest on the Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. A form of Bond Counsel's opinion is reproduced as Appendix D. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinion, Bond Counsel will rely upon representations and certifications of the City made in a certificate dated the Closing Date pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance by the City with the provisions of the Indenture subsequent to the issuance of the Bonds. The Indenture contains covenants by the City with respect to, among other matters, the use of the proceeds of the Bonds and the facilities financed therewith by persons other than state or local

governmental units, the manner in which the proceeds of the Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage “profits” from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Bond Counsel’s opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel’s opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the “taxpayer,” and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, corporations subject to alternative minimum tax on adjusted financial statement income, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust (“FASIT”), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

For taxable-years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than \$1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer’s applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Bonds.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Bonds (the “Discount Bonds”) may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under “Tax Exemption.” Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, corporations subject to alternative minimum tax on adjusted financial statement income, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The purchase price of certain Bonds (the “Premium Bonds”) paid by an owner may be greater than the amount payable on such Bonds at maturity. An amount equal to the excess of a purchaser’s tax basis in a Premium Bond over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Bond in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium that is amortizable each year by a purchaser is determined by using such purchaser’s yield to maturity (or, in some cases with respect to a callable Bond, the yield based on a call date that results in the lowest yield on the Bond).

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in the states that, if enacted, could alter or amend the Federal and State tax matters referred to above or adversely affect the market value or marketability of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value or marketability of the Bonds.

Prospective purchasers of the Bonds should consult with their own tax advisors regarding any other federal income tax legislation, whether currently pending or proposed, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

The City invests its investable funds in investments authorized by State law in accordance with investment policies approved by the City Council of the City. Both State law and the City's investment policies are subject to change.

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the unqualified approving legal opinion of the Attorney General of the State to the effect that the Bonds are valid and legally binding obligations of the City 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.

Norton Rose Fulbright US LLP serves as Bond Counsel to the City. Orrick, Herrington & Sutcliffe 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

The City 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 the State, 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 the City. The City 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, limited obligations of the City under the Constitution and laws of the State. The legal opinion of Bond Counsel will further state that the Bonds, including principal of 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," including the alternative minimum tax consequences for corporations. A copy of the opinion of Bond Counsel is attached hereto as "APPENDIX D — 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 herein 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" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings" (first paragraph only), "LEGAL MATTERS — Legal Opinions," "CONTINUING DISCLOSURE — The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS," "APPENDIX B" and "APPENDIX D" and such firm is of the opinion that the information relating to the Bonds, the Bond Ordinance, the Assessment Ordinance and the Indenture contained therein fairly and accurately describes the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance and the Indenture.

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 — The City

At the time of delivery and payment for the Bonds, the City 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 City 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 Ordinance, the Indenture, any action of the City contemplated by any of the said documents, or the collection or application of the Trust Estate, 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 the City or its authority with respect to the Bonds or any action of the City contemplated by any documents relating to the Bonds.

Litigation — The Developer and Stillwater

At the time of delivery and payment for the Bonds, the Developer and Stillwater 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 body, public board or body pending, or, to the best knowledge of the Developer or Stillwater, threatened against or affecting the Developer, Stillwater or any of their affiliates wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developer, Stillwater or its managing member, or would adversely affect (1) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the Service and Assessment Plan, Development Agreement, the Parks Agreement, the Option Agreement, or the Construction Funding Agreement, or otherwise described in this Limited Offering Memorandum or (2) the tax-exempt status of interest on the Bonds.

Litigation — Acres of Sunshine

At the time of delivery and payment for the Bonds, Acres of Sunshine 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 body, public board or body pending, or, to the best knowledge of Acres of Sunshine, threatened against or affecting Acres of Sunshine or any of its affiliates wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of Acres of Sunshine or its general partner, or would adversely affect (1) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the Service and Assessment Plan, Development Agreement, the Parks Agreement, or the Option Agreement, or otherwise described in this Limited Offering Memorandum or (2) the tax-exempt status of interest on the Bonds.

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 the City 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 City and the opportunity to ask questions of the 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 governmental immunity, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery, and by general principles of equity that permit the exercise of judicial discretion.

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 the City would have been successful in obtaining an investment grade rating for the Bonds had application been made.

CONTINUING DISCLOSURE

The City

Pursuant to Rule 15c2-12 of the SEC (the “Rule”), the City, the PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent (in such capacity, the “Dissemination Agent”), will enter into a Continuing Disclosure Agreement (the “Disclosure Agreement of Issuer”), 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 Disclosure Agreement of Issuer, certain financial information and operating data relating to the City (collectively, the “City Reports”). The specific nature of the information to be contained in the City Reports is set forth in “APPENDIX E-1 — Form of Disclosure Agreement of Issuer.” Under certain circumstances, the failure of the City to comply with its obligations under the Disclosure Agreement of Issuer 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 Disclosure Agreement of Issuer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

The City has agreed to update information and to provide notices of certain specified events only as provided in the Disclosure Agreement of Issuer. The City 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 Disclosure Agreement of Issuer. The City 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. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Issuer or from any statement made pursuant to the Disclosure Agreement of Issuer.

The City’s Compliance with Prior Undertakings

During the last five years, the City has complied in all material respects with its continuing disclosure agreements made by it in accordance with the Rule.

The Developer

Pursuant to the Rule, the Developer, the PID Administrator, and the Dissemination Agent will enter into a Continuing Disclosure Agreement (the “Disclosure Agreement of Developer”), 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 Disclosure Agreement of Developer, certain information regarding the Development and the Improvement Area #1 Projects (collectively, the “Developer Reports”). The specific nature of the information to be contained in the Developer Reports is set forth in “APPENDIX E-2 — Form of Disclosure Agreement of Developer.” Under certain circumstances, the failure of the Developer or the PID Administrator to comply with its obligations under the Disclosure Agreement of Developer 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 Disclosure Agreement of Developer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

The Developer has agreed to provide (i) certain updated information to the PID Administrator, which consultant will prepare and provide such updated information in report form and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of Developer. The Developer 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 Disclosure Agreement of Developer. The Developer 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. The Developer disclaims any contractual or tort liability for damages resulting in whole or in part from any

breach of the Disclosure Agreement of Developer or from any statement made pursuant to the Disclosure Agreement of Developer.

The Developer's Compliance with Prior Undertakings

Developer has not previously entered into any continuing disclosure undertakings.

Acres of Sunshine

Pursuant to the Rule, Acres of Sunshine and the Dissemination Agent will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement of Landowner"), in the form attached hereto as "APPENDIX E-2 — Form of Disclosure Agreement of Landowner," 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 Disclosure Agreement of Landowner, the annual financial statements of Acres of Sunshine and any future landowners within Improvement Area #1 responsible for the payment of twenty percent (20%) of the Annual Installments of the Assessments. Under certain circumstances, the failure of Acres of Sunshine to comply with its obligations under the Disclosure Agreement of Landowner 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 Disclosure Agreement of Landowner would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

Acres of Sunshine has agreed to provide (i) annual financial statements, so long as it is obligated to pay twenty percent (20%) of the total Annual Installments of the Assessments and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of Landowner. Acres of Sunshine 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 Disclosure Agreement of Landowner. Acres of Sunshine 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. Acres of Sunshine disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Landowner or from any statement made pursuant to the Disclosure Agreement of Landowner.

Acres of Sunshine Compliance with Prior Undertakings

Acres of Sunshine has not previously entered into any continuing disclosure undertakings.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed to purchase the Bonds from the City at a purchase price of \$ _____ (the par amount of the Bonds, less a reoffering discount of \$ _____ less an underwriting discount of \$ _____). 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.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the 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 1933 in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. The City 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 INVESTMENTS 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 of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the City 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.

The City 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

The City invests its funds in investments authorized by State law in accordance with investment policies approved by the City Council. Both State law and the City’s investment policies are subject to change.

Under State law, the City is authorized to make investments meeting the requirements of the PFIA, which currently include (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 the City selects from a list the governing body or designated investment committee of the City 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 the City 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 the City’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) the City appoints as the City’s custodian of the banking deposits issued for the City’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 City deposits, or (ii) certificates of deposits where (a) the funds are invested by the City through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the City, (b) the broker or the depository institution selected by the City 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 the City, (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) the City 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 the City 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 the City or cash held by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City, 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 the City 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.); and (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. 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 the City and deposited with the City or a third party selected and approved by the City.

The City 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. The City 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 the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City 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 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.

Political subdivisions such as the City are authorized to implement 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 the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (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.

Under State law, the City 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 include a list of authorized investments for City 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 City 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 State law, the City's 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 City's investment officers must submit an investment report to the City Council detailing: (1) the investment position of the City, (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, (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 strategies and (b) State law. No person may invest City funds without express written authority from the City Council.

Under State law, the City 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 the City to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the entity'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 in a form acceptable to the City and the business organization attesting to these requirements; (5) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the City's investment policy; (6) provide specific investment training for the Treasurer, chief financial officer and investment officers; (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 purchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the City'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 the City.

INFORMATION RELATING TO THE TRUSTEE

The City has appointed Wilmington Trust, National Association, Dallas, Texas, 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 the City 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 the City. 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.

In the Indenture, the City has agreed to compensate the Trustee from the amount collected each year for Annual Collection Costs and in the manner set forth in the Indenture for the Trustee's services as Trustee and as Paying Agent/Registrar; provided, however, notwithstanding anything in the Indenture to the contrary, the aggregate value of the Indenture shall not exceed the dollar limitation set forth under certain applicable provisions of the Texas Government Code, currently \$100,000. The Trustee has informed the City that it has structured its annual fees in an attempt to avoid exceeding this limitation during the term of the Indenture. See "BONDHOLDERS' RISKS — Successor Trustee" and "APPENDIX B — Form of Indenture."

In the Indenture, the Trustee agrees to submit to the City and/or the PID Administrator an annual report, no later than six months after each Bond Year (as defined in the Indenture), beginning with the Bond Year ending September 15, 2024, setting forth (i) the amount of fees the Trustee has received pursuant to the terms of the Indenture for the preceding Bond Year and (ii) the cumulative amount of fees paid to the Trustee pursuant to the terms of the Indenture to the date of such annual report. The cumulative amount of fees paid to the Trustee as of the date of each annual report will be included in the City Reports, as required under the Disclosure Agreement of the Issuer. See "APPENDIX B — Form of Indenture" and "APPENDIX E-1 — Form of Disclosure Agreement of the Issuer."

Additional information about the Trustee may be found at its website at 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 the City's records, the Developer and its 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 the City or the Developer 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.

Developer

The information contained in this Limited Offering Memorandum relating to the description of the Developer, the Development and the Authorized Improvements generally and, in particular, the information included in all of the maps herein and in the sections captioned "PLAN OF FINANCE — Development Plan" and "— Financing Plan," "OVERLAPPING TAXES AND DEBT — Property Owners' Association" and "— Agricultural Exemption," "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, Stillwater, the Improvement Area #1 Projects and the Development), "LEGAL MATTERS — Litigation — The Developer and Stillwater," and "CONTINUING DISCLOSURE — The Developer" and "— The Developer's Compliance with Prior Undertakings," "APPENDIX E-2," "APPENDIX F" and "APPENDIX G" has been provided by the Developer, and the Developer warrants and represents that the information contained therein 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 Developer will deliver a certificate to this effect to the City and the Underwriter.

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 assessment allocation/methodology and district administration.

The information regarding the Appraisal in this Limited Offering Memorandum has been provided by Integra Realty Resources – Dallas 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 – Dallas has consented to the inclusion of the Appraisal herein.

Updating of Limited Offering Memorandum

If, subsequent to the date of the Limited Offering Memorandum, the City 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, the City 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 the City to so amend or supplement the Limited Offering Memorandum will terminate when the City delivers the Bonds to the Underwriter, unless the Underwriter notifies the City on or before such date that less than all of the Bonds have been sold to ultimate customers; in which case the City's obligations hereunder will extend for an additional period of time (but not more than ninety (90) days after the date the City 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. THE CITY 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 City Council will approve the form and content and authorize the use of this Preliminary Limited Offering Memorandum by the Underwriter in connection with the marketing and sale of the Bonds. In the Bond Ordinance, the City Council is expected to approve the form and content of the final Limited Offering Memorandum.

CITY OF PLANO, TEXAS

/s/ _____
Mayor

ATTEST:

/s/ _____
City Secretary

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREA

The following information has been provided for informational purposes only.

Historical Employment in Collin County

	Average Annual				
	2023 ⁽¹⁾	2022	2021 ⁽²⁾	2020 ⁽²⁾	2019
Civilian Labor Force	657,728	625,323	599,164	575,879	565,064
Total Employed	631,684	605,500	573,302	539,871	547,629
Total Unemployed	26,044	19,823	25,862	36,008	17,435
Unemployment Rate	4.0%	3.2%	4.3%	6.3%	3.1%

⁽¹⁾ Data through August 2023.

⁽²⁾ The COVID-19 Pandemic has negatively affected travel, commerce, employment rates and financial markets globally. See “BONDHOLDERS’ RISKS — Infectious Disease Outbreak.”

Source: Texas Labor Market Information.

Major Employers in the City

The major employers in the City are set forth in the table below.

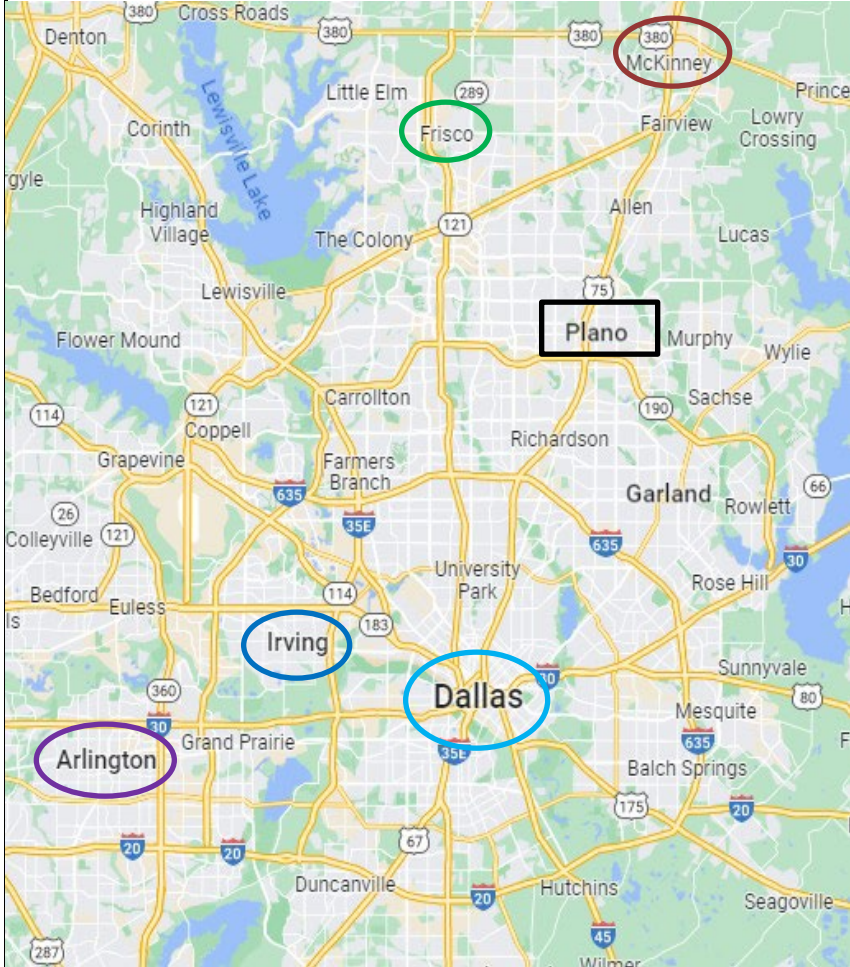
<u>Employer</u>	<u>Business</u>	<u>Employees</u>
JP Morgan Chase	Bank	8,108
Capital One Finance	Finance	7,273
Bank of America	Bank	4,500
Toyota Motor North America, Inc.	Motor Vehicles	4,018
Liberty Mutual Insurance Company	Insurance	2,519
AT&T Foundry	Telecommunications	2,500
Ericsson	Telecommunications	2,457
Medical City Plano	Healthcare	2,332
USAA	Insurance	2,092
Samsung Electronics America, Inc.	Telecommunications	2,081

Source: Municipal Advisory Council of Texas

Surrounding Economic Activity

The major employers of municipalities surrounding the City are set forth in the table below.

City of McKinney		City of Frisco		City of Dallas	
Approximately 14 miles from the City		Approximately 17 miles from the City		Approximately 25 miles from the City	
Employer	Employees	Employer	Employees	Employer	Employees
Raytheon Space & Airborne Systems	4,347	Frisco ISD	8,088	Dallas ISD	23,271
McKinney ISD	2,749	T-Mobile USA	1,800	City of Dallas	13,000
Collin County	1,964	City of Frisco	1,688	AT&T Inc.	12,600
Globe Life	1,600	Keurig Dr Pepper Inc	1,100	Medical City Dallas	10,864
Independent Financial	1,600	Mario Sinacola & Sons Excavating	935	Parkland Health & Hop System	10,406
City of McKinney	1,428	Conifer	903	Texas Instruments Inc.	9,800
Encore Wire Corp.	1,325	Baylor Medical Center	663	Dallas County Community College	8,230
Collin College	1,064	Baylor Scott White/Centennial Hospital	466	Methodist Dallas Medical Center	6,887
Baylor	700	IKEA Frisco	423	Dallas County	6,500
Medical City McKinney	670	UT Southwestern/Texas Health Hospital	300	Children's Health	6,276



City of Irving	
Approximately 25 miles from the City	
Employer	Employees
Citigroup, Inc.	6,162
Vistra Energy	5,400
Allstate Insurance	3,068
Verizon Communications	3,000
Microsoft Corp	2,681
Irving Mall	2,100
YRC Freight	1,941
Baylor Scott & White Medical Center	1,907
DFW International Airport	1,900
Accenture	1,900

City of Arlington	
Approximately 40 miles from the City	
Employer	Employees
Arlington ISD	8,500
University of Texas at Arlington	5,300
General Motors	4,484
Texas Health Resources	4,063
Six Flags Over Texas	3,800
The Parks at Arlington	3,500
GM Financial	3,300
City of Arlington	2,755
JP Morgan Chase Bank	1,965
Texas Rangers Baseball Club	1,881

Source: Municipal Advisory Council of Texas

APPENDIX B
FORM OF INDENTURE

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INDENTURE OF TRUST

By and Between

CITY OF PLANO, TEXAS

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee**

DATED AS OF NOVEMBER 1, 2023

SECURING

**\$ _____
CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

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INDENTURE OF TRUST

THIS INDENTURE, dated as of November 1, 2023 is by and between the CITY OF PLANO, TEXAS (the “City”), and WILMINGTON TRUST, NATIONAL ASSOCIATION, DALLAS, TEXAS, as trustee (together with its successors, the “Trustee”). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted and filed with the City Secretary of the City (the “City Secretary”) 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 within the corporate limits of the City to be known as the Haggard Farm Public Improvement District (the “District”); and

WHEREAS, the petition contained the signature of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Collin Central Appraisal District, and the signature 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 District; and

WHEREAS, on January 9, 2023, after due notice, the City Council of the City (the “City Council”) held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act; and

WHEREAS, on January 9, 2023, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2023-1-7(R), adopted by a majority of the members of the City Council, authorized the creation of the District in accordance with its findings as to the advisability of the improvement projects and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on January 12, 2023 the City Secretary filed a copy of Resolution No. 2023-1-7(R) with the county clerk of each county in which all or a part of the District is located in accordance with the provisions of the PID Act; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after January 9, 2023; and

WHEREAS, on August 28, 2023, the City Council by Resolution No. 2023-8-7(R) made findings and determinations relating to the Actual Costs of certain Improvement Area #1 Projects, received and accepted a preliminary service and assessment plan and a proposed assessment roll, called a public hearing for October 23, 2023 and directed City staff to (i) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Sections 372.016(b) and 372.016(c) of the PID Act, and (ii) publish and mail such notice relating to the October 23, 2023 hearing as required by Section 372.016(b) of the PID Act; and

WHEREAS, on August 31, 2023 the City staff, pursuant to Section 372.016(b) of the PID Act, published notice of the public hearing in the *Dallas Morning News*, a newspaper of general

circulation in the City, to consider the proposed Service and Assessment Plan, the Improvement Area #1 Assessment Roll and the levy of the Assessments on the property within Improvement Area #1 of the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Improvement Area #1 Assessment Roll, the Service and Assessment Plan, and the levy of the Assessments on the property within Improvement Area #1 of the District, to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council opened and convened the hearing on October 23, 2023, 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 Service and Assessment Plan, the proposed Improvement Area #1 Assessment Roll and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of estimated costs of the Improvement Area #1 Projects, the purposes of the Assessments, the special benefits of the Improvement Area #1 Projects, and the penalties and interest on Annual Installments of the Assessments and on delinquent Annual Installments of the Assessments; and

WHEREAS, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of estimated costs of the Improvement Area #1 Projects to the Assessed Property, the Improvement Area #1 Assessment Roll, and the levy of the Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, the City Council approved Ordinance No. _____, which levied the Assessments, and approved the Service and Assessment Plan, including the Improvement Area #1 Assessment Roll, in conformity with the requirements of the PID Act; and

WHEREAS, the City Council found and determined that the Assessments should be levied as provided in the Service and Assessment Plan; and

WHEREAS, the City Secretary of the City filed a copy of the Assessment Ordinance not later than the seventh day after the date the City Council approved the Assessment Ordinance and the Service and Assessment Plan with the County Clerk of Collin County; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Assessments for the purpose of (i) paying a portion of the Actual Costs of the Improvement Area #1 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #1 Projects, and other costs related to the issuance of the Bonds; and

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)" (the "Bonds"), such Bonds being payable solely from the Trust Estate and for the purposes set forth in the preamble of this Indenture; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms set forth in this Indenture;

NOW, THEREFORE, the City, 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

The Pledged Revenues, as herein defined, and all moneys and investments held in the Pledged Funds, including any and all proceeds thereof and any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred, to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof;

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, that if and to the extent Assessments have been prepaid, the lien on real property associated with such Assessment prepayment shall be released and any rights of the Trustee and the Owners, as provided in this Indenture, to request the City to proceed with foreclosure procedures for the purpose of protecting and enforcing the rights of the Owners with respect to the Assessments levied against such property shall terminate;

PROVIDED, FURTHER, HOWEVER, if the City 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;

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 the City 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” mean, with respect to an Improvement Area #1 Project, the actual costs paid or incurred by or on behalf of the Developer, (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Improvement Area #1 Project; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Improvement Area #1 Project; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Improvement Area #1 Project; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to 4% of construction costs if managed by or on behalf of the Developer.

“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 the Assessments pursuant to Section 372.018 of the PID Act.

“Additional Interest Reserve Account” means the reserve account administered by the City and segregated from other funds of the City in accordance with the provisions of Section 6.7 of this Indenture.

“Additional Interest Reserve Requirement” means an amount equal to 5.50% of the principal amount of the Outstanding Bonds to be funded from Assessment Revenues to be deposited to the Pledged Revenue Fund and transferred to the Additional Interest Reserve Account.

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

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

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

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to the Improvement Area #1 Assessment Roll and Annual Service Plan Updates; (6) paying and redeeming Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with the Service and Assessment Plan, the PID Act, and this Indenture, with respect to the Bonds, including the City’s continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“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 Parcel, each annual payment of the Assessments (including both principal and interest) shown on the Improvement Area #1 Assessment Roll attached to the Service and Assessment Plan as Appendix F-1 related to the Improvement Area #1 Projects; which annual payment includes the Annual Collection Costs and the Additional Interest collected on each annual payment of the Assessments as described in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

“Annual Service Plan Update” means the annual review and update of the Service and Assessment Plan required by the PID Act and the Service and Assessment Plan.

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

“Assessed Parcel” means each Parcel of land located within Improvement Area #1 of the District against which an Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

“Assessed Property” means, collectively, all Assessed Parcels.

“Assessment Ordinance” means Ordinance No. _____ adopted by the City Council on October 23, 2023, that levied the Assessments on the Assessed Property located within Improvement Area #1 of the District.

“Assessment Revenue” means monies collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Parcel or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, and (iii) Foreclosure Proceeds.

“Assessments” means the aggregate assessments shown on the Improvement Area #1 Assessment Roll. The singular of such term means the assessment levied against a Parcel of Assessed Property as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of a Parcel of 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 any Outstanding Bond is less than \$100,000, then the Authorized Denomination of such Outstanding Bond shall be the amount of such Outstanding Bond.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, including, but not limited to the Improvement Area #1 Projects, as described and listed in Section III of the Service and Assessment Plan or an Annual Service Plan Update.

“Bond” means any of the Bonds.

“Bond Counsel” means Norton Rose Fulbright US LLP or any other attorney or firm of attorneys designated by the City that is 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 of this Indenture.

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

“Bond Issuance Costs” means the costs associated with issuing the Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter’s discount, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of the Bonds.

“Bond Ordinance” means Ordinance No. _____ adopted by the City Council on October 23, 2023 authorizing the issuance of the Bonds pursuant to this Indenture.

“Bond Pledged Revenue Account” means the Account of such name established pursuant to Section 6.1.

“Bond Year” means the one-year period beginning on September 15 in each year and ending on September 14 in the following year.

“Bonds” means the City’s bonds authorized to be issued by Section 3.1 of this Indenture entitled “City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)”.

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

“Capitalized Interest Account” means the Account of such name established pursuant to Section 6.1.

“Certification for Payment” means a certificate substantially in the form of Exhibit B to the Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement or otherwise approved by the Developer and a City Representative executed by a Person approved by a City Representative, delivered to a City Representative and the Trustee specifying the amount of work performed related to the Improvement Area #1 Projects and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in an account of the Project Fund, as further described in the Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement and Section 6.5 herein.

“City Certificate” means a certificate signed by a City Representative and delivered to the Trustee.

“City Representative” means any official or agent of the City authorized by the City Council to undertake the action referenced herein.

“Closing Date” means the date of the initial delivery of and payment for the Bonds. With respect to the Bonds, the Closing Date is November 20, 2023.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

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

“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 Parcel and the costs of collection of a delinquent Assessment in accordance with the PID Act, 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 the City and such successor.

“Developer” means SW Haggard Master Developer, LLC, a Texas limited liability company, and its successors or assigns.

“Developer Improvement Account” means the Account of such name established pursuant to Section 6.1.

“District Administration Account” means the Account of such name established pursuant to Section 6.1.

“DTC” shall mean The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” shall mean 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.

“Foreclosure Proceeds” means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Parcel(s), 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 of this Indenture.

“Improvement Area #1” means the initial phase to be developed within the District and further identified and depicted in Exhibit A-2 in the Service and Assessment Plan.

“Improvement Area #1 Assessment Roll” means, the Improvement Area #1 Assessment Roll attached as Exhibit F-1 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 Parcel related to the Bonds and the Improvement Area #1 Projects, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit property within Improvement Area #1 of the District, as described in Section III.B of the Service and Assessment Plan.

“Improvement Area #1 Improvements Account” means the Account of such name established pursuant to Section 6.1.

“Improvement Area #1 Major Improvements” means the pro rata portion of the Major Improvements allocable to Improvement Area #1, as described in Section III.A of the Service and Assessment Plan.

“Improvement Area #1 Major Improvements Account” means the Account of such name established pursuant to Section 6.1.

“Improvement Area #1 Projects” means, collectively (i) Improvement Area #1 Major Improvements and (ii) the Improvement Area #1 Improvements.

“Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement” means the “Haggard Farm Public Improvement District Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement” by and between the City and the Developer

dated as of October 23, 2023, which provides, in part, for the deposit of proceeds from the issuance and sale of the Bonds and the payment of costs of Improvement Area #1 Projects within Improvement Area #1 of the District, the issuance of bonds, the use of the funds in the Developer Improvement Account, and other matters related thereto.

“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 the City who, or each of whom: (i) is judged by the City, 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 the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

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

“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 15 and September 15 of each year, commencing March 15, 2024.

“Investment Securities” means those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and provided further, such investments are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time.

“Major Improvements” means the Authorized Improvements which benefit all of the property within the District.

“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.

“Minor Amount Redemption” means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of Bonds that is less than 10% of the Outstanding principal amount of the Bonds.

“Outstanding” means, as of any particular date when used with reference to the 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 3.10 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 3.11 herein.

“Parcel” means a specific property within the District identified by either a tax parcel identification number assigned by the Collin Central Appraisal District for real property tax purpose, by legal description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of Collin County, or by any other means determined by the City.

“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.

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

“Pledged Funds” means the Pledged Revenue Fund, the Bond Fund, the Project Fund (excluding the Developer Improvement Account), the Reserve Fund, and the Redemption Fund.

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

“Pledged Revenues” means the sum of (i) Assessment Revenue less the Annual Collection Costs and (ii) any additional revenues that the City may pledge to the payment of Bonds.

“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 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 Annual Installment.

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

“Project Fund” means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

“Purchaser” means the initial purchaser of the Bonds.

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

“Rebate Fund” means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

“Record Date” means the last business day of the month next preceding an Interest Payment Date.

“Redemption Fund” means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

“Redemption Price” means, when used with respect to any Bond or portion thereof, the amount of par plus accrued and unpaid interest to the date of redemption.

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

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

“Reserve Account” means the Account of such name established pursuant to Section 6.1.

“Reserve Account Requirement” means the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date of the Bonds, (ii) 125% of average Annual Debt Service on the Bonds as of the Closing Date of the Bonds, or (iii) 10% of the lesser of the principal amount of the Outstanding Bonds or the original issue price of the Bonds. As of the Closing Date for the Bonds, the Reserve Account Requirement is \$_____, which is an amount equal to the [Maximum Annual Debt Service on the Bonds as of the Closing Date].

“Reserve Fund” means that fund of such name established pursuant to Section 6.1 and administered in Section 6.7 herein.

“Service and Assessment Plan” means the “Haggard Farm Public Improvement District Service and Assessment Plan” dated October 23, 2023, including the Improvement Area #1 Assessment Roll, as hereinafter amended, updated, and/or restated by an Annual Service Plan Update or otherwise, a version of which is attached as an exhibit to the Assessment Ordinance.

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

“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.

“Substantial Amount Redemption” means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of the Bonds that is greater than or equal to 10% of the Outstanding principal amount of such Bonds.

“Supplemental Indenture” means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council 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 the City 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.

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

“Trustee” means Wilmington Trust, National Association, Dallas, Texas and its successors, and any other corporation or association that may at any time be substituted in its place, 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 the City 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 the City 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, the City 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 the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City 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 preambles 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 the City 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 the City with the Owners, and shall be deemed to be and shall constitute a contract among the City, 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 of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Improvement Area #1 Projects; (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #1 Projects, and other costs related to the issuance of the Bonds.

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

(a) The Bonds shall be dated November 20, 2023 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 of the Bonds 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 15 and September 15 of each year, commencing March 15, 2024 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 15 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Years</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
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(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.

(a) The Bonds shall be executed by the City 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 the City, but only upon delivery to the Trustee of:

- (i) a certified copy of the Assessment Ordinance;
- (ii) a certified copy of the Bond Ordinance;
- (iii) a copy of the executed Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement;
- (iv) a copy of this Indenture executed by the Trustee and the City; and
- (v) a City 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 the City.

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 or on behalf of the City. 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 such 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 of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two 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 the City to be used for any lawful purpose. Thereafter, none of the City, 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 of Texas.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem and City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to hold such office 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 of Texas, 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 of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor or Mayor Pro Tem and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the 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 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. Ownership.

(a) The City, 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 the City 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 the City, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.7. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City 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, upon written direction, file and maintain a copy of the Register with the City, 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.

(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 bearing the same 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.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged for other Bonds 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 the City 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 the City 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 the City 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 redeemed in part.

Section 3.8. 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 its records retention requirements.

Section 3.9. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's written 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 the City 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) The City, 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 an 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 3.10. 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. The City 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 of Texas 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 the City 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 the City 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, the City 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 the City, 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 the City 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 3.11. 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 the City 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, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City 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 or any other Person, other than an Owner, 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 or any other Person, other than an Owner, 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, the City 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 the City'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 certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. 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 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A 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 3.13. 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 the City 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 are subject to mandatory sinking fund redemption prior to their Stated Maturity and will be redeemed by the City in part at the Redemption Price 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:

Term Bonds Maturing September 15, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment (\$)</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	

September 15, 20 *

Term Bonds Maturing September 15, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment (\$)</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__ *	

*Stated Maturity

Term Bonds Maturing September 15, 20

[illegible]

September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 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 a principal amount of Bonds (in accordance with Section 4.5) 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 the City, 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 the City at a price not exceeding the principal amount of such Bonds plus accrued and 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.

The City reserves the right and option to redeem Bonds maturing on or after September 15, 20__, before their respective scheduled maturity dates, in whole or in part, on any date on or after September 15, 20__, such redemption date or dates to be fixed by the City, at the Redemption Price for such Bonds.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, and in an amount and on a date specified in a City Certificate, at the Redemption Price 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 (including related transfers to the Redemption Fund made pursuant to the terms of this Indenture) or other transfers to the Redemption Fund under the terms of this Indenture, or as a result of unexpended amounts transferred from the Project Fund pursuant to the terms of this Indenture. The City will provide the

Trustee a City Certificate directing the Bonds to be redeemed pursuant to this Section 4.4 in accordance with the provisions of Section 4.5 hereof.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to 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 the Authorized Denomination in effect at that time; provided, however, if the amount of the Outstanding Bond 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) In selecting the Bonds to be redeemed pursuant to Section 4.2, the Trustee may select Bonds in any method that results in a random selection.

(c) In selecting the Bonds to be redeemed pursuant to Section 4.3, the Trustee may rely on the directions provided in a City Certificate.

(d) 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, as applicable, to be redeemed shall be selected in the following manner:

(i) with respect to a Substantial Amount Redemption, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds; and

(ii) with respect to a Minor Amount Redemption, the Outstanding Bonds shall be redeemed in inverse order of maturity.

(e) 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 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 written notification by the City to the Trustee of the exercise of any 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 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 DTC as security depository, references to Owner in this Indenture 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 Outstanding Bonds 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) The City 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 the City 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, the City 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 the City 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 Payment/Transfer 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 Redemption Price of 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 of Texas, 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 the City 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 of Texas may be typewritten and photocopied or otherwise reproduced.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP 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 the City, 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 the City Secretary of the City, 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) Capitalized Interest Account; and
- (B) Principal and Interest Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

- (A) Improvement Area #1 Improvements Account;
- (B) Improvement Area #1 Major Improvements Account;
- (C) Developer Improvement Account; and
- (D) Costs of Issuance Account.

(iv) The following Accounts are hereby created and established under the Reserve Fund:

- (A) Reserve Account; and
- (B) Additional Interest Reserve Account.

(v) The following Account is hereby created and established under the Administrative Fund:

- (A) District Administration Account.

(c) Each Fund and each Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. 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.

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 Capitalized Interest Account of the Bond Fund: \$_____;
- (ii) to the Reserve Account of the Reserve Fund: \$_____;
- (iii) to the Improvement Area #1 Improvements Account of the Project Fund: \$_____;
- (iv) to the Improvement Area #1 Major Improvements Account of the Project Fund: \$_____;
- (v) to the Costs of Issuance Account of the Project Fund: \$_____;
- and
- (vi) to the District Administration Account of the Administrative Fund: \$_____.

(b) Funds received from the Developer on the Closing Date of the Bonds in the amount of \$_____ shall be paid to the Trustee and deposited or transferred by the Trustee into the Developer Improvement Account of the Project Fund.

Section 6.3. Pledged Revenue Fund.

(a) On or before March 1 of each year while the Bonds are Outstanding and beginning March 1, 2024, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. From amounts deposited into the Pledged Revenue Fund, the City shall deposit or cause to be deposited Pledged Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year, (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, in accordance with Section 6.7(a) hereof, (iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest collected, if any, in accordance with Section 6.7(b) hereof, (iv) fourth, to pay Actual Costs of the Improvement Area #1 Projects, and (v) fifth, to pay other costs permitted by the PID Act.

(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 and any expected transfers from the Capitalized 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.

(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, and second to the payment of principal (including any Sinking Fund Installments) on the Bonds, as described in Section 11.4(a) hereof.

(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 Foreclosure Proceeds first, to the Reserve Account to restore any transfers from the Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, second, to the Additional Interest Reserve Account to restore any transfers from the Additional Interest Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, and third, 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 an account of the Reserve Fund, and the other deposits described in (a) above the City may direct the Trustee, by City Certificate, to apply Assessments for any lawful purposes permitted by the PID Act for which Assessments may be paid, including transfers to the Redemption Fund.

(g) Any additional Pledged Revenues remaining after the satisfaction of the foregoing shall be applied by the Trustee, as instructed by the City pursuant to a City Certificate, for any lawful purpose permitted by the PID Act for which such additional Pledged Revenues may be used, including transfers to other Funds and Accounts created pursuant to this Indenture.

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/or interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account, as provided below.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.7(f) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

(c) Moneys in the Capitalized Interest Account shall be used for the payment of interest on the Bonds on the following dates and in the following amounts:

<u>Date</u>	<u>Amount (\$)</u>
-------------	--------------------

Any amounts on deposit in the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund, as directed by City Certificate, or if the Improvement Area #1 Improvements Account of the Project Fund and the Improvement Area #1 Major Improvements Account of the Project Fund have been closed as provided in Section 6.5(f) herein, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 hereof. Money on deposit in the Improvement Area #1 Improvements Account of the Project Fund shall only be used to pay Actual Costs of Improvement Area #1 Improvements and money on deposit in the Improvement Area #1 Major Improvements Account of the Project Fund shall only be used to pay Actual Costs of Improvement Area #1 Major Improvements. Money on deposit in the Developer Improvement Account of the Project Fund shall only be used, subject to the withdrawal restriction provided in Section 6.5(c) below, to pay the Actual Costs of the Improvement Area #1 Projects.

(b) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates.

(c) Disbursements from the other Accounts of the Project Fund to pay Actual Costs of the Improvement Area #1 Projects shall be made by the Trustee upon receipt by the Trustee of either a properly executed and completed Certification for Payment or written direction from the City or its designee approving the disbursement to the Developer or the Developer's designee. The disbursement of funds from the Improvement Area #1 Improvements Account of the Project Fund, the Improvement Area #1 Major Improvements Account of the Project Fund, or the Developer 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 Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement; provided, however, that all disbursement of funds for the Actual Costs of Improvement Area #1 Improvements made pursuant to a Certification of Payment shall be made first, from the Improvement Area #1 Improvements Account, and second, from the Developer Improvement Account and all disbursements of funds for the Actual Costs of the Improvement Area #1 Major Improvements shall be made first, from the Improvement Area #1 Major Improvements Account, and second, from the Developer Improvement Account. Such provisions and procedures related to such disbursements contained in the Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement, are herein incorporated by reference and deemed set forth herein in full.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund are not expected to be expended for purposes of the such Account due to the abandonment, or constructive

abandonment, of the Improvement Area #1 Improvements or the Improvement Area #1 Major Improvements, respectively, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund will ever be expended for the purposes of such Account, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Area #1 Improvements Account of the Project Fund and/or the Improvement Area #1 Major Improvements Account of the Project Fund that are not expected to be used for purposes of such Account. If such City Certificate is so filed, the amounts on deposit in the Improvement Area #1 Improvements Account of the Project Fund and/or the Improvement Area #1 Major Improvements 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.

(e) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(f) Upon the filing of a City 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 of the Improvement Area #1 Improvements are not required to be paid from the Improvement Area #1 Improvements Account of the Project Fund pursuant to a Certification for Payment or written direction from the City or its designee, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Area #1 Improvements Account of the Project Fund to the Principal and Interest Account of the Bond Fund and (ii) shall close the Improvement Area #1 Improvements Account. Upon the filing of a City Certificate stating that all Improvement Area #1 Major Improvements have been completed and that all Actual Costs of the Improvement Area #1 Major Improvements have been paid, or that any such Actual Costs of the Improvement Area #1 Major Improvements are not required to be paid from the Improvement Area #1 Major Improvements Account of the Project Fund pursuant to a Certification for Payment or written direction from the City or its designee, the Trustee (i) shall transfer the amount, if any, remaining within the Improvement Area #1 Major Improvements Account of the Project Fund to the Principal and Interest Account of the Bond Fund and (ii) shall close the Improvement Area #1 Major Improvements Account. If the Improvement Area #1 Improvements Account and the Improvement Area #1 Major Improvements Account are closed as provided above, the Trustee shall transfer any remaining amounts in the Developer Improvement Account of the Project Fund to the Developer and shall close the Developer Improvement Account of the Project Fund. If the Improvement Area #1 Improvements Account, the Improvement Area #1 Major Improvements Account, and the Developer Improvement Account have been closed as provided above and the Cost of Issuance Account of the Project Fund has been closed pursuant to the provisions of Section 6.5(g), the Project Fund shall be closed.

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

Section 6.6. Redemption Fund.

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of 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) The City agrees with the Owners of the Bonds to accumulate from the deposits described in Sections 6.2 and 6.3(a) hereof, and when accumulated, maintain in the Reserve Account of the Reserve Fund, an amount equal to not less than the Reserve Account Requirement, except to the extent such deficiency is due to the application of Section 6.7(d) hereof. 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, if needed, will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Additional Interest Reserve Account on March 15 and September 15 of each year, commencing March 15, 2024, an amount equal to the Additional Interest collected, if any, until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account. If the amount on deposit in the Additional Interest Reserve Account shall at any time be less than the Additional Interest Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall, and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that the City shall not be required to replenish the Additional Interest Reserve Account in the event funds are transferred from the Additional Interest Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to Section 4.4 of this Indenture. In the event the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, then the deposits described in the immediately preceding sentence shall continue until the Additional Interest Reserve Account has been fully replenished. If, after such deposits, there is surplus Additional Interest remaining, the Trustee shall transfer such surplus Additional Interest to the Redemption Fund, and shall notify the City of such transfer in writing. In calculating the amounts to be transferred pursuant to this Section, the Trustee may conclusively rely on the Annual Installments as shown on the Improvement Area #1 Assessment Roll in the Service and Assessment Plan or an Annual Service Plan Update unless and until it receives a City Certificate directing that a different amount be used.

(c) Whenever a transfer is made from an Account of the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, 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, the Trustee shall transfer, on the Business Day prior to the redemption date (or

on such other date as agreed to by the City and the Trustee), from the Reserve Account of the Reserve Fund to the Redemption Fund, an amount specified in a City Certificate 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 the principal amount of Bonds to be redeemed with Prepayments multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayments toward payment of accrued interest, there are insufficient funds in the Redemption Fund to pay the principal amount plus accrued and unpaid interest to the date fixed for redemption of the Bonds to be redeemed, as identified in a City Certificate as a result of such Prepayments and as a result of the transfer from the Reserve Account under this Section 6.7(d), the Trustee shall transfer an amount equal to the shortfall, and/or any additional amounts necessary to permit the 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 City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City 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 debt service on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to a specified Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof, or (iii) for such other use specified in such City Certificate if the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such alternate use will not adversely affect the exemption from federal income tax of the interest on any Bond.

(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 shall be transferred to the Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Account withdrawal pursuant to Section 6.7(f), 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 Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount 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 Outstanding Bonds as of such Interest Payment Date.

Section 6.8. Rebate Fund; Rebate Amount.

(a) There is hereby established a special fund of the City to be designated “City of Plano, Texas, 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 relating to the Bonds 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 7.5(h) and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) in the absence of written instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the City may direct the Trustee, pursuant to a City Certificate, to transfer the amount in excess of the Rebate Amount to the Bond Fund.

Section 6.9. Administrative Fund.

(a) The City shall deposit or cause to be deposited to the District Administration Account of the Administrative Fund the amounts collected each year to pay the Annual Collection Costs and Delinquent Collection Costs.

(b) Moneys in the District Administration Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds and Accounts created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan.

Section 6.10. Investment of Funds.

(a) Money in any Fund or Account established pursuant to this Indenture shall be invested by the Trustee, as directed by the City pursuant to a City Certificate, filed with the Trustee at least two days in advance of the making of such investment. The money in any Fund or Account shall be invested 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 may not be invested above the Yield (as defined in Section 7.5(a) hereof) on the Bonds, unless and until the City 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 any Bond. 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 or Accounts may be invested in common investments of the kind described above, or in a common pool of such investment 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 or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is hereby directed to invest and re-invest cash balances in Wilmington U.S. Government Money Market Fund – Institutional Share Class (CUSIP 97181C605); provided, however, that money required to be expended from any Fund or Account will be available at the proper time or times.

(b) Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this 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 the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

(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 contained in any City Certificate and to insure that an investment it is directed to purchase is a permitted investment pursuant to the terms of this Indenture. 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. The parties acknowledge that the Trustee is not providing investment supervision, recommendations, or advice.

(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 the City and the Administrator 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.

(f) The Trustee may conclusively rely on City Certificates pursuant to Section 6.10(a) that such an investment will comply with the City's investment policy and with the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

Section 6.11. Security of Funds.

All Funds or Accounts heretofore created, 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

COVENANTS

Section 7.1. Confirmation of Assessments.

The City hereby confirms, covenants, and agrees that the Assessments to be collected from the Assessed Property are as so reflected in the Service and Assessment Plan (as it may be updated from time to time) and, in accordance with the Assessment Ordinance, it has levied the Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

(a) For so long as any Bonds are Outstanding and/or amounts are due to the Developer to pay it for funds it has contributed to pay Actual Costs of the Improvement Area #1 Projects in accordance with the Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement, the City covenants, agrees and warrants that it will 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 the extent permitted by Applicable Laws to cause no reduction, abatement or exemption in the Assessments.

(b) The City will determine or cause to be determined, no later than March 1 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City 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 City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Parcel. Furthermore, nothing shall obligate the City, the City 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 City and its appropriate collections enforcement designees.

Section 7.3. Against Encumbrances.

(a) Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate, other than that 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, and except as set forth in Section 13.2 hereof, the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds, if any, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under this Indenture except for a lien or pledge subordinate to the lien and pledge of such property related to the Bonds or indebtedness incurred in compliance with Section 13.2 hereof.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain Outstanding and unpaid, and/or the obligation to the Developer to pay it for funds it has contributed to pay Actual Costs of the Improvement Area #1 Projects in accordance with the Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Assessments. The Trustee and the Owners of any Bonds or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

"Closing Date" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Regulations” means any proposed, temporary or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan.

(i) Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such

Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(ii) The City covenants and agrees that the levied Assessments will meet the requirements of the "tax assessment loan exception" within the meaning of Section 1.141-5(d) of the Regulations on the date the Bonds are delivered and will ensure that the Assessments continue to meet such requirements for so long as the Bonds are outstanding hereunder.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from

the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Certificate, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Certificate and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, 100% of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, 90% of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within 180 days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Secretary, City Manager or Director of Finance, 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 CITY

The City 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. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City 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.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any

error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (the "Bond Documents"), shall require the City to expend or risk its own general 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 the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City'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 the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from the Trust Estate, the funds available for such payment in any of the Pledged Funds, if any, or the amounts collected to pay 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 the City or any of its 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.

The City 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. The City 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.

Whenever in the administration of its duties under this Indenture, the City 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 the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector, the City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City 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 Paying Agent/Registrar.

The Trustee is hereby designated and agrees to act as Paying Agent/Registrar for and in respect to the Bonds.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to spend its own funds, 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 to the extent the same shall have been finally adjudicated by a court of competent jurisdiction to have directly resulted from its own negligence or willful misconduct; provided, however, the Trustee may not request nor require indemnification as a condition to making any deposits, payments, or transfers when required hereunder, or delivering any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the District Administration Account of the Administrative Fund, and to the extent money in the Administrative Fund is insufficient, from the Pledged Revenue Fund, to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall, to the extent permitted by law, be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

The Trustee accepts the trusts imposed upon it by this Indenture, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article, to all of which the parties hereto and the Owners agree.

(a) Prior to the occurrence of an Event of Default of which the Trustee has been notified, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically and expressly in this Indenture, and no duties or obligations shall be implied to the Trustee these duties shall be deemed purely ministerial in nature, and the Trustee shall not be liable except for the performance of such duties, and no implied covenants shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under

a duty to examine the same to determine whether or not they conform on their face to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing hereunder (of which the Trustee has been notified in writing, or is deemed to have notice), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subparagraph shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (a)(1) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (a)(2) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, employees, or agents, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the controlling Owners relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(d) The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City 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 the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code. The Trustee has the right to act through agents and attorneys and shall have no liability for the negligence or willful misconduct of the agents and attorneys appointed by it with due care.

(e) 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.

(f) 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. In no event shall the Trustee be liable for incidental, indirect, special, punitive, or consequential damages (including, but not limited to, loss of profit) in connection with or arising from this Indenture for the existence, furnishing or use of the Improvement Area #1 Projects, irrespective of whether the Trustee has been advised of the likelihood of such loss or damage regardless of the form of action. The Trustee will not be liable with respect to any action taken or omitted to be taken in good faith in accordance with the written direction of the Owners of not less than a majority in principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care.

(h) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for:

(i) the validity, priority, recording, re-recording, filing or re-filing of this Indenture or any Supplemental Indenture,

(ii) any instrument or document of further assurance or collateral assignment,

(iii) the filing of any financing statements, amendments thereto or continuation statements,

(iv) insurance of the Improvement Area #1 Projects or collection of insurance money,

(v) the validity of the execution by the City of this Indenture, any Supplemental Indenture or instruments or documents of further assurance, or

(vi) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(i) The Trustee shall not be accountable for the application by any Person of the proceeds of any Bonds authenticated or delivered hereunder; provided the Trustee follows the written instructions provided by the City with respect to the use of the proceeds of the Bonds.

(j) The Trustee may request, conclusively rely on and shall be protected, in the absence of bad faith or negligence on its part, in acting upon any notice, request, direction, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the direction, request, authority or consent of any Person who is the Owner of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Owners of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(k) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default, except Events of Default described in Section 11.1(a), unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the Owners of more than 50% of the aggregate outstanding principal amount of Bonds. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no Event of Default, except as noted above.

(l) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(m) Any resolution by the City, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

(n) The Trustee shall be entitled to file proofs of claim in bankruptcy at the direction of no less than 50% of the Owners. Ordinary trustee and paying agent/registrar fees and expenses and extraordinary fees and expenses of the Trustee and the Paying Agent/Registrar incurred hereunder are intended to constitute administrative expenses in bankruptcy.

(o) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation for trustee and paying agent/registrar services shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

(p) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(q) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(r) The permissive right 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.

(s) The Trustee shall not be responsible or liable for the environmental condition or any contamination of the Improvement Area #1 Projects or any real property or improvements related thereto or for any diminution in value of the same as a result of any contamination by any hazardous substance, hazardous material, pollutant or contaminant. The Trustee shall not be liable for any claims by or on behalf of the Owners or any other person or entity arising from contamination by any hazardous substance, hazardous material, pollutant or contaminant, and

shall have no duty or obligation to assess the environmental condition of the Improvement Area #1 Projects or any real property or improvements related thereto or with respect to compliance thereof under state or federal laws pertaining to the transport, storage, treatment or disposal of, hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits or licenses issued under such laws.

(t) Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the City, or any of its directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other person.

(u) In the event that any assets held hereunder shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting such assets, the Trustee is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Trustee obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(v) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

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 terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may request and conclusively rely and shall be protected in acting or refraining from acting upon any resolution, order, notice, request, consent, waiver, certificate, statement, instrument, opinion, report, direction, affidavit, requisition, bond, debenture, note, 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 reasonably 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. Subject to Section 9.1 and 9.3 hereof, the Trustee may consult with counsel, selected by the Trustee with due care, 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, suffered, or omitted to be taken 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 City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its sole 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 the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City 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.

The City hereby agrees to compensate the Trustee, from the amount collected each year for Annual Collection Costs and in the manner set forth in this section, for the Trustee's services as Trustee and as Paying Agent/Registrar; provided, however, notwithstanding anything herein to the contrary, the aggregate value of this Indenture shall not exceed the dollar limitation set forth in Sections 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended. The Trustee hereby agrees that the fees it is to be paid for each fiscal year will not cause the aggregate compensation received by the Trustee pursuant to the terms of this Indenture to exceed the limitation set forth in Sections 2274.002(a)(2) and 2276.002(a)(2), as amended.

The Trustee hereby agrees to submit to the City and/or the Administrator an annual report, no later than six months after each Bond Year, beginning with the Bond Year ending September 15, 2024, setting forth (i) the amount of fees the Trustee has received pursuant to the terms of this Indenture for the preceding Bond Year and (ii) the cumulative amount of fees paid to the Trustee pursuant to the terms of the Indenture to the date of the annual report. The Trustee hereby authorizes the City to include such information as a part of the City's continuing disclosure obligation in connection with the Bonds and to confirm compliance with the provisions of this Indenture and for no other purpose.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the District Administration Account of the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Paying Agent/Registrar, 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 in the Administrative Fund. 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 the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession in the Administrative Fund.

In the event that the Trustee renders any service not contemplated in this Indenture, or if any material controversy arises hereunder, or the Trustee is made a party to any litigation pertaining to this Indenture or the subject matter hereof, then the Trustee shall be compensated from any and all funds at any time held by it for such extraordinary services and any services or work performed by Trustee in connection with any delay, controversy, litigation or event, and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event.

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, the City or any committee formed to protect the rights of Owners 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 the City 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 on 30 days' advance written notice to the Trustee 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 the City, or (ii) the City, so long as the City is not in default under this Indenture. Copies of each such instrument shall be delivered by the City 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 the City or the Owners of not less than 10% of the aggregate Outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

(a) If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged as 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.

(b) 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 the City.

(c) Unless such successor Trustee shall have been appointed by the Owners of the Bonds, the City shall forthwith (and in no event in excess of 30 days after such vacancy occurs) appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City 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 the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds in accordance with the immediately preceding paragraph.

(d) 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 the City shall be responsible for the costs of such appointment process.

(e) 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.

(f) 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.

(g) Trustee shall not be responsible for or liable for the acts or omissions of any successor trustee, nor shall it be responsible or liable for any costs of appointment or transition of such successor trustee.

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 the City 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 the City 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 the City 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 the City.

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 and will have and succeed to the rights, powers, duties, immunities, and privileges as predecessor, 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, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, 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. Under no circumstances shall the Trustee have an obligation or responsibility to file such financing statements or continuation statements except as provided in this Section.

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

Section 10.1. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, 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 interest rate thereon, or otherwise alter or impair the obligation of the City 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 the City of any pledge or lien upon the Trust Estate 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 and this Indenture), or reduce the percentage of Owners 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 and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, 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 the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(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 in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

(iv) to provide for the issuance of Refunding Bonds, as set forth in Section 13.2 hereof;

(v) to appoint or accept a successor trustee in accordance with the provisions of Section 9.10 hereof; provided, however, in no event shall this provision limit the Owners ability to appoint a successor trustee pursuant to Section 9.10(b) hereof; and

(vi) 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.

(c) Any modification or amendment made pursuant to Section 10.2(b) shall not be subject to the notice procedures specified in Section 10.3 below.

(d) Notwithstanding the above, no Supplemental Indenture under this Section shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment or supplement: (i) is permitted under Applicable Laws and the provisions of this Indenture in effect after taking into account the proposed amendment or supplement; (ii) will not adversely affect the interests of the Owners in any material respect; provided, however, that an appointment of a successor trustee in accordance with the provisions hereof and the issuance of Refunding Bonds in accordance with the provisions of Section 13.2 hereof are each deemed to not be a material adverse effect for purposes of such opinion; and (iii) will not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City 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.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, 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, 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 when assented to as in this Section provided.

Such Supplemental Indenture 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 and the City or Bond Counsel, acting on the City's behalf, has delivered to the Trustee an opinion of Bond Counsel to the effect that such amendment is permitted and will not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation. 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, the City 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 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 shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be

deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City 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. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee, and all Owners of Outstanding Bonds 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 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City 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 the City, 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 the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City 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 Bonds 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 10.6. 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 10.7. Waiver of Default.

With the written consent of at least a majority of the Owners in aggregate principal amount of the Bonds then Outstanding, the Owners may waive non-compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. 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.

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 the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Assessments, including the prosecution of foreclosure proceedings;

(iii) 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, however, that the payments are to be made only from Pledged Revenues or other funds currently available in the Pledged Funds and available to the City to make the payments; and

(iv) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of 90 days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate Outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied.

(b) Nothing in Section 11.1(a) will be an Event of Default if it is in violation of any applicable state law or court order.

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 Trustee may, and at the written direction of the Owners of at least 25% of the Bonds then Outstanding and its receipt of indemnity satisfactory to it, shall proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by 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 this Indenture or 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 the City may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies of default.

(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 all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct

the Trustee by City 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 the City shall fail to deliver to the Trustee such City 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 the City 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 the City, 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, the City 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 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 not less than 25% 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 at least a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding 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 the City 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 the City, 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 Revenues and other assets of the Trust Estate 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, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, 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 10 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 the City 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 Bonds in respect of anything done or suffered to be done by the City 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 the City 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 the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

Section 11.10. Remedies Not Exclusive.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction by Owners.

Anything herein to the contrary notwithstanding, the Owners of at least 25% of the aggregate outstanding principal of the Bonds shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method, and place of conducting a proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture, or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with Applicable Laws and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and (iii) that the Trustee shall have the right to decline to follow any such direction which, in the opinion of the Trustee, would be unjustly prejudicial to Owners not parties to such direction.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Trust Estate.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds, to execute and deliver this Indenture and to pledge the Trust Estate in the manner and to the extent provided in this Indenture, and that the Pledged Revenues and the Trust Estate are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided herein.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) The City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of the Assessments and any other amounts pledged to the payment of the Bonds to the fullest extent permitted by the PID Act and other Applicable Laws.

(d) To the extent permitted by law, notice of the Annual Installments shall be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, 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 City.

Section 12.2. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City and the Owner or Owners of not less than 10% in principal amount of any Bonds then Outstanding or their representatives duly authorized in writing.

Section 12.3. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, 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 Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City 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 13.2. Additional Obligations; Other Liens.

(a) The City reserves the right, subject to the provisions contained in this Section 13.2, to issue Additional Obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from the Pledged Revenues.

(b) Other than Refunding Bonds issued to refund all or a portion of the Bonds issued in accordance with this Section, the City 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 omit 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.

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

(d) Notwithstanding anything to the contrary herein, no Refunding Bonds, Additional Obligations, or subordinate obligations may be issued by the City unless: (1) the principal (including sinking fund installments) of such Refunding Bonds, Additional Obligations, or subordinate obligations are scheduled to mature on September 15 of the years in which principal is scheduled to mature, and (2) the interest on such Refunding Bonds, Additional Obligations or subordinate obligations must be scheduled to be paid on March 15 and September 15 of the years in which interest is scheduled to be paid.

Section 13.3. Books of Record.

(a) The City 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 the City, which relate to the Pledged Revenues, the Pledged Funds, 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 13.3 except to receive and retain the 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 XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. 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 14.2. Satisfaction of Indenture.

If the City 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 the City 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 the City 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 the City 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 the City.

Section 14.3. 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 for such purpose, 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 or other authorized third-party selected by the City verifying the sufficiency of the moneys and/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 then publishing a rating on the Bonds 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 the City 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 XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, 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 the City shall be for the sole and exclusive benefit of the Owners and the Trustee. This Indenture and the exhibit(s) hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City 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 the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. 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 the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any City Certificate, shall be in writing and shall be telexed, cabled, delivered by hand, mailed by first-class mail, postage prepaid, or transmitted by facsimile or e-mail and addressed as follows:

If to the City:	City of Plano, Texas 1520 K. Avenue, Plano, Texas 75074 Attn: Director of Finance
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If to the Trustee or the Paying Agent/Registrar:	Wilmington Trust, National Association 15950 North Dallas Parkway, Suite 200 Dallas, Texas 75248 Attn: Dayna Smith
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Any such notice, demand, or request may also be transmitted to the appropriate party by telephone 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 shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. 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 directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions 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; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 15.6. 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. The City 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 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas. With respect to this Indenture and any conflicts arising therefrom, the parties hereby (i) irrevocably submit to the exclusive jurisdiction of any federal district or state district court with jurisdiction in Collin County, Texas, (ii) waive any objection to laying of venue in any such action or proceeding in such courts, and (iii) waive any objection that such courts are an inconvenient forum or do not have jurisdiction over any party. Each of the parties hereto hereby waives the right to trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with this Indenture.

Section 15.8. 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 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original. The City and the Trustee agree that electronic signatures to this Indenture may be regarded as original signatures.

Section 15.10. No Boycott of Israel.

The Trustee 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 Indenture with the City is a contract for goods or services, will not boycott Israel during the term thereof. The foregoing verification is made solely to enable the City to comply with Section 2271.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable Texas 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 Trustee understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405 and exists to make a profit.

Section 15.11. Iran, Sudan, and Foreign Terrorist Organizations.

The Trustee 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 under the following Divestment Statute Lists: “Scrutinized Companies with ties to Foreign Terrorist Organizations,” “Scrutinized Companies with ties to Iran,” or “Scrutinized Companies with ties to Sudan” of such officer’s Internet website that are available at:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to enable the City to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Texas or federal law and excludes the Trustee 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 Trustee understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405 and exists to make a profit.

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IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

CITY OF PLANO, TEXAS

By: _____
John B. Muns, Mayor

ATTEST:

Lisa Henderson, City 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 THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas

CITY OF PLANO, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2023
(HAGGARD FARM 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 15, 20__	November 20, 2023	_____

The City of Plano, Texas (the "City"), 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 15 and September 15 of each year, commencing March 15, 2024, 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/registrars (the "Trustee",

Haggard Farm PID IA #1 Indenture of Trust

which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrars, 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 last business 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 the City. 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 the City having the designation specified in its title (herein referred to as the "Bonds"), dated November 20, 2023 and issued in the aggregate principal amount of \$_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of November 1, 2023 (the "Indenture"), by and between the City 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 holders of the Bonds, the Trustee, and the City, 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 holder 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 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #1 Projects, and other costs related to the issuance of the Bonds.

The Bonds are limited obligations of the City 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 the City, 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 the City to make money available to pay this Bond may be defeased by the deposit of money

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.

The City reserves the right and option to redeem Bonds maturing on or after September 15, 20__, before their scheduled maturity dates, in whole or in part, on any date on or after September 15, 20__, such redemption date or dates to be fixed by the City, at the redemption 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, and in an amount and on a date specified in a City Certificate, 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, pursuant to the provisions of the Indenture, from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

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 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 the City 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, the City 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.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders 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 the City 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 calendar 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 redeemed in part.

The City, 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 the City nor the Trustee shall be affected by notice to the contrary.

The City has reserved the right to issue Additional Obligations on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF PLANO, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

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 the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

Mayor, City of Plano, Texas

City Secretary, City of Plano, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

Haggard Farm PID IA #1 Indenture of Trust

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS §
§
THE STATE OF TEXAS §

REGISTER NO. _____

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 of Texas

[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,
Dallas, Texas, 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

Haggard Farm PID IA #1 Indenture of Trust

_____ 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

(e) 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, as specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 15 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 Rate (%)</u>
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(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

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APPENDIX C

FORM OF SERVICE AND ASSESSMENT PLAN

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Haggard Farm Public Improvement District

PRELIMINARY SERVICE AND ASSESSMENT PLAN

OCTOBER 6, 2023



AUSTIN, TX | NORTH RICHLAND HILLS, TX | HOUSTON, TX

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INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 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,” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Service and Assessment Plan for all purposes.

On January 9, 2023, the City Council passed and approved Resolution No. 2023-1-7(R) authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 142.49 acres located within the corporate limits of the City, as described by the legal description on **Exhibit K-1** and depicted on **Exhibit A-1**.

The PID Act requires a service plan must (i) cover a period of at least five years; (ii) define the annual indebtedness and projected cost of the Authorized Improvements; and (iii) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan is contained in **Section IV** and the notice form is attached as **Appendix B**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property 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 Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Improvement Area #1 Assessment Roll is included as **Exhibit F-1**. The Major Improvement Area Assessment Roll is included as **Exhibit G-1**.

SECTION I: DEFINITIONS

“Actual Costs” mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Developer, (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

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

“Additional Interest Rate” means the 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

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

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection

Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Installment” means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest related to the PID Bonds, if applicable.

“Annual Service Plan Update” means an update to this Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessed Property” means any Parcel within the District against which an Assessment is levied.

“Assessment” means an assessment levied against Assessed Property, and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

“Assessment Ordinance” means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on the Assessed Property, as shown on any Assessment Roll.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against the Assessed Property based on the special benefits conferred on such property by the Authorized Improvements, more specifically set forth and described in **Section V**.

“Assessment Roll” means any assessment roll for the Assessed Property, including the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, 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, and updates prepared in connection with the issuance of PID Bonds.

“Assisted Living Lot Type” or **“Assisted Living”** means an Assessed Property within the District intended to be developed into assisted living units. The Buyer Disclosure for Assisted Living Lot Types is attached as part of **Appendix B**.

“Authorized Improvements” means the improvements authorized by Section 372.003 of the PID Act, and described in **Sections III.A** and **III.B**, as further depicted on **Exhibits H-1** and **H-2**.

“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, capitalized interest, reserve fund requirements, underwriter’s discount, fees

charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of any series of PID Bonds.

“Buyer Disclosure” means the notice form required by Section 5.014 of the Texas Property Code, as amended, attached hereto as **Appendix B**.

“City” means the City of Plano, Texas.

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

“County” means Collin County, 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 Service and Assessment Plan, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Developer” means SW Haggard Master Developer, LLC, a Texas limited liability company, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

“District” means the Haggard Farm Public Improvement District containing approximately 142.49 acres located within the corporate limits of the City, and more specifically described in **Exhibit K-1** and depicted on **Exhibit A-1**.

“District Formation Costs” means the costs associated with forming the District, including, but not limited to, attorney fees, and any other cost or expense incurred by the City, the Developer or the Owner, directly associated with the establishment of the District.

“Engineer’s Report” means the report provided by a licensed professional engineer that describes the Authorized Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

“Estimated Buildout Value” means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Developer and confirmed by the City Council, by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E**.

“Hotel Lot Type” or **“Hotel”** means a Lot within the District intended to be developed as a hotel.

“Improvement Area #1” means approximately 11.5039 acres located within the District, more specifically described in **Exhibit K-2** and depicted on **Exhibit A-2**.

“Improvement Area #1 Annual Installment” means the Annual Installment of the Improvement Area #1 Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs related to Improvement Area #1; and (4) Additional Interest related to the Improvement Area #1 Bonds, as shown on **Exhibit F-2**.

“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 levied against Improvement Area #1 Assessed Property, related to the Improvement Area #1 Authorized Improvements, and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“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 updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this Service and Assessment Plan as **Exhibit F-1**.

“Improvement Area #1 Authorized Improvements” means collectively, (1) the Improvement Area #1 Projects; (2) the first year’s Annual Collection Costs related to the Improvement Area #1 Bonds; and (3) Bond Issuance Costs incurred in connection with the issuance of Improvement Area #1 Bonds.

“Improvement Area #1 Bonds” means those certain “City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)” that are secured by Improvement Area #1 Assessments.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.A**, depicted on **Exhibit H-1**.

“Improvement Area #1 Projects” means collectively, (1) the pro rata portion of the Major Improvements allocable to Improvement Area #1; and (2) the Improvement Area #1 Improvements.

“Indenture” means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended from time to time, setting

forth the terms and conditions related to a series of PID Bonds.

“Lot” means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or Official Public Records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or Official Public Records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded subdivision plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined by the Administrator and confirmed by the City Council and as shown on Exhibit E.

“Major Improvement Area” means approximately 130.9861 acres located within the District, and more specifically described in **Exhibit K-3** and depicted on **Exhibit A-3**. The Major Improvement Area includes all of the District save and except Improvement Area #1.

“Major Improvement Area Annual Installment” means the Annual Installment of the Major Improvement Area Assessment as calculated by the Administrator and approved by the City Council that includes: (1) principal; (2) interest; (3) Annual Collection Costs related to the Major Improvement Area; and (4) Additional Interest related to the Major Improvement Area Bonds, as shown on **Exhibit G-2**.

“Major Improvement Area Assessed Property” means any Parcel within the Major Improvement Area against which a Major Improvement Area Assessment is levied.

“Major Improvement Area Assessment” means an Assessment levied against the Major Improvement Area Assessed Property, related to the Major Improvement Area Authorized Improvements, and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Major Improvement Area Assessment Roll, subject to reallocation or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Major Improvement Area Assessment Roll” means the Assessment Roll for the Major Improvement Area Assessed Property within the District, 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 Major Improvement Area Assessment Roll is included in this Service and Assessment Plan as **Exhibit G-1**.

“Major Improvement Area Authorized Improvements” means, collectively, (1) the pro rata portion of the Major Improvements allocable to the Major Improvement Area; (2) the first year’s

Annual Collection Costs related to the Major Improvement Area Bonds; and (3) Bond Issuance Costs incurred in connection with the issuance of the Major Improvement Area Bonds.

“Major Improvement Area Bonds” means those certain “City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Major Improvement Area Project)” that are secured by Major Improvement Area Assessments.

“Major Improvements” means those Authorized Improvements that confer a special benefit to all of the Assessed Property within the District, as further described in **Section III.B.** and depicted on **Exhibit H-2.**

“Maximum Assessment” means, for each Lot, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A,** or (2) for each Lot Type, the amount shown on **Exhibit E.**

“Multi-family Lot Type – Improvement Area #1” or **“MF IA#1”** means a Lot within Improvement Area #1 intended to be developed as rental multi-family housing. The Buyer Disclosure for Multi-family Lot Type - Improvement Area #1 is attached as part of **Appendix B.**

“Multi-family Lot Type – Major Improvement Area” or **“MF MIA”** means a Lot within the Major Improvement Area intended to be developed as rental multi-family housing.

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

“Notice of Assessment Termination” means a document that shall be recorded in the Official Public Records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit I.**

“Office Lot Type – Improvement Area #1” or **“Office IA#1”** means a Lot within Improvement Area #1 intended to be developed to house employees of business entities that produce a product or service primarily for support services including, but not limited to, administration, accounting, marketing, information processing and dissemination, consulting, human resource management, financial and insurance services, education and medical service, and other professional services. The Buyer Disclosure for Office Lot Type - Improvement Area #1 is attached as part of **Appendix B.**

“Office Lot Type – Major Improvement Area” or **“Office MIA”** means a Lot within the Major Improvement Area intended to be developed to house employees of business entities that produce a product or service primarily for support services including, but not limited to, administration, accounting, marketing, information processing and dissemination, consulting,

human resource management, financial and insurance services, education and medical service, and other professional services.

“Owner” means Acres of Sunshine Ltd., A Texas limited partnership, SW Haggard Master Developer, LLC, a Texas limited liability company, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

“Parcel” or “Parcels” means a specific property within the District identified by either a tax parcel identification number assigned by the Collin Central Appraisal District for real property tax purposes, by legal 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 City.

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

“PID Bonds” means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

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

“Prepayment Costs” means interest, including Additional Interest and Annual Collection Costs, to the date of Prepayment.

“Retail Lot Type” or “Retail” means a Lot within the District intended to be developed into or operated as a retail building where businesses will sell goods and services.

“Service and Assessment Plan” means this Haggard Farm Public Improvement District Service and Assessment Plan as updated, amended, or supplemented from time to time.

“Service Plan” means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

“Townhome Lot Type” or “Townhome” means a Lot within the District marketed to homebuilders as a townhome Lot.

“Trustee” means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 142.49 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit K-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 100 units classified as Townhome Lot Types, 350 units classified as Multi-Family Lot Type – Improvement Area #1, 350 units classified as Multi-Family Lot Type – Major Improvement Area, 122 units classified as Hotel Lot Types, 427 units classified as Assisted Living Lot Type, 69,650 square feet classified as Retail Lot Type, and 98,000 square feet classified as Office Lot Type – Improvement Area #1, and 525,900 square feet classified as Office Lot Type – Major Improvement Area.

Improvement Area #1 includes approximately 11.5039 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit K-2** and depicted on **Exhibit A-2**. Development of Improvement Area #1 is anticipated to include approximately 350 units classified as Multi-Family Lot Type – Improvement Area #1 and 98,000 square feet classified as Office Lot Type - Improvement Area #1

The Major Improvement Area includes approximately 130.9861 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit K-3** and depicted on **Exhibit A-3**. Development of the Major Improvement Area is anticipated to include approximately 100 units classified as Townhome Lot Types, 350 units classified as Multi-Family Lot Types – Major Improvement Area, 122 units classified as Hotel Lot Types, 427 units classified as Assisted Living Lot Type, 69,650 square feet classified as Retail Lot Type, and 525,900 square feet classified as Office Lot Type – Major Improvement Area.

SECTION III: AUTHORIZED IMPROVEMENTS

Based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The budget for the Authorized Improvements is shown on **Exhibit B**.

A. Major Improvements

▪ *Streets*

Improvements including subgrade stabilization, concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalk, landscaping, and streetlights. All

related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within the District.

- *Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within the District.

- *Drainage*

Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within the District.

- *Linear Parks*

Linear parks with 10-12 foot wide trails, including a 12-foot pedestrian trail located along the creek extending from the northern border of Tract 2 to the southern border of Tract 3, a 10-foot trail connection to Tract 1 over a 12-foot wide pedestrian bridge, a 12-foot wide pedestrian trail meandering along the south side of Pinehaven Drive spanning from Parkwood Blvd to the creek, and two 10-foot wide trails extending from the creek to Spring Creek Pkwy on either side of Pinehaven Drive.

- *Soft Costs*

Costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, District Formation Costs, legal fees, and consultant fees.

B. Improvement Area #1 Improvements

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Drainage*

Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

- *Soft Costs*

Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal fees, and consultant fees.

C. Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

Equals the amount required to be deposited for the purpose of paying capitalized interest on a series of PID Bonds under an applicable Indenture in connection with the issuance of such PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds, including a fee for Underwriter's Counsel.

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney's fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

D. Other Costs

- *Deposit to Administrative Fund*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series 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 annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan is also required to include a copy of the Buyer Disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the initial Service Plan for the District. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the Buyer Disclosure for the District. The Buyer Disclosures for each Lot Type are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in an Annual Service Plan Update.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council 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 City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to

be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer, Owner, and all future owners and developers of the Assessed Property.

A. Assessment Methodology

Acting in its legislative capacity and based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs related to the Authorized Improvements shall be allocated as follows:

- The costs of the Major Improvement Area Authorized Improvements shall be allocated to each Parcel in the Major Improvement Area based upon Estimated Buildout Value of each Parcel designated as Major Improvement Area Assessed Property to the Estimated Buildout Value of all Major Improvement Area Assessed Property.
- The costs of the Major Improvements shall be allocated to Improvement Area #1 and the Major Improvement Area based upon Estimated Buildout Value of each Parcel or Assessed Property to the Estimated Buildout Value of the District. Currently, the Major Improvement Area is allocated 81.62% of the Major Improvements costs, and Improvement Area #1 is allocated 18.38% of the Major Improvements costs. The Major Improvement Area and Improvement Area #1's shares of the Major Improvement costs are illustrated in **Exhibit B**.
- The costs of the Improvement Area #1 Authorized Improvements shall be allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property.

B. Assessments

The Improvement Area #1 Assessment will be levied on the Improvement Area #1 Assessed Property in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as

Exhibit F-1. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2.** Upon division or subdivision of the Improvement Area #1 Assessed Property, the Improvement Area #1 Assessment will be reallocated pursuant to **Section VI.**

The Major Improvement Area Assessment will be levied on the Major Improvement Area Assessed Property in the amount shown on the Major Improvement Area Assessment Roll, attached hereto as **Exhibit G-1.** The projected Major Improvement Area Annual Installments are shown on **Exhibit G-2.** Upon division or subdivision of the Major Improvement Area Assessed Property, the Major Improvement Area Assessment will be reallocated pursuant to **Section VI.**

The Maximum Assessment for each Lot Type is shown on **Exhibit E.** In no case will the Assessment for Lots classified as Multi-Family Lot Type – Improvement Area #1, Office Lot Type – Improvement Area #1, Multi-Family Lot Type – Major Improvement Area, Office Lot Type – Major Improvement Area, Retail Lot Type, Hotel Lot Type, Assisted Living Lot Type and Townhome Lot Type, exceed the corresponding Maximum Assessment for each Lot classification.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has found and determined the following:

- *Improvement Area #1*
 - The costs of the Improvement Area #1 Authorized Improvements equal \$5,763,708, as shown on **Exhibit B;**
 - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #1 Authorized Improvements;
 - The Improvement Area #1 Assessed Property will be allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Authorized Improvements, which equals \$5,000,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1;**
 - The special benefit ($\geq \$5,763,708$) received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Authorized Improvements is greater than or equal to the amount of the Improvement Area #1 Assessment (\$5,000,000) levied on the Improvement Area #1 Assessed Property for the Improvement Area #1 Authorized Improvements; and

- At the time the City Council approved the Service and Assessment Plan, the Owner owned 100% of the Improvement Area #1 Assessed Property. The Owner acknowledged that the Improvement Area #1 Authorized Improvements confer a special benefit on the Improvement Area #1 Assessed Property and consented to the imposition of the Improvement Area #1 Assessments to pay for the Actual Costs associated therewith. The Owner has ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance; (2) the Service and Assessment Plan and the applicable Assessment Ordinance; and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Assessed Property.
- *Major Improvement Area*
 - The costs of the Major Improvement Area Authorized Improvements equal \$16,458,000, as shown on **Exhibit B**;
 - The Major Improvement Area Assessed Property receives special benefit from the Major Improvement Area Authorized Improvements equal to or greater than the Actual Cost of the Major Improvement Area Authorized Improvements;
 - The Major Improvement Area Assessed Property will be allocated 100% of the Major Improvement Area Assessment levied for the Major Improvement Area Authorized Improvements, which equals \$17,027,987 as shown on the Major Improvement Area Assessment Roll attached hereto as **Exhibit G-1**;
 - The special benefit (\geq \$16,458,000) received by the Major Improvement Area Assessed Property from the Major Improvement Area Authorized Improvements is greater than or equal to the amount of the Major Improvement Area Assessment (\$17,027,987) levied on the Major Improvement Area Assessed Property for the Major Improvement Area Authorized Improvements; and
 - At the time the City Council approved the Service and Assessment Plan, the Owner owned 100% of the Major Improvement Area Assessed Property. The Owner acknowledged that the Major Improvement Area Authorized Improvements confer a special benefit on the Major Improvement Area Assessed Property and consented to the imposition of the Major Improvement Area Assessments to pay for the Actual Costs associated therewith. The Owner has ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment

Ordinance; (2) the Service and Assessment Plan and the applicable Assessment Ordinance; and (3) the levying of the Major Improvement Area Assessment on the Major Improvement Area Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. 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.

E. Additional Interest

The interest rate on Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in this Section VI shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

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 calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Developer, relying on information from homebuilders, market studies, appraisals, Official Public Records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Values for Multi-Family Lot Type – Improvement Area #1, Office Lot Type – Improvement Area #1, Multi-Family Lot Type – Major Improvement Area, Office Lot Type – Major Improvement Area, Retail Lot Type, Hotel Lot Type, Assisted Living Lot Type and Townhome Lot Type are shown on **Exhibit E** and will not change in future Annual Service Plan Updates but **Exhibit E** may be updated in future Annual Service Plan Updates to account for additional Lot Types. The calculation as confirmed by the City Council shall be conclusive and binding.

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 the Annual Service Plan Update immediately following such reallocation.

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 and subject to the provisions in this Service and Assessment Plan:

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

Prior to the recording of a subdivision plat, the Developer, Owner, or other owner of the property shall provide the City the estimated gross building square footage by Lot Type for the newly subdivided Lot. The calculation of the Assessment for a Lot shall be

performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of the County regarding the Lot. The Estimated Buildout Values for Multi-Family Lot Type – Improvement Area #1, Office Lot Type – Improvement Area #1, Multi-Family Lot Type – Major Improvement Area, Office Lot Type – Major Improvement Area, Retail Lot Type, Hotel Lot Type, Assisted Living Lot Type and Townhome Lot Type are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

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 the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Lot or Parcel, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.C**.

B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefitted Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable “Notice of Assessment Termination,” a form of which is attached hereto as **Exhibit I**.

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Upon submission of a preliminary plat and/or site plan by the Developer, Owner, or other owner of the property to the City, the Developer, Owner, or other owner shall provide the City the gross building square footage and use type for land included in the preliminary plat and/or site plan for each Lot anticipated to be created by the preliminary plat and/or site plan considering factors that may impact value. The Administrator will review the preliminary plat and/or site plan to determine if such plat and/or site plan will or will not result in the Assessment per Lot for any Lot Type within the preliminary plat and/or site plan exceeding the Maximum Assessment. If the Administrator determines the preliminary plat and/or site plan results in an Assessment per Lot for any Lot Type exceeding the Maximum Assessment, prior to the City issuing any building permit for any such Lot described in the reviewed preliminary plat or site plan, the entity submitting the preliminary plat and/or site plan will make a Prepayment in an amount sufficient to reduce the Assessment for each Lot within such preliminary plat and/or site plan to the Maximum Assessment. The City's approval of an Annual Service Plan Update, a preliminary plat, or a site plan without payment of such Prepayment amounts does not eliminate the obligation of the entity submitting the preliminary plat and/or site plan to pay such amounts.

D. Reduction of Assessments

If the Actual Costs of completed Authorized Improvements are less than the Assessments, then (i) in the event PID Bonds have not been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

The Administrator shall update (and submit to the City Council 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 any Assessed Property may, at any time, pay all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service

Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

If an Assessment on an Assessed Property is prepaid in part with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the estimated Improvement Area #1 Annual Installments. **Exhibit G-2** shows the estimated Major Improvement Area Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the Parcel not including any Non-Benefitted Property or Non-Assessed Property, as shown by the Collin Central Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council 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. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City 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 due and owing to the City. To the extent permitted by the PID Act or other applicable law, the City Council may provide for other means of collecting Annual Installments, but in no case shall the City take any action, or fail to take any action, that would cause it to be in default under any Indenture. 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 any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

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 Assessments shall be due when billed and shall be delinquent if not paid prior to February 1, 2024.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve said owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

Subject to applicable law, 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 (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 of the Remaining Property will remain liable to pay, pursuant to the terms of this Service and Assessment Plan, as updated, and the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in 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 applicable Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable 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 constituting the 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, as applicable, 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 \$90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City 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 applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Major Improvement Area Assessment Roll is attached as **Exhibit G-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Major Improvement Area Assessment Roll and Major Improvement Area Annual Installments for each Parcel 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 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 1st of each year following City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this 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 Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

D. Form of Buyer Disclosure/Filing Requirements

Per Section 5.014 of the Texas Property Code, as amended, this 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 for each Lot Type are attached hereto as **Appendix B**. Within seven days of approval by the city Council, the City shall file and record in the real property records of the County the executed ordinance of this Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this Service an Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

E. Severability

If any provision of this 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.

EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

Exhibit A-1	Map of the District
Exhibit A-2	Map of Improvement Area #1
Exhibit A-3	Map of Major Improvement Area
Exhibit A-4	Concept Plan
Exhibit B	Project Costs
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Improvement Area #1 Assessment Roll
Exhibit F-2	Improvement Area #1 Annual Installments
Exhibit G-1	Major Improvement Area Assessment Roll
Exhibit G-2	Major Improvement Area Annual Installments
Exhibit H-1	Maps of Improvement Area #1 Improvements
Exhibit H-2	Maps of Major Improvements
Exhibit I	Form of Notice of Assessment Termination
Exhibit J-1	Debt Service Schedule for Improvement Area #1 Bonds
Exhibit J-2	Debt Service Schedule for Major Improvement Area Bonds
Exhibit K-1	District Legal Description
Exhibit K-2	Improvement Area #1 Legal Description
Exhibit K-3	Major Improvement Area Legal Description

APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

Appendix A	Engineer's Report
Appendix B	Buyer Disclosures

EXHIBIT A-1 – MAP OF THE DISTRICT

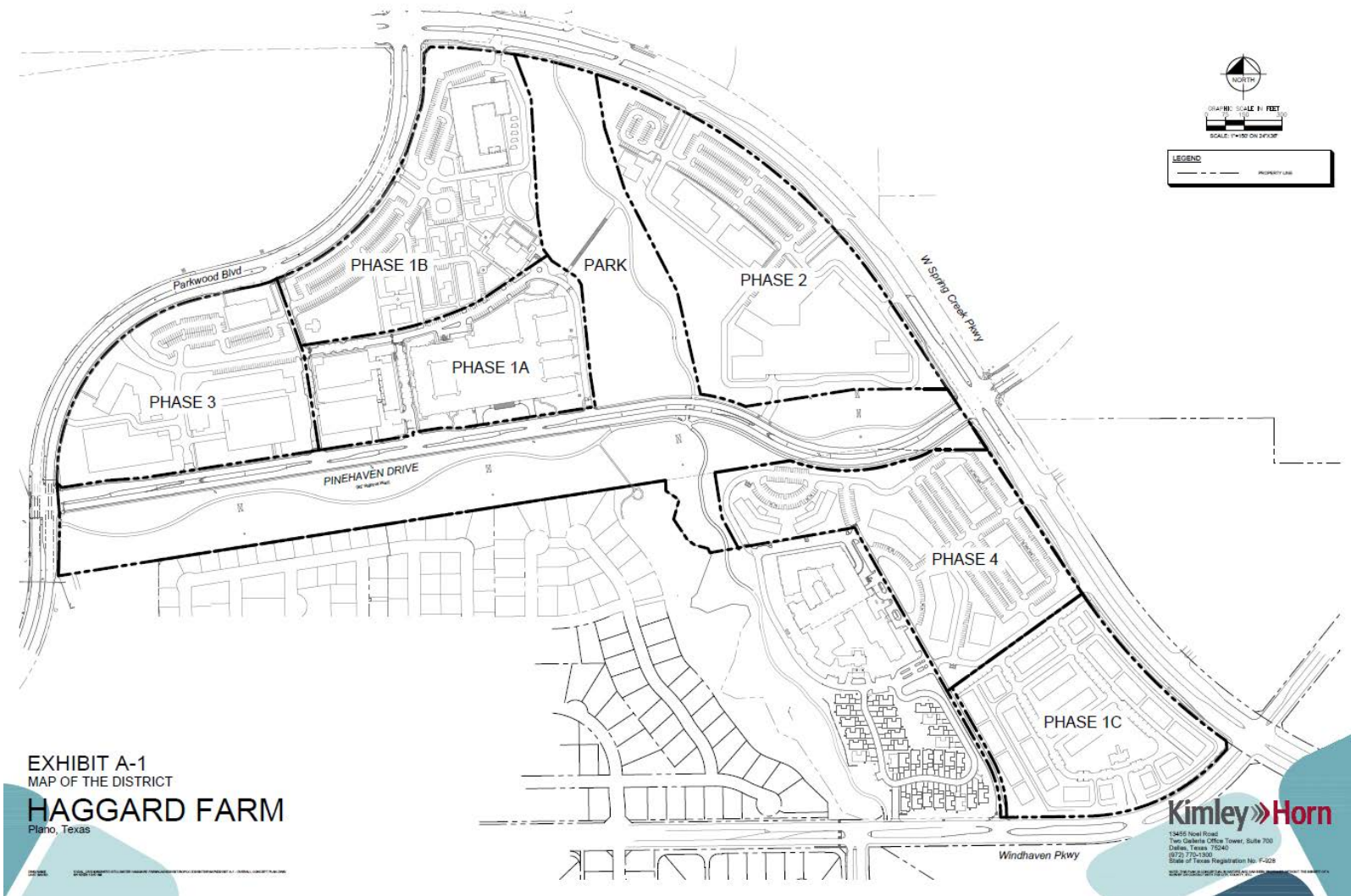


EXHIBIT A-2 – MAP OF IMPROVEMENT AREA #1



EXHIBIT A-3 – MAP OF MAJOR IMPROVEMENT AREA

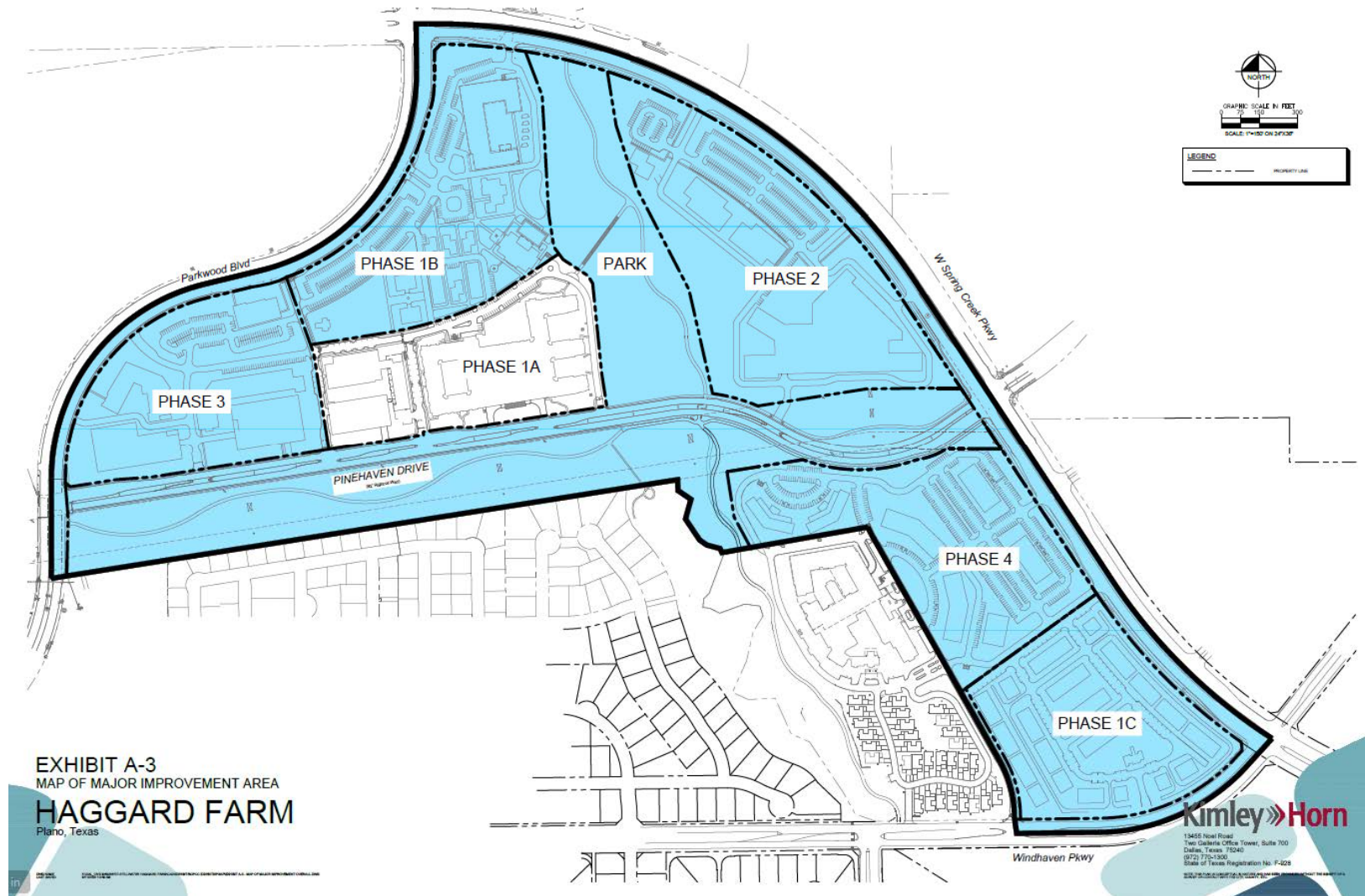


EXHIBIT A-4 – CONCEPT PLAN

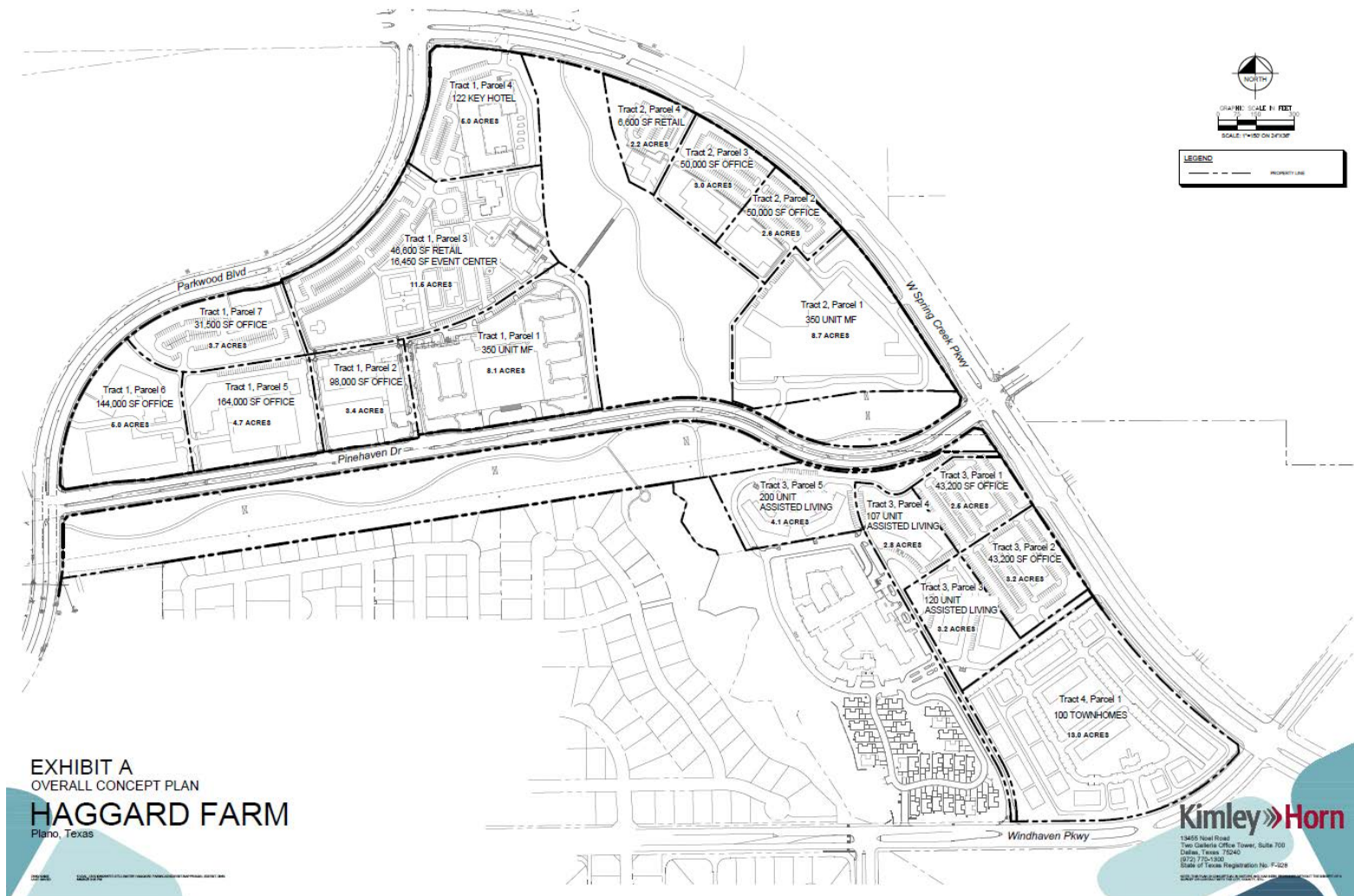


EXHIBIT B – PROJECT COSTS

	Total Costs ^[a]	Private	City Contribution	PID Funded	Major Improvement Area		Improvement Area #1	
					%	Cost	%	Cost
Major Improvements^[b]								
Streets	\$ 7,568,641	\$ -	\$ 3,300,932	\$ 4,267,709	81.62%	\$ 3,483,373	18.38%	\$ 784,336
Water	1,550,210	-	-	1,550,210	81.62%	1,265,307	18.38%	284,903
Sewer	1,636,100	-	-	1,636,100	81.62%	1,335,411	18.38%	300,689
Drainage ^[c]	5,740,546	-	2,464,827	3,275,719	81.62%	2,673,695	18.38%	602,024
Linear Parks	750,000	-	-	750,000	81.62%	612,162	18.38%	137,838
Soft Costs ^{[c], [d]}	2,959,305	-	864,864	2,094,441	81.62%	1,709,517	18.38%	384,924
	<u>\$ 20,204,802</u>	<u>\$ -</u>	<u>\$ 6,630,623</u>	<u>\$ 13,574,179</u>		<u>\$ 11,079,465</u>		<u>\$ 2,494,714</u>
Improvement Area #1 Improvements								
Water	\$ 569,020	\$ -	\$ -	\$ 569,020	0.00%	\$ -	100.00%	\$ 569,020
Sewer	146,120	-	-	146,120	0.00%	-	100.00%	146,120
Drainage	633,390	-	-	633,390	0.00%	-	100.00%	633,390
Soft Costs	134,853	-	-	134,853	0.00%	-	100.00%	134,853
	<u>\$ 1,483,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,483,383</u>		<u>\$ -</u>		<u>\$ 1,483,383</u>
Private Major Improvements								
Streets	\$ 2,312,267	\$ 2,312,267	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -
Soft Costs	254,349	254,349	-	-	0.00%	-	0.00%	-
	<u>\$ 2,566,616</u>	<u>\$ 2,566,616</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>
Private Internal Improvements								
Streets	\$ 2,039,592	\$ 2,039,592	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -
Water	19,500	19,500	-	-	0.00%	-	0.00%	-
Sewer	141,740	141,740	-	-	0.00%	-	0.00%	-
Drainage	193,675	193,675	-	-	0.00%	-	0.00%	-
Soft Costs	239,451	239,451	-	-	0.00%	-	0.00%	-
	<u>\$ 2,633,958</u>	<u>\$ 2,633,958</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>
Bond Issuance Costs								
Debt Service Reserve	\$ 2,010,930	\$ -	\$ -	\$ 2,010,930		\$ 1,557,930		\$ 453,000
Capitalized Interest	3,597,860	-	-	3,597,860		2,797,860		800,000
Underwriter's Discount	643,740	-	-	643,740		493,740		150,000
Cost of Issuance	1,341,603	-	-	1,341,603		1,028,991		312,611
	<u>\$ 7,594,133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,594,133</u>		<u>\$ 5,878,521</u>		<u>\$ 1,715,611</u>
Other Costs								
Deposit to Administrative Fund ^[e]	\$ 140,000	\$ -	\$ -	\$ 140,000		\$ 70,000		\$ 70,000
	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,000</u>		<u>\$ 70,000</u>		<u>\$ 70,000</u>
Total	\$ 34,622,892	\$ 5,200,574	\$ 6,630,623	\$ 22,791,695		\$ 17,027,987		\$ 5,763,708

Footnotes:

[a] Per Engineer's Report provided by Developer dated 8/14/2023, attached hereto as **Appendix A**.

[b] Major Improvements are allocated between the Major Improvement Area and Improvement Area #1 based on Estimated Buildout Value.

[c] For the City's Contribution, the drainage and soft costs are specific to the Storm Drainage associated with the Major Improvement Streets being funded by the City's Contribution.

[d] Note District Formation Costs have decreased by \$427,519 since approval of the Preliminary Service and Assessment Plan.

[e] Annual Collection Costs required for first year will be paid for out of the proceeds of the respective series of PID Bonds.

EXHIBIT C – SERVICE PLAN

Improvement Area #1						
Annual Installment Due	1/31/2024	1/31/2025	1/31/2026	1/31/2027	1/31/2028	
Principal	\$ -	\$ -	\$ 53,000.00	\$ 57,000.00	\$ 61,000.00	
Interest	400,000.00	400,000.00	400,000.00	395,760.00	391,200.00	
Capitalized Interest	(400,000.00)	(400,000.00)	-	-	-	
(1)	\$ -	\$ -	\$ 453,000.00	\$ 452,760.00	\$ 452,200.00	
Additional Interest	(2) -	25,000.00	25,000.00	24,735.00	24,450.00	
Annual Collection Costs	(3) \$ -	\$ 35,700.00	\$ 36,414.00	\$ 37,142.28	\$ 37,885.13	
Total Annual Installment Due	(4) = (1) + (2) + (3)	\$ -	\$ 60,700.00	\$ 514,414.00	\$ 514,637.28	\$ 514,535.13

Major Improvement Area						
Annual Installment Due	1/31/2024	1/31/2025	1/31/2026	1/31/2027	1/31/2028	
Principal	\$ -	\$ -	\$ 159,000.00	\$ 172,000.00	\$ 187,000.00	
Interest	1,398,930.00	1,398,930.00	1,398,930.00	1,385,415.00	1,370,795.00	
Capitalized Interest	(1,398,930.00)	(1,398,930.00)	-	-	-	
(1)	\$ -	\$ -	\$ 1,557,930.00	\$ 1,557,415.00	\$ 1,557,795.00	
Additional Interest	(2) -	82,290.00	82,290.00	81,495.00	80,635.00	
Annual Collection Costs	(3) \$ -	\$ 35,700.00	\$ 36,414.00	\$ 37,142.28	\$ 37,885.13	
Total Annual Installment Due	(4) = (1) + (2) + (3)	\$ -	\$ 117,990.00	\$ 1,676,634.00	\$ 1,676,052.28	\$ 1,676,315.13

EXHIBIT D – SOURCES AND USES OF FUNDS

	Private	City Contribution	Major Improvement Area	Improvement Area #1	Total
Sources of Funds					
Major Improvement Area Bonds	\$ -	\$ -	\$ 16,458,000	\$ -	\$ 16,458,000
Improvement Area #1 Bonds	-	-	-	5,000,000	5,000,000
Owner Contribution ^[a]	-	-	569,987	763,708	1,333,695
Owner Contribution - Private Improvements ^[b]	5,200,574	-	-	-	5,200,574
City Contribution - Roads ^[c]	-	3,300,932	-	-	3,300,932
City Contribution - Drainage ^[c]	-	2,464,827	-	-	2,464,827
City Contribution - Soft Costs ^[c]	-	864,864	-	-	864,864
Total Sources	\$ 5,200,574	\$ 6,630,623	\$ 17,027,987	\$ 5,763,708	\$ 34,622,892
Uses of Funds					
Major Improvements	\$ -	\$ 6,630,623	\$ 11,079,465	\$ 2,494,714	\$ 20,204,802
Improvement Area #1 Improvements	-	-	-	1,483,383	1,483,383
Private Major Improvements	2,566,616	-	-	-	2,566,616
Private Internal Improvements	2,633,958	-	-	-	2,633,958
	<u>\$ 5,200,574</u>	<u>\$ 6,630,623</u>	<u>\$ 11,079,465</u>	<u>\$ 3,978,097</u>	<u>\$ 26,888,759</u>
<i>Bond Issuance Costs</i>					
Debt Service Reserve	\$ -	\$ -	\$ 1,557,930	\$ 453,000	\$ 2,010,930
Capitalized Interest	-	-	2,797,860	800,000	3,597,860
Underwriter's Discount	-	-	493,740	150,000	643,740
Cost of Issuance	-	-	1,028,991	312,611	1,341,603
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,878,521</u>	<u>\$ 1,715,611</u>	<u>\$ 7,594,133</u>
<i>Other Costs</i>					
Deposit to Administrative Fund	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 140,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 140,000</u>
Total Uses	\$ 5,200,574	\$ 6,630,623	\$ 17,027,987	\$ 5,763,708	\$ 34,622,892

Footnotes:

[a] Non-reimbursable through PID Bonds or Assessments levied and collected in this District. To be funded by the Owner with cash at closing.

[b] Non-reimbursable through PID Bonds or Assessments levied and collected in this District.

[c] These costs are funded by various City contribution sources as identified in the Indentures.

EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

Tract	Parcel	Lot Type	Units/Square footage ^[a]	Appraised Value		Estimated Buildout Value		Assessment		Average Annual Installment		PID TRE
				Per Unit/Sq Ft ^[a]	Total	Per Unit/Sq Ft ^[a]	Total	Per Unit/Sq Ft	Total	Per Unit/Sq Ft	Total	
Improvement Area #1												
1	1	Multi-Family	350	\$ 31,000	\$ 10,850,000	\$ 225,000	\$ 78,750,000	\$ 9,951.35	\$ 3,482,972	\$ 1,030.45	\$ 360,656	\$ 0.4580
1	2	Office	98,000	42	4,150,000	350	34,300,000	15.48	1,517,028	1.60	157,086	0.4580
Subtotal				\$ 15,000,000		\$ 113,050,000		\$ 5,000,000		517,742		
Major Improvement Area												
1	3	Retail	63,050	\$ 258	\$ 16,280,000	\$ 400	\$ 25,220,000	\$ 13.11	\$ 826,711	\$ 1.32	\$ 83,521	\$ 0.3312
1	4	Hotel	122	62,459	7,620,000	325,000	39,650,000	10,653.49	1,299,726	1,076.31	131,309	0.3312
1	5	Office	164,000	35	5,730,000	350	57,400,000	11.47	1,881,570	1.16	190,092	0.3312
1	6	Office	144,000	50	7,190,000	350	50,400,000	11.47	1,652,110	1.16	166,910	0.3312
1	7	Office	31,500	143	4,510,000	350	11,025,000	11.47	361,399	1.16	36,512	0.3312
2	1	Multi-Family	350	31,000	10,850,000	225,000	78,750,000	7,375.49	2,581,422	745.13	260,797	0.3312
2	2	Office	50,000	63	3,170,000	350	17,500,000	11.47	573,649	1.16	57,955	0.3312
2	3	Office	50,000	73	3,660,000	350	17,500,000	11.47	573,649	1.16	57,955	0.3312
2	4	Retail	6,600	406	2,680,000	400	2,640,000	13.11	86,539	1.32	8,743	0.3312
3	1	Office	43,200	74	3,190,000	350	15,120,000	11.47	495,633	1.16	50,073	0.3312
3	2	Office	43,200	90	3,900,000	350	15,120,000	11.47	495,633	1.16	50,073	0.3312
3	3	Assisted Living	120	30,167	3,620,000	250,000	30,000,000	8,194.99	983,399	827.93	99,351	0.3312
3	4	Assisted Living	107	29,626	3,170,000	250,000	26,750,000	8,194.99	876,864	827.93	88,588	0.3312
3	5	Assisted Living	200	28,300	5,660,000	250,000	50,000,000	8,194.99	1,638,998	827.93	165,585	0.3312
4	1	Townhomes	100	110,000	11,000,000	650,000	65,000,000	21,306.98	2,130,698	2,152.61	215,261	0.3312
Subtotal				\$ 92,230,000		\$ 502,075,000		\$ 16,458,000		\$ 1,662,726		

Footnotes

[a] Per information provided by the Developer dated July 19, 2023.

EXHIBIT F-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Concept Plan			
Tract and Parcel	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^[a]
Tract 1 Parcel 1	Multi-Family	\$ 3,482,972.14	\$ -
Tract 1 Parcel 2	Office	\$ 1,517,027.86	\$ -
Total		\$ 5,000,000.00	\$ -

Footnotes:

[a] Improvement Area #1 Assessment will be levied on each Tract and Parcel within Improvement Area #1 as shown in this Improvement Area #1 Assessment Roll. For billing purposes, prior to platting, the total Improvement Area #1 Assessment and Annual Installment will be allocated to each Property ID within Improvement Area #1 pro rata based on acreage as reported by Collin Central Appraisal District, as shown below.

Property ID			
Property ID ^[a]	Area	Outstanding Assessment ^[b]	Annual Installment Due 1/31/2024 ^[b]
2551083	Improvement Area #1	\$ 2,922,909.34	\$ -
2669180	Improvement Area #1	\$ 2,077,090.66	\$ -
Total		\$ 5,000,000.00	\$ -

Footnotes:

[a] Property IDs as shown by Collin Central Appraisal District. Subject to change prior to billing.

[b] Future allocation of the Assessment will be done in accordance with Section VI of this Service and Assessment Plan.

EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Installment Due 1/31	Principal	Interest	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment
2024	\$ -	\$ 400,000.00	\$ (400,000.00)	\$ -	\$ -	\$ -
2025	\$ -	\$ 400,000.00	\$ (400,000.00)	\$ 25,000.00	\$ 35,700.00	\$ 60,700.00
2026	\$ 53,000.00	\$ 400,000.00	\$ -	\$ 25,000.00	\$ 36,414.00	\$ 514,414.00
2027	\$ 57,000.00	\$ 395,760.00	\$ -	\$ 24,735.00	\$ 37,142.28	\$ 514,637.28
2028	\$ 61,000.00	\$ 391,200.00	\$ -	\$ 24,450.00	\$ 37,885.13	\$ 514,535.13
2029	\$ 66,000.00	\$ 386,320.00	\$ -	\$ 24,145.00	\$ 38,642.83	\$ 515,107.83
2030	\$ 71,000.00	\$ 381,040.00	\$ -	\$ 23,815.00	\$ 39,415.68	\$ 515,270.68
2031	\$ 77,000.00	\$ 375,360.00	\$ -	\$ 23,460.00	\$ 40,204.00	\$ 516,024.00
2032	\$ 83,000.00	\$ 369,200.00	\$ -	\$ 23,075.00	\$ 41,008.08	\$ 516,283.08
2033	\$ 90,000.00	\$ 362,560.00	\$ -	\$ 22,660.00	\$ 41,828.24	\$ 517,048.24
2034	\$ 97,000.00	\$ 355,360.00	\$ -	\$ 22,210.00	\$ 42,664.80	\$ 517,234.80
2035	\$ 105,000.00	\$ 347,600.00	\$ -	\$ 21,725.00	\$ 43,518.10	\$ 517,843.10
2036	\$ 113,000.00	\$ 339,200.00	\$ -	\$ 21,200.00	\$ 44,388.46	\$ 517,788.46
2037	\$ 122,000.00	\$ 330,160.00	\$ -	\$ 20,635.00	\$ 45,276.23	\$ 518,071.23
2038	\$ 132,000.00	\$ 320,400.00	\$ -	\$ 20,025.00	\$ 46,181.76	\$ 518,606.76
2039	\$ 143,000.00	\$ 309,840.00	\$ -	\$ 19,365.00	\$ 47,105.39	\$ 519,310.39
2040	\$ 154,000.00	\$ 298,400.00	\$ -	\$ 18,650.00	\$ 48,047.50	\$ 519,097.50
2041	\$ 166,000.00	\$ 286,080.00	\$ -	\$ 17,880.00	\$ 49,008.45	\$ 518,968.45
2042	\$ 180,000.00	\$ 272,800.00	\$ -	\$ 17,050.00	\$ 49,988.62	\$ 519,838.62
2043	\$ 194,000.00	\$ 258,400.00	\$ -	\$ 16,150.00	\$ 50,988.39	\$ 519,538.39
2044	\$ 210,000.00	\$ 242,880.00	\$ -	\$ 15,180.00	\$ 52,008.16	\$ 520,068.16
2045	\$ 226,000.00	\$ 226,080.00	\$ -	\$ 14,130.00	\$ 53,048.32	\$ 519,258.32
2046	\$ 244,000.00	\$ 208,000.00	\$ -	\$ 13,000.00	\$ 54,109.29	\$ 519,109.29
2047	\$ 264,000.00	\$ 188,480.00	\$ -	\$ 11,780.00	\$ 55,191.47	\$ 519,451.47
2048	\$ 285,000.00	\$ 167,360.00	\$ -	\$ 10,460.00	\$ 56,295.30	\$ 519,115.30
2049	\$ 308,000.00	\$ 144,560.00	\$ -	\$ 9,035.00	\$ 57,421.21	\$ 519,016.21
2050	\$ 333,000.00	\$ 119,920.00	\$ -	\$ 7,495.00	\$ 58,569.63	\$ 518,984.63
2051	\$ 359,000.00	\$ 93,280.00	\$ -	\$ 5,830.00	\$ 59,741.03	\$ 517,851.03
2052	\$ 388,000.00	\$ 64,560.00	\$ -	\$ 4,035.00	\$ 60,935.85	\$ 517,530.85
2053	\$ 419,000.00	\$ 33,520.00	\$ -	\$ 2,095.00	\$ 62,154.56	\$ 516,769.56
Total	\$ 5,000,000.00	\$ 8,468,320.00	\$ (800,000.00)	\$ 504,270.00	\$ 1,384,882.77	\$ 14,557,472.77

Footnotes:

[a] Interest is calculated at a 8.00% rate for illustrative purposes.

[b] 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 G-1 – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Concept Plan			
Tract and Parcel	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^[a]
Tract 1 Parcel 3	Retail	\$ 826,710.67	\$ -
Tract 1 Parcel 4	Hotel	\$ 1,299,725.54	\$ -
Tract 1 Parcel 5	Office	\$ 1,881,569.88	\$ -
Tract 1 Parcel 6	Office	\$ 1,652,110.14	\$ -
Tract 1 Parcel 7	Office	\$ 361,399.09	\$ -
Tract 2 Parcel 1	Multi-Family	\$ 2,581,422.10	\$ -
Tract 2 Parcel 2	Office	\$ 573,649.36	\$ -
Tract 2 Parcel 3	Office	\$ 573,649.36	\$ -
Tract 2 Parcel 4	Retail	\$ 86,539.10	\$ -
Tract 3 Parcel 1	Office	\$ 495,633.04	\$ -
Tract 3 Parcel 2	Office	\$ 495,633.04	\$ -
Tract 3 Parcel 3	Assisted Living	\$ 983,398.89	\$ -
Tract 3 Parcel 4	Assisted Living	\$ 876,864.01	\$ -
Tract 3 Parcel 5	Assisted Living	\$ 1,638,998.16	\$ -
Tract 4 Parcel 1	Townhomes	\$ 2,130,697.60	\$ -
Total		\$ 16,458,000.00	\$ -

Footnotes:

[a] The Major Improvement Area Assessment will be levied on each Tract and Parcel within the Major Improvement Area as shown in this Major Improvement Area Assessment Roll. For billing purposes, prior to platting, the total Major Improvement Area Assessment and Annual Installment will be allocated to each Property ID within the Major Improvement Area pro rata based on acreage as reported by Collin Central Appraisal District, as shown below.

Property ID			
Property ID ^[a]	Area	Outstanding Assessment ^[b]	Annual Installment Due 1/31/2024 ^[b]
2551083	Major Improvement Area	\$ 7,473,086.46	\$ -
2669180	Major Improvement Area	\$ 5,310,557.51	\$ -
170914	Major Improvement Area	\$ 244,049.92	\$ -
2669178	Major Improvement Area	\$ 3,301,869.09	\$ -
2138041	Major Improvement Area	\$ 128,437.02	\$ -
Total		\$ 16,458,000.00	\$ -

Footnotes:

[a] Property IDs as shown by Collin Central Appraisal District. Subject to change prior to billing.

[b] Future allocation of the Major Improvement Area Assessment will be done in accordance with Section VI of this Service and Assessment Plan.

EXHIBIT G-2 – MAJOR IMPROVEMENT AREA ANNUAL INSTALLMENTS

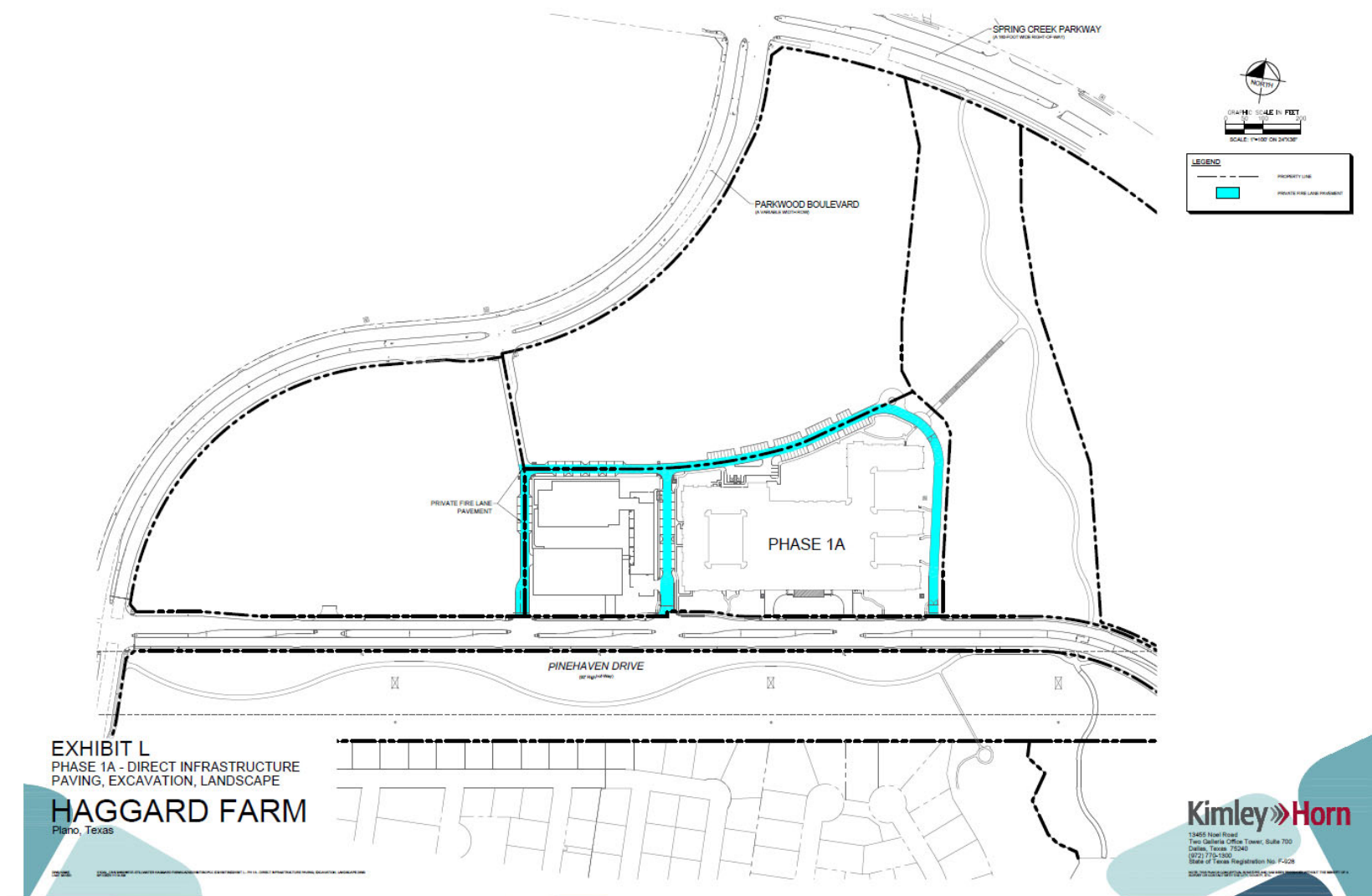
Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 1,398,930.00	\$ (1,398,930.00)	\$ -	\$ -	\$ -
2025	\$ -	\$ 1,398,930.00	\$ (1,398,930.00)	\$ 82,290.00	\$ 35,700.00	\$ 117,990.00
2026	\$ 159,000.00	\$ 1,398,930.00	\$ -	\$ 82,290.00	\$ 36,414.00	\$ 1,676,634.00
2027	\$ 172,000.00	\$ 1,385,415.00	\$ -	\$ 81,495.00	\$ 37,142.28	\$ 1,676,052.28
2028	\$ 187,000.00	\$ 1,370,795.00	\$ -	\$ 80,635.00	\$ 37,885.13	\$ 1,676,315.13
2029	\$ 203,000.00	\$ 1,354,900.00	\$ -	\$ 79,700.00	\$ 38,642.83	\$ 1,676,242.83
2030	\$ 220,000.00	\$ 1,337,645.00	\$ -	\$ 78,685.00	\$ 39,415.68	\$ 1,675,745.68
2031	\$ 238,000.00	\$ 1,318,945.00	\$ -	\$ 77,585.00	\$ 40,204.00	\$ 1,674,734.00
2032	\$ 259,000.00	\$ 1,298,715.00	\$ -	\$ 76,395.00	\$ 41,008.08	\$ 1,675,118.08
2033	\$ 281,000.00	\$ 1,276,700.00	\$ -	\$ 75,100.00	\$ 41,828.24	\$ 1,674,628.24
2034	\$ 305,000.00	\$ 1,252,815.00	\$ -	\$ 73,695.00	\$ 42,664.80	\$ 1,674,174.80
2035	\$ 331,000.00	\$ 1,226,890.00	\$ -	\$ 72,170.00	\$ 43,518.10	\$ 1,673,578.10
2036	\$ 359,000.00	\$ 1,198,755.00	\$ -	\$ 70,515.00	\$ 44,388.46	\$ 1,672,658.46
2037	\$ 389,000.00	\$ 1,168,240.00	\$ -	\$ 68,720.00	\$ 45,276.23	\$ 1,671,236.23
2038	\$ 422,000.00	\$ 1,135,175.00	\$ -	\$ 66,775.00	\$ 46,181.76	\$ 1,670,131.76
2039	\$ 458,000.00	\$ 1,099,305.00	\$ -	\$ 64,665.00	\$ 47,105.39	\$ 1,669,075.39
2040	\$ 497,000.00	\$ 1,060,375.00	\$ -	\$ 62,375.00	\$ 48,047.50	\$ 1,667,797.50
2041	\$ 539,000.00	\$ 1,018,130.00	\$ -	\$ 59,890.00	\$ 49,008.45	\$ 1,666,028.45
2042	\$ 585,000.00	\$ 972,315.00	\$ -	\$ 57,195.00	\$ 49,988.62	\$ 1,664,498.62
2043	\$ 635,000.00	\$ 922,590.00	\$ -	\$ 54,270.00	\$ 50,988.39	\$ 1,662,848.39
2044	\$ 689,000.00	\$ 868,615.00	\$ -	\$ 51,095.00	\$ 52,008.16	\$ 1,660,718.16
2045	\$ 747,000.00	\$ 810,050.00	\$ -	\$ 47,650.00	\$ 53,048.32	\$ 1,657,748.32
2046	\$ 811,000.00	\$ 746,555.00	\$ -	\$ 43,915.00	\$ 54,109.29	\$ 1,655,579.29
2047	\$ 880,000.00	\$ 677,620.00	\$ -	\$ 39,860.00	\$ 55,191.47	\$ 1,652,671.47
2048	\$ 955,000.00	\$ 602,820.00	\$ -	\$ 35,460.00	\$ 56,295.30	\$ 1,649,575.30
2049	\$ 1,036,000.00	\$ 521,645.00	\$ -	\$ 30,685.00	\$ 57,421.21	\$ 1,645,751.21
2050	\$ 1,124,000.00	\$ 433,585.00	\$ -	\$ 25,505.00	\$ 58,569.63	\$ 1,641,659.63
2051	\$ 1,219,000.00	\$ 338,045.00	\$ -	\$ 19,885.00	\$ 59,741.03	\$ 1,636,671.03
2052	\$ 1,323,000.00	\$ 234,430.00	\$ -	\$ 13,790.00	\$ 60,935.85	\$ 1,632,155.85
2053	\$ 1,435,000.00	\$ 121,975.00	\$ -	\$ 7,175.00	\$ 62,154.56	\$ 1,626,304.56
Total	\$ 16,458,000.00	\$ 29,949,835.00	\$ (2,797,860.00)	\$ 1,679,465.00	\$ 1,384,882.77	\$ 46,674,322.77

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

[b] 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-1 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS



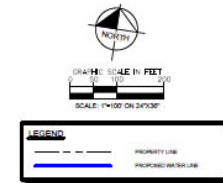
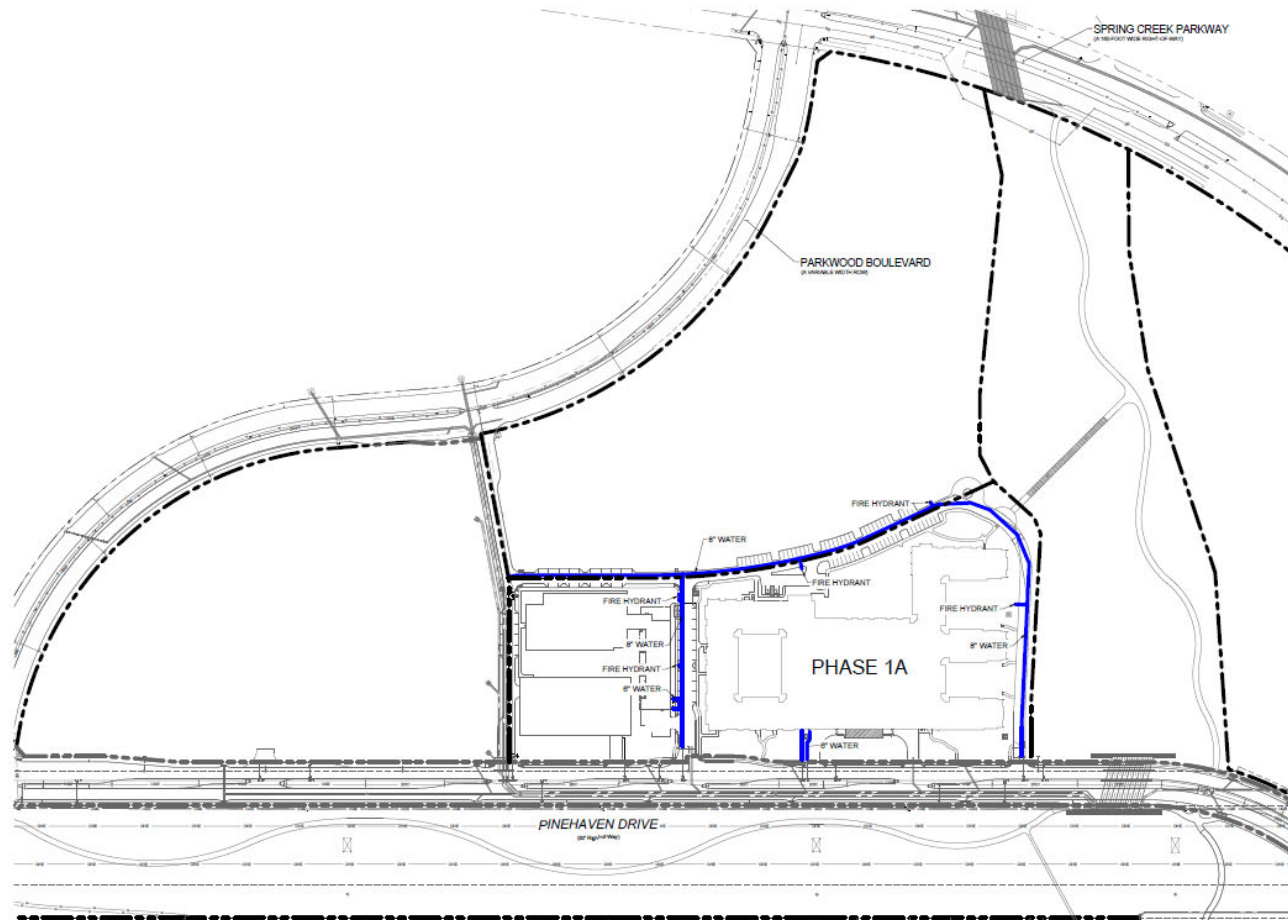
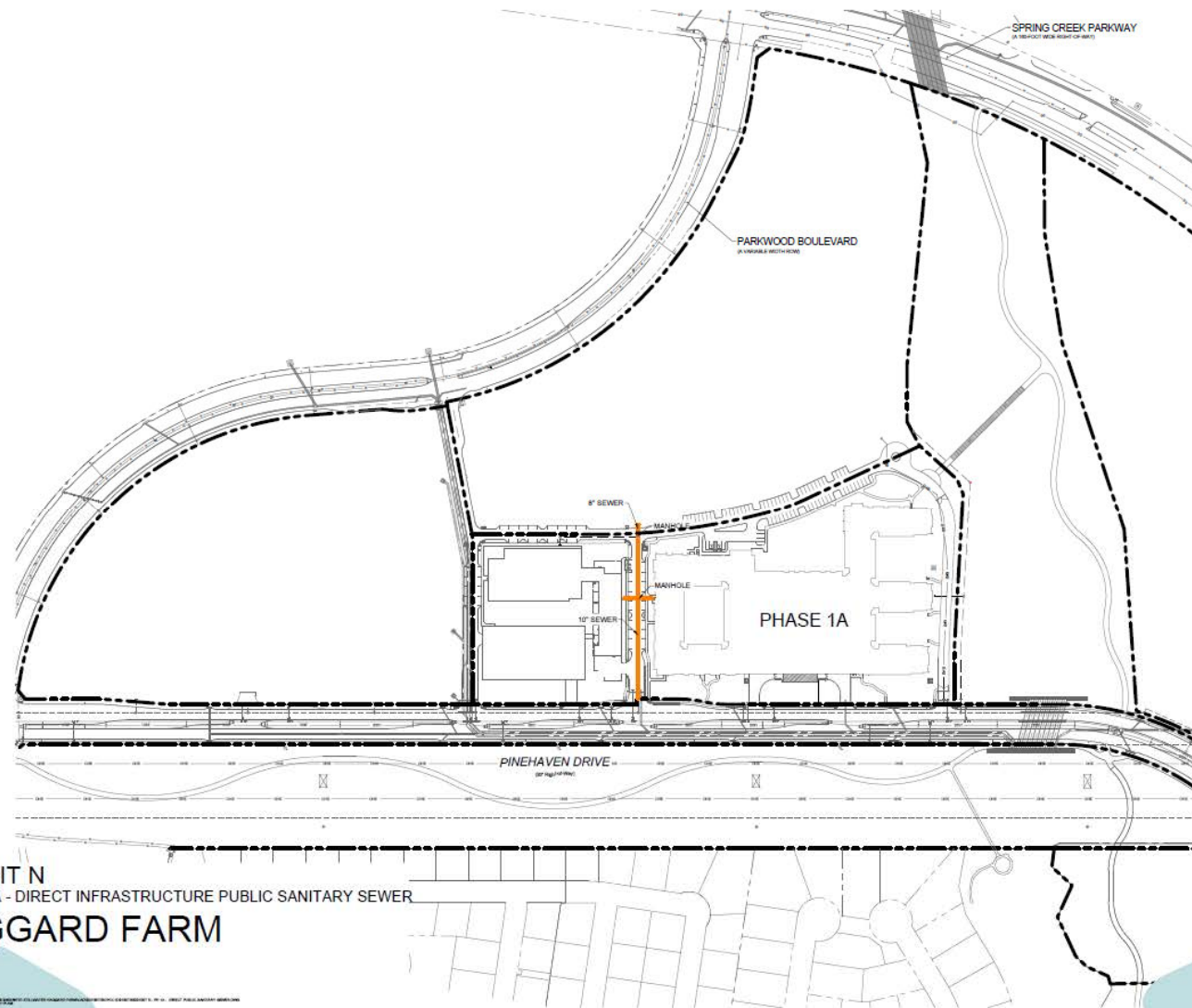


EXHIBIT M
PHASE 1A - DIRECT INFRASTRUCTURE PUBLIC WATER
HAGGARD FARM
Plano, Texas

Kimley»Horn
13455 Noel Road
Two Galleria Office Tower, Suite 700
Dallas, Texas 75240
(972) 778-1300
State of Texas Registration No. T-4028
Kimley-Horn and Associates, Inc. is an Equal Opportunity Employer. Minorities and women are encouraged to apply.



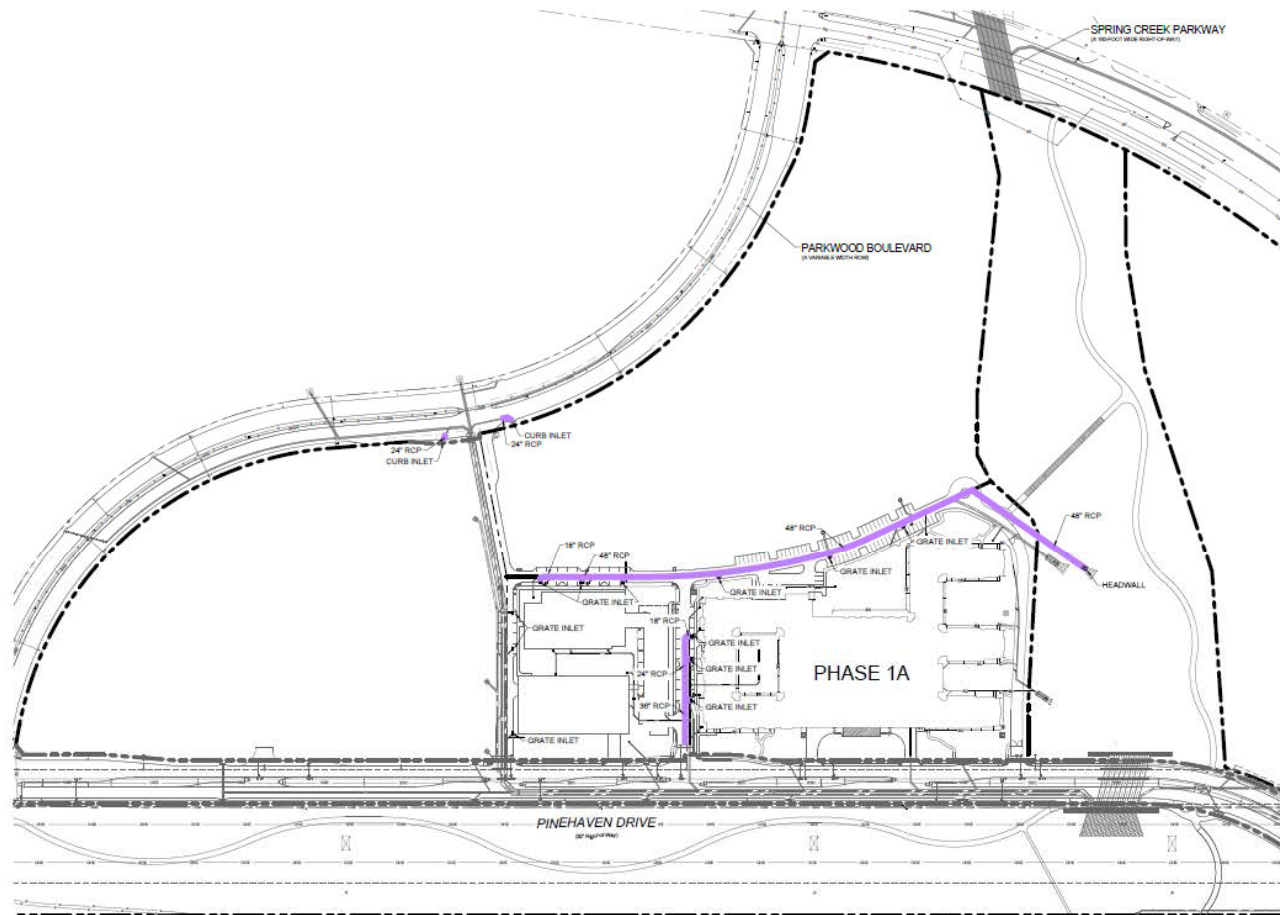
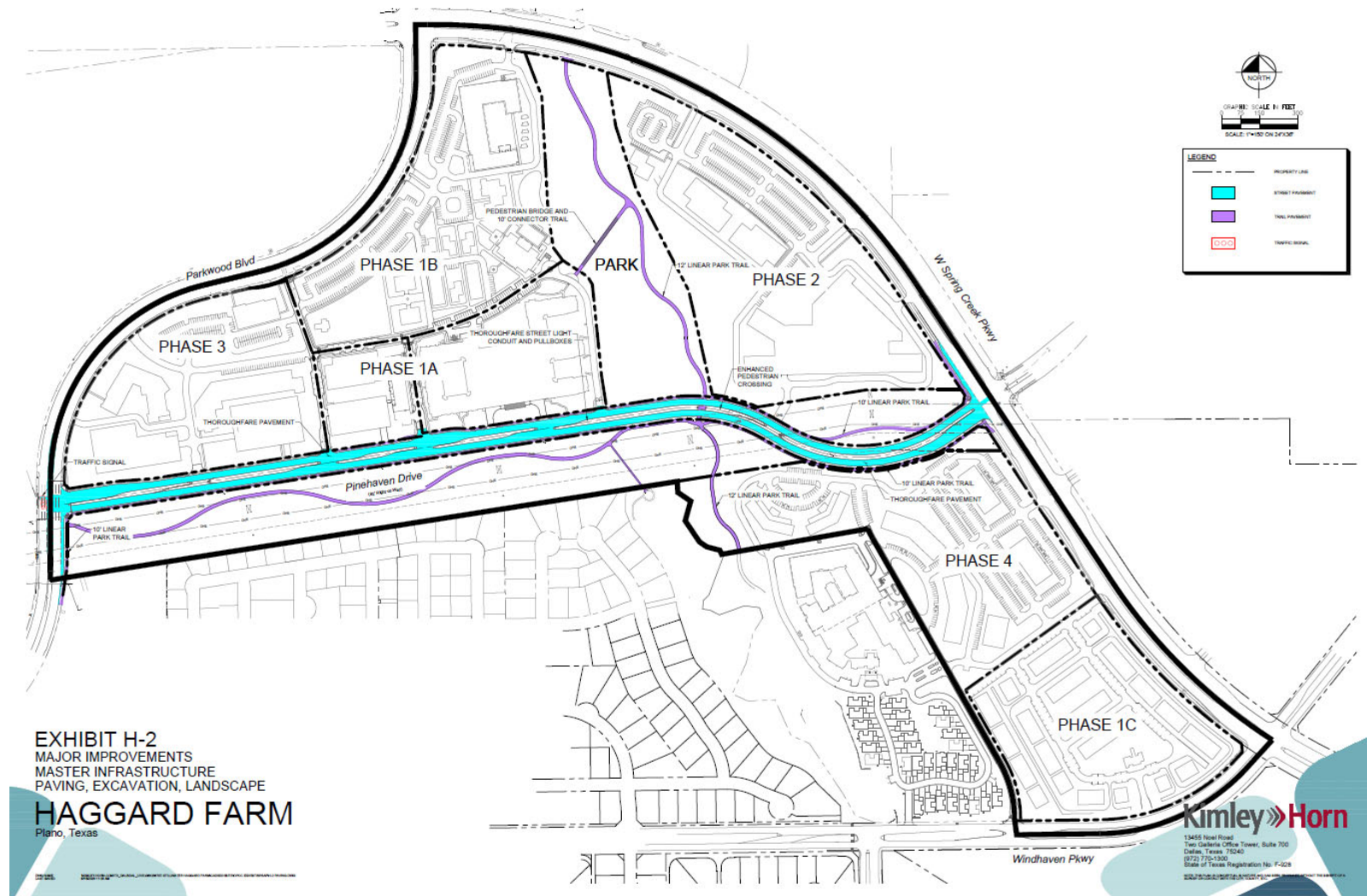


EXHIBIT O
 PHASE 1A - DIRECT INFRASTRUCTURE PUBLIC STORM
HAGGARD FARM
 Plano, Texas

Kimley»Horn
 13455 Noel Road
 Two Galleria Office Tower, Suite 700
 Dallas, Texas 75240
 (972) 775-1300
 State of Texas Registration No. P-4026

EXHIBIT H-2 – MAPS OF MAJOR IMPROVEMENTS



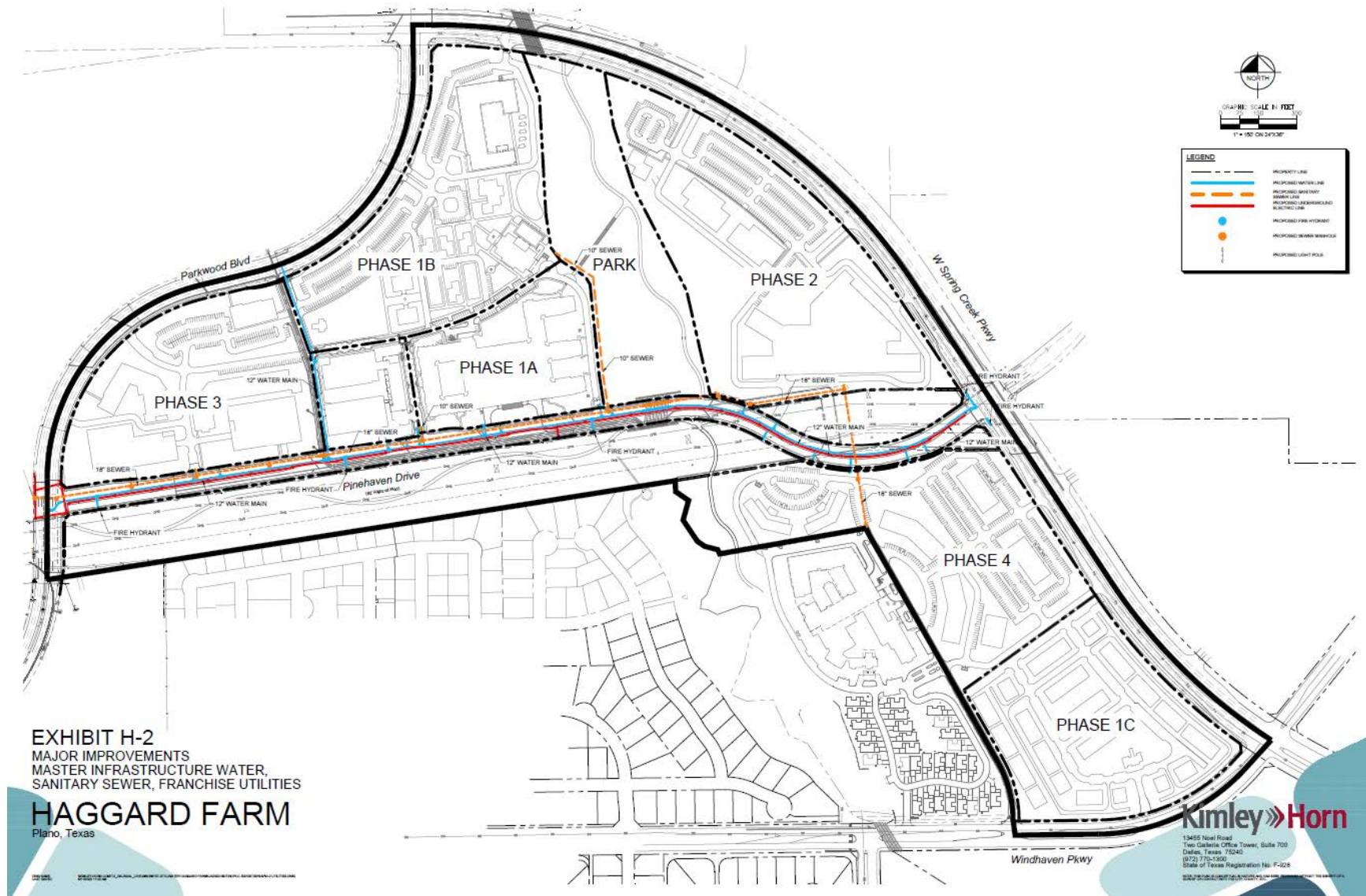


EXHIBIT I – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Collin County Clerk's Office
Honorable [County Clerk]
Collin County Administration Building
2300 Bloomdale Rd, #2106
McKinney, TX 75071

Re: City of Plano Lien Release documents for filing

Dear Ms./Mr. [County Clerk]

Enclosed is a lien release that the City of Plano is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Plano
Attn: City Secretary
1520 K Ave
Plano, TX 75074

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

**[City Secretary Name]
1520 K Avenue
Plano, TX 75074**

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.

STATE OF TEXAS §
 §
COUNTY OF COLLIN § **KNOW ALL MEN BY THESE PRESENTS:**

RECITALS

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") and further imposed a lien to secure the payment of the Lien Amount (the "Lien") against the following property located within the District, to wit:

EXHIBIT J-1 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

[to be inserted when IA#1 Bonds are sold]

**EXHIBIT J-2 – DEBT SERVICE SCHEDULE FOR MAJOR IMPROVEMENT AREA
BONDS**

[to be inserted when MIA Bonds are sold]

EXHIBIT K-1 – DISTRICT LEGAL DESCRIPTION

ZONING DESCRIPTION

142.49 ACRES

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, City of Plano, Collin County, Texas; and being part of Windhaven Parkway, Spring Creek Parkway and Parkwood Boulevard and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2523, Page 172 of the Land Records of Collin County, Texas and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2739, Page 967 of said Land Records and being part of a tract of land described in Special Warranty Deed, Bill of Sale and Assignment to Acres of Sunshine, LTD. recorded in Volume 4227, Page 835 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Windhaven Parkway (a variable width right-of-way);

THENCE with said centerline of Windhaven Parkway, the following courses and distances:

South 42°22'41" West, a distance of 158.86 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 46°00'40", a radius of 800.00 feet, a chord bearing and distance of South 66°13'45" West, 625.31 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 642.44 feet to a point for corner;

South 89°14'05" West, a distance of 337.88 feet to a point for corner;

THENCE said centerline of Windhaven Parkway, the following courses and distances:

North 0°00'00" East, a distance of 63.50 feet to a point at the beginning of a tangent curve to the left having a central angle of 29°35'57", a radius of 450.00 feet, a chord bearing and distance of North 14°47'58" West, 229.89 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 232.47 feet to a point for corner;

North 29°36'05" West, a distance of 1011.83 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 5°58'43", a radius of 441.64 feet, a chord bearing and distance of North 27°16'14" West, 46.06 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 46.08 feet to a point for corner;

South 80°03'46" West, a distance of 584.73 feet to a point in the east line of Lot 58, Block A, Common Open Space, Avignon Windhaven, Phase 3 an addition to the City of Plano according to the plat recorded in Instrument No. 20111209010002540 of the Official Public Records of Collin County, Texas; and being in the approximate centerline of Creek Number 5B29;

THENCE with the east line of said Lot 58 and said approximate centerline of Creek Number 5B29, the following courses and distances:

North 24°50'38" West, a distance of 17.56 feet to a point for corner;
North 75°15'49" West, a distance of 53.86 feet to a point for corner;
North 55°19'20" West, a distance of 34.91 feet to a point for corner;
North 33°59'39" West, a distance of 99.90 feet to a point for corner;
North 15°48'40" East, a distance of 80.20 feet to a point for corner;
North 56°15'56" West, a distance of 62.96 feet to a point for corner;
North 0°28'11" West, a distance of 42.59 feet to the northeast corner of said Lot 58;

THENCE with the north line of said Block A, Avignon Windhaven, Phase 3, South 81°04'33" West, passing at a distance of 691.05 feet the northwest corner of said Block A, Avignon Windhaven, Phase 3 and the northeast corner of Lot 38, Block A, Avignon Windhaven, Phase 2 an addition to the City of Plano according to the plat recorded in Instrument No. 20091008010002560 of the Official Public Records of Collin County, Texas, continuing with north line of said Block A, Avignon Windhaven, Phase 2, passing at a distance of 1126.56 feet the northwest corner of said Block A, Avignon Windhaven, Phase 2 and the northeast corner of Lot 31, Block A, Avignon Windhaven, Phase 1 an addition to the City of Plano according to the plat recorded in Cabinet R, Slide 205 of the Map Records of Collin County, Texas, continuing with the north line of said Block A, Avignon Windhaven, Phase 1, passing at a distance of 2040.83 feet the northeast corner of said Block A, Avignon Windhaven, Phase 1, continuing in all a total distance of 2505.50 feet to a point for corner in said centerline of Parkwood Boulevard; said point also being at the beginning of a non-tangent curve to the left having a central angle of 2°41'09", a radius of 774.92 feet, a chord bearing and distance of North 1°21'12" East, 36.32 feet;

THENCE with said centerline of Parkwood Boulevard, the following courses and distances:

In a northeasterly direction, with said curve to the left, an arc distance of 36.32 feet to a point at the end of said curve;
North 0°00'44" East, a distance of 359.06 feet to a point at the beginning of a tangent curve to the right having a central angle of 76°22'01", a radius of 789.72 feet, a chord bearing and distance of North 38°11'45" East, 976.38 feet;
In a northeasterly direction, with said curve to the right, an arc distance of 1052.58 feet to a point at the end of said curve;
North 76°22'45" East, a distance of 230.20 feet to a point at the beginning of a tangent curve to the left having a central angle of 76°59'40", a radius of 805.00 feet, a chord bearing and distance of North 37°52'55" East, 1002.19 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 1081.76 feet to a point at the end of said curve;
North 0°36'55" West, a distance of 180.53 feet to at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Parkwood Boulevard (a variable width right-of-way);

THENCE with said centerline of Spring Creek Parkway, the following course and distances:

North 89°12'46" East, a distance of 47.67 feet to a point at the beginning of a tangent curve to the right having a central angle of 57°23'42", a radius of 2270.36 feet, a chord bearing and distance of South 62°05'23" East, 2180.39 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 2274.29 feet to a point for corner;

South 33°23'29" East, a distance of 1403.39 feet to a point at the beginning of a tangent curve to the left having a central angle of 23°53'29", a radius of 2153.93 feet, a chord bearing and distance of South 45°20'14" East, 891.66 feet;

In a southeasterly direction with said curve to the left, an arc distance of 898.15 feet to the **POINT OF BEGINNING** and containing 142.49 acres of land.

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.

EXHIBIT K-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

PROPERTY DESCRIPTION

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being all of Lot 1, Block A, and Lot 2, Block A, Haggard Farm Almanac Addition, an addition to the City of Plano, according to the plat recorded in Instrument No. 2023-461, Official Public Records, Collin County, Texas, and being part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd., recorded in Volume 4227, Page 835, Deed Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at an aluminum disk found in the east right-of-way line of Parkwood Boulevard (a variable width right-of-way), and in the north line of Lot 3, Block A, of said Haggard Farm Almanac Addition;

THENCE with said east right-of-way line of Parkwood Boulevard, North 76°22'45" East, a distance of 172.77 feet to the common corner of said Lot 3 and a called 0.0255 acre tract for Parkwood Boulevard right-of-way reservation according to said Haggard Farm Almanac Addition, and being the beginning of a non-tangent curve to the right, with a radius of 241.00 feet, a central angle of 03°40'34", and a chord bearing and distance of North 86°55'27" East, 15.46 feet, from which an aluminum disk found bears North 76°22'45" East, a distance of 57.43 feet;

THENCE with the common line of said 0.0255 acre tract and said Lot 3, the following courses and distances;

In an easterly direction, with said non-tangent curve to the right, an arc distance of 15.46 feet to the beginning of a reverse curve to the left, with a radius of 259.00 feet, a central angle of 13°38'01", and a chord bearing and distance of North 81°56'43" East, 61.48 feet;
In an easterly direction, with said reverse curve to the left, an arc distance of 61.63 feet to the beginning of a compound curve to the left, with a radius of 869.00 feet, a central angle of 04°51'53", and a chord bearing and distance of North 72°41'46" East, 73.76 feet;
In a northeasterly direction, with said compound curve to the left, an arc distance of 73.78 feet to a point for the southeast corner of said 0.0255 acre tract and in the common line of said Lots 3 and 4, of said Haggard Farm Almanac Addition;

THENCE with said common line of Lots 3 and 4, the following courses and distances:

South 19°44'10" East, a distance of 302.45 feet to the beginning of a tangent curve to the right, with a radius of 100.00 feet, a central angle of 00°52'49", and a chord bearing and distance of South 19°17'46" East, 1.54 feet;
In a southeasterly direction, with said tangent curve to the left, an arc distance of 1.54 feet to the common corner of said Lots 2 and 4, said point also being the **POINT OF BEGINNING**;

THENCE departing said common line of Lots 2 and 3 and with the common line of said Lots 1 and 2, the following courses and distances:

North 81°03'52" East, a distance of 294.00 feet to the beginning of a tangent curve to the left, with a radius of 1,500.00 feet, a central angle of 15°11'13", and a chord bearing and distance of North 73°28'15" East, 396.43 feet;

In a northeasterly direction, with said tangent curve to the left, passing at an arc distance of 86.56 feet, the common corner of said Lots 1 and 2, continuing for a total arc distance of 397.59 feet to the beginning of a compound curve to the left with a radius of 500.00 feet, a central angle of 09°48'47", and a chord bearing and distance of North 60°58'15" East, 85.53 feet;

In a northeasterly direction, with said compound curve to the left, an arc distance of 85.63 feet to a point for corner;

North 56°03'52" East, a distance of 293.71 feet to the common corner of said Lots 1 and 4, in the west line of Lot 6, Block A of said Haggard Farm Almanac Addition;

THENCE with the common line of said Lots 1 and 6, the following courses and distances:

South 57°02'39" East, a distance of 115.48 feet to a point for corner;

South 31°23'23" East, a distance of 36.06 feet to a point for corner;

South 05°44'07" East, a distance of 360.88 feet to a point for corner;

South 08°56'08" East, a distance of 126.41 feet to the common corner of said Lots 1 and 6, in the north line of a called 8.1082 acre tract for Pinehaven Drive right-of-way reservation according to said Haggard Farm Almanac Addition;

THENCE with the common line of said 8.1082 acre tract and said Lot 1, the following courses and distances:

South 81°03'52" West, a distance of 525.67 feet to the beginning of a tangent curve to the right, with a radius of 238.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 52.14 feet;

In a westerly direction, with said tangent curve to the right, an arc distance of 52.25 feet to the beginning of a reverse curve to the left, with a radius of 262.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 57.40 feet;

In a westerly direction, with said reverse curve to the left, an arc distance of 57.52 feet to a point for corner;

South 81°03'52" West, a distance of 98.00 feet to the southwest corner of said Lot 1, in the east line of said Lot 2;

THENCE with the common line of said 8.1082 acre tract and Lot 2, the following courses and distances:

South 08°56'08" East, a distance of 12.00 feet to the southeast corner of said Lot 2;

South 81°03'52" West, a distance of 379.02 feet to the southwest corner of said Lot 2;

THENCE departing said north line of the 8.1082 acre tract and with the common line of said Lots 2 and 3, the following courses and distances:

North 08°56'08" West, a distance of 374.04 feet to the beginning of a tangent curve to the left, with a radius of 100.00 feet, a central angle of 9°55'14", and a chord bearing and distance of North 13°53'45" East, 17.29 feet;

In a northerly direction, with said tangent curve to the left, an arc distance of 17.31 feet to the **POINT OF BEGINNING** and containing 501,105 square feet or 11.5039 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

EXHIBIT K-3 – MAJOR IMPROVEMENT AREA LEGAL DESCRIPTION

130.9861 ACRES

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, City of Plano, Collin County, Texas; and being part of Windhaven Parkway, Spring Creek Parkway and Parkwood Boulevard and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2523, Page 172 of the Land Records of Collin County, Texas and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2739, Page 967 of said Land Records and being part of a tract of land described in Special Warranty Deed, Bill of Sale and Assignment to Acres of Sunshine, LTD. recorded in Volume 4227, Page 835 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Windhaven Parkway (a variable width right-of-way);

THENCE with said centerline of Windhaven Parkway, the following courses and distances:

South 42°22'41" West, a distance of 158.86 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 46°00'40", a radius of 800.00 feet, a chord bearing and distance of South 66°13'45" West, 625.31 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 642.44 feet to a point for corner;

South 89°14'05" West, a distance of 337.88 feet to a point for corner;

THENCE said centerline of Windhaven Parkway, the following courses and distances:

North 0°00'00" East, a distance of 63.50 feet to a point at the beginning of a tangent curve to the left having a central angle of 29°35'57", a radius of 450.00 feet, a chord bearing and distance of North 14°47'58" West, 229.89 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 232.47 feet to a point for corner;

North 29°36'05" West, a distance of 1011.83 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 5°58'43", a radius of 441.64 feet, a chord bearing and distance of North 27°16'14" West, 46.06 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 46.08 feet to a point for corner;

South 80°03'46" West, a distance of 584.73 feet to a point in the east line of Lot 58, Block A, Common Open Space, Avignon Windhaven, Phase 3 an addition to the City of Plano according to the plat recorded in Instrument No. 20111209010002540 of the Official Public Records of Collin County, Texas; and being in the approximate centerline of Creek Number 5B29;

THENCE with the east line of said Lot 58 and said approximate centerline of Creek Number 5B29, the following courses and distances:

North 24°50'38" West, a distance of 17.56 feet to a point for corner;
North 75°15'49" West, a distance of 53.86 feet to a point for corner;
North 55°19'20" West, a distance of 34.91 feet to a point for corner;
North 33°59'39" West, a distance of 99.90 feet to a point for corner;
North 15°48'40" East, a distance of 80.20 feet to a point for corner;
North 56°15'56" West, a distance of 62.96 feet to a point for corner;
North 0°28'11" West, a distance of 42.59 feet to the northeast corner of said Lot 58;

THENCE with the north line of said Block A, Avignon Windhaven, Phase 3, South 81°04'33" West, passing at a distance of 691.05 feet the northwest corner of said Block A, Avignon Windhaven, Phase 3 and the northeast corner of Lot 38, Block A, Avignon Windhaven, Phase 2 an addition to the City of Plano according to the plat recorded in Instrument No. 20091008010002560 of the Official Public Records of Collin County, Texas, continuing with north line of said Block A, Avignon Windhaven, Phase 2, passing at a distance of 1126.56 feet the northwest corner of said Block A, Avignon Windhaven, Phase 2 and the northeast corner of Lot 31, Block A, Avignon Windhaven, Phase 1 an addition to the City of Plano according to the plat recorded in Cabinet R, Slide 205 of the Map Records of Collin County, Texas, continuing with the north line of said Block A, Avignon Windhaven, Phase 1, passing at a distance of 2040.83 feet the northeast corner of said Block A, Avignon Windhaven, Phase 1, continuing in all a total distance of 2505.50 feet to a point for corner in said centerline of Parkwood Boulevard; said point also being at the beginning of a non-tangent curve to the left having a central angle of 2°41'09", a radius of 774.92 feet, a chord bearing and distance of North 1°21'12" East, 36.32 feet;

THENCE with said centerline of Parkwood Boulevard, the following courses and distances:

In a northeasterly direction, with said curve to the left, an arc distance of 36.32 feet to a point at the end of said curve;
North 0°00'44" East, a distance of 359.06 feet to a point at the beginning of a tangent curve to the right having a central angle of 76°22'01", a radius of 789.72 feet, a chord bearing and distance of North 38°11'45" East, 976.38 feet;
In a northeasterly direction, with said curve to the right, an arc distance of 1052.58 feet to a point at the end of said curve;
North 76°22'45" East, a distance of 230.20 feet to a point at the beginning of a tangent curve to the left having a central angle of 76°59'40", a radius of 805.00 feet, a chord bearing and distance of North 37°52'55" East, 1002.19 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 1081.76 feet to a point at the end of said curve;
North 0°36'55" West, a distance of 180.53 feet to at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Parkwood Boulevard (a variable width right-of-way);

THENCE with said centerline of Spring Creek Parkway, the following course and distances:

North 89°12'46" East, a distance of 47.67 feet to a point at the beginning of a tangent curve to the right having a central angle of 57°23'42", a radius of 2270.36 feet, a chord bearing and distance of South 62°05'23" East, 2180.39 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 2274.29 feet to a point for corner;

South 33°23'29" East, a distance of 1403.39 feet to a point at the beginning of a tangent curve to the left having a central angle of 23°53'29", a radius of 2153.93 feet, a chord bearing and distance of South 45°20'14" East, 891.66 feet;

In a southeasterly direction with said curve to the left, an arc distance of 898.15 feet to the **POINT OF BEGINNING** and containing 142.49 acres of land.

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.

Save and Except:

PROPERTY DESCRIPTION

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being all of Lot 1, Block A, and Lot 2, Block A, Haggard Farm Almanac Addition, an addition to the City of Plano, according to the plat recorded in Instrument No. 2023-461, Official Public Records, Collin County, Texas, and being part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd., recorded in Volume 4227, Page 835, Deed Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at an aluminum disk found in the east right-of-way line of Parkwood Boulevard (a variable width right-of-way), and in the north line of Lot 3, Block A, of said Haggard Farm Almanac Addition;

THENCE with said east right-of-way line of Parkwood Boulevard, North 76°22'45" East, a distance of 172.77 feet to the common corner of said Lot 3 and a called 0.0255 acre tract for Parkwood Boulevard right-of-way reservation according to said Haggard Farm Almanac Addition, and being the beginning of a non-tangent curve to the right, with a radius of 241.00 feet, a central angle of 03°40'34", and a chord bearing and distance of North 86°55'27" East, 15.46 feet, from which an aluminum disk found bears North 76°22'45" East, a distance of 57.43 feet;

THENCE with the common line of said 0.0255 acre tract and said Lot 3, the following courses and distances;

In an easterly direction, with said non-tangent curve to the right, an arc distance of 15.46 feet to the beginning of a reverse curve to the left, with a radius of 259.00 feet, a central angle of 13°38'01", and a chord bearing and distance of North 81°56'43" East, 61.48 feet;
In an easterly direction, with said reverse curve to the left, an arc distance of 61.63 feet to the beginning of a compound curve to the left, with a radius of 869.00 feet, a central angle of 04°51'53", and a chord bearing and distance of North 72°41'46" East, 73.76 feet;
In a northeasterly direction, with said compound curve to the left, an arc distance of 73.78 feet to a point for the southeast corner of said 0.0255 acre tract and in the common line of said Lots 3 and 4, of said Haggard Farm Almanac Addition;

THENCE with said common line of Lots 3 and 4, the following courses and distances:

South 19°44'10" East, a distance of 302.45 feet to the beginning of a tangent curve to the right, with a radius of 100.00 feet, a central angle of 00°52'49", and a chord bearing and distance of South 19°17'46" East, 1.54 feet;
In a southeasterly direction, with said tangent curve to the left, an arc distance of 1.54 feet to the common corner of said Lots 2 and 4, said point also being the **POINT OF BEGINNING**;

THENCE departing said common line of Lots 2 and 3 and with the common line of said Lots 1 and 2, the following courses and distances:

North 81°03'52" East, a distance of 294.00 feet to the beginning of a tangent curve to the left, with a radius of 1,500.00 feet, a central angle of 15°11'13", and a chord bearing and distance of North 73°28'15" East, 396.43 feet;
In a northeasterly direction, with said tangent curve to the left, passing at an arc distance of 86.56 feet, the common corner of said Lots 1 and 2, continuing for a total arc distance of 397.59 feet to the beginning of a compound curve to the left with a radius of 500.00 feet, a central angle of 09°48'47", and a chord bearing and distance of North 60°58'15" East, 85.53 feet;
In a northeasterly direction, with said compound curve to the left, an arc distance of 85.63 feet to a point for corner;
North 56°03'52" East, a distance of 293.71 feet to the common corner of said Lots 1 and 4, in the west line of Lot 6, Block A of said Haggard Farm Almanac Addition;

THENCE with the common line of said Lots 1 and 6, the following courses and distances:

South 57°02'39" East, a distance of 115.48 feet to a point for corner;
South 31°23'23" East, a distance of 36.06 feet to a point for corner;
South 05°44'07" East, a distance of 360.88 feet to a point for corner;
South 08°56'08" East, a distance of 126.41 feet to the common corner of said Lots 1 and 6, in the north line of a called 8.1082 acre tract for Pinehaven Drive right-of-way reservation according to said Haggard Farm Almanac Addition;

THENCE with the common line of said 8.1082 acre tract and said Lot 1, the following courses and distances:

South 81°03'52" West, a distance of 525.67 feet to the beginning of a tangent curve to the right, with a radius of 238.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 52.14 feet;

In a westerly direction, with said tangent curve to the right, an arc distance of 52.25 feet to the beginning of a reverse curve to the left, with a radius of 262.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 57.40 feet;

In a westerly direction, with said reverse curve to the left, an arc distance of 57.52 feet to a point for corner;

South 81°03'52" West, a distance of 98.00 feet to the southwest corner of said Lot 1, in the east line of said Lot 2;

THENCE with the common line of said 8.1082 acre tract and Lot 2, the following courses and distances:

South 08°56'08" East, a distance of 12.00 feet to the southeast corner of said Lot 2;

South 81°03'52" West, a distance of 379.02 feet to the southwest corner of said Lot 2;

THENCE departing said north line of the 8.1082 acre tract and with the common line of said Lots 2 and 3, the following courses and distances:

North 08°56'08" West, a distance of 374.04 feet to the beginning of a tangent curve to the left, with a radius of 100.00 feet, a central angle of 9°55'14", and a chord bearing and distance of North 13°53'45" East, 17.29 feet;

In a northerly direction, with said tangent curve to the left, an arc distance of 17.31 feet to the **POINT OF BEGINNING** and containing 501,105 square feet or 11.5039 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

APPENDIX A – ENGINEER’S REPORT

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RE: *Engineer's Report*
Haggard Farm
Plano, Texas

Introduction:

Haggard Farm is a proposed mixed-use development including approximately 142 acres located at the southeast corner of Spring Creek Parkway and Parkwood Boulevard in Plano, Texas as described in Exhibit A. The development anticipates 4 Phases with proposed office, multifamily, commercial, retail, hotel, and single family with the phases shown on Exhibit B. This Engineer's report includes the documents requested by the City of Plano for the formation of the PID and the issuance of bonds by the City. Bonds are anticipated to be used to finance public infrastructure projects vital for the development within the PID.

Development Costs:

An Engineers' Opinion of Probable Cost (OPC) has been prepared for all off-site and on-site infrastructure and is included as Exhibit C.

Development Improvements:

The authorized improvements benefitting the property within the Haggard Farm PID are illustrated in Exhibits D through O. There are Master Infrastructure Public Improvements, Master Infrastructure Private Improvements, Direct Public Improvements, and Direct Private Improvements.

Development Schedule:

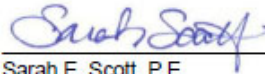
Design Phase

The off-site civil construction plans for the public infrastructure have been prepared and submitted to the City of Plano. A Traffic Study, Floodplain Study and CLOMR have been prepared and submitted to the City of Plano. A Preliminary Site Plan, Revised Concept Plan, and Conveyance Plat has been submitted to the City of Plano. Design and platting for Phase 1 on-site civil construction plans for are currently underway with an anticipated submittal in the second quarter of 2023.

Construction Phase:

The construction of the master Infrastructure is estimated to begin in September 2023 with final acceptance is estimated in the second quarter of 2024. The on-site Phase 1 Development is estimated to begin in August 2023 with final acceptance estimated in the third quarter of 2025. A project timeline is depicted in Exhibit P.



 08/14/2023
Sarah E. Scott, P.E.
Kimley-Horn and Associates, Inc.

kimley-horn.com

13455 Noel Road, Suite 700, Dallas, TX 75240

972 770 1300

EXHIBIT A

LEGAL DESCRIPTION – 142.49 acres

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, City of Plano, Collin County, Texas; and being part of Windhaven Parkway, Spring Creek Parkway and Parkwood Boulevard and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2523, Page 172 of the Land Records of Collin County, Texas and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2739, Page 967 of said Land Records and being part of a tract of land described in Special Warranty Deed, Bill of Sale and Assignment to Acres of Sunshine, LTD. recorded in Volume 4227, Page 835 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Windhaven Parkway (a variable width right-of-way);

THENCE with said centerline of Windhaven Parkway, the following courses and distances:

South 42°22'41" West, a distance of 158.86 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 46°00'40", a radius of 800.00 feet, a chord bearing and distance of South 66°13'45" West, 625.31 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 642.44 feet to a point for corner;

South 89°14'05" West, a distance of 337.88 feet to a point for corner;

THENCE said centerline of Windhaven Parkway, the following courses and distances:

North 0°00'00" East, a distance of 63.50 feet to a point at the beginning of a tangent curve to the left having a central angle of 29°35'57", a radius of 450.00 feet, a chord bearing and distance of North 14°47'58" West, 229.89 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 232.47 feet to a point for corner;

North 29°36'05" West, a distance of 1011.83 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 5°58'43", a radius of 441.64 feet, a chord bearing and distance of North 27°16'14" West, 46.06 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 46.08 feet to a point for corner;

South 80°03'46" West, a distance of 584.73 feet to a point in the east line of Lot 58, Block A, Common Open Space, Avignon Windhaven, Phase 3 an addition to the City of Plano according to the plat recorded in Instrument No. 20111209010002540 of the Official Public Records of Collin County, Texas; and being in the approximate centerline of Creek Number 5B29;

THENCE with the east line of said Lot 58 and said approximate centerline of Creek Number 5B29, the following courses and distances:

North 24°50'38" West, a distance of 17.56 feet to a point for corner;
North 75°15'49" West, a distance of 53.86 feet to a point for corner;
North 55°19'20" West, a distance of 34.91 feet to a point for corner;
North 33°59'39" West, a distance of 99.90 feet to a point for corner;
North 15°48'40" East, a distance of 80.20 feet to a point for corner;
North 56°15'56" West, a distance of 62.96 feet to a point for corner;
North 0°28'11" West, a distance of 42.59 feet to the northeast corner of said Lot 58;

THENCE with the north line of said Block A, Avignon Windhaven, Phase 3, South 81°04'33" West, passing at a distance of 691.05 feet the northwest corner of said Block A, Avignon Windhaven, Phase 3 and the northeast corner of Lot 38, Block A, Avignon Windhaven, Phase 2 an addition to the City of Plano according to the plat recorded in Instrument No. 20091008010002560 of the Official Public Records of Collin County, Texas, continuing with north line of said Block A, Avignon Windhaven, Phase 2, passing at a distance of 1126.56 feet the northwest corner of said Block A, Avignon Windhaven, Phase 2 and the northeast corner of Lot 31, Block A, Avignon Windhaven, Phase 1 an addition to the City of Plano according to the plat recorded in Cabinet R, Slide 205 of the Map Records of Collin County, Texas, continuing with the north line of said Block A, Avignon Windhaven, Phase 1, passing at a distance of 2040.83 feet the northeast corner of said Block A, Avignon Windhaven, Phase 1, continuing in all a total distance of 2505.50 feet to a point for corner in said centerline of Parkwood Boulevard; said point also being at the beginning of a non-tangent curve to the left having a central angle of 2°41'09", a radius of 774.92 feet, a chord bearing and distance of North 1°21'12" East, 36.32 feet;

THENCE with said centerline of Parkwood Boulevard, the following courses and distances:

In a northeasterly direction, with said curve to the left, an arc distance of 36.32 feet to a point at the end of said curve;
North 0°00'44" East, a distance of 359.06 feet to a point at the beginning of a tangent curve to the right having a central angle of 76°22'01", a radius of 789.72 feet, a chord bearing and distance of North 38°11'45" East, 976.38 feet;
In a northeasterly direction, with said curve to the right, an arc distance of 1052.58 feet to a point at the end of said curve;
North 76°22'45" East, a distance of 230.20 feet to a point at the beginning of a tangent curve to the left having a central angle of 76°59'40", a radius of 805.00 feet, a chord bearing and distance of North 37°52'55" East, 1002.19 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 1081.76 feet to a point at the end of said curve;
North 0°36'55" West, a distance of 180.53 feet to at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Parkwood Boulevard (a variable width right-of-way);

THENCE with said centerline of Spring Creek Parkway, the following course and distances:

North 89°12'46" East, a distance of 47.67 feet to a point at the beginning of a tangent curve to the right having a central angle of 57°23'42", a radius of 2270.36 feet, a chord bearing and distance of South 62°05'23" East, 2180.39 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 2274.29 feet to a point for corner;
South 33°23'29" East, a distance of 1403.39 feet to a point at the beginning of a tangent curve to the left having a central angle of 23°53'29", a radius of 2153.93 feet, a chord bearing and distance of South 45°20'14" East, 891.66 feet;
In a southeasterly direction with said curve to the left, an arc distance of 898.15 feet to the **POINT OF BEGINNING** and containing 142.49 acres of land.

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.

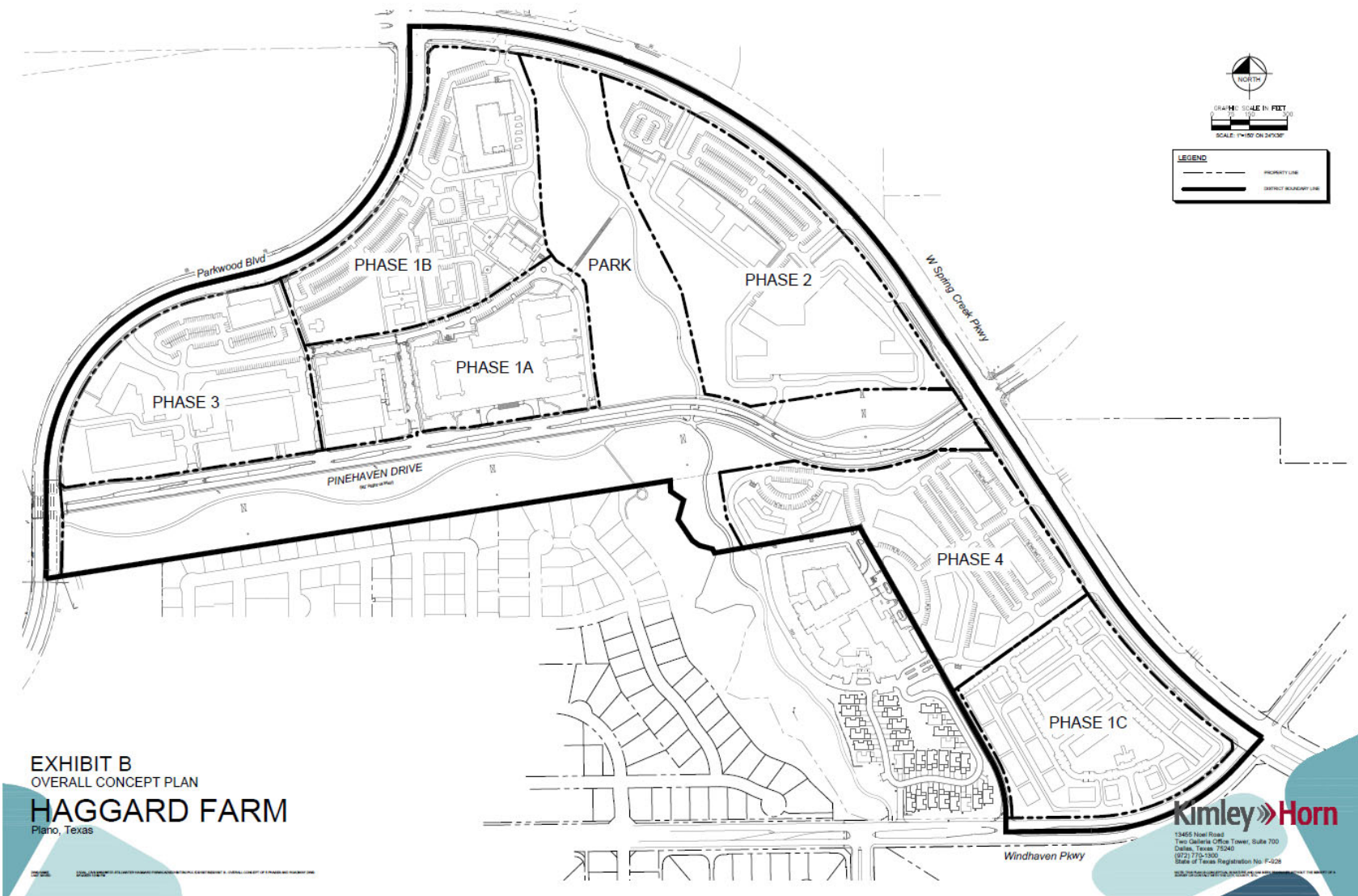


EXHIBIT C

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COSTS

Project: Haggard Farm Public Improvement District
Location: Plano, Texas

Date: August 14, 2023

Master Infrastructure Public Costs

Phase		Total	1A	1B,1C	2	3	4
Paving		6,131,052	6,131,052				
Water		1,550,210	1,550,210				
Sanitary Sewer		1,636,100	1,636,100				
Storm		5,740,547	5,740,547				
Franchise Utilities		344,813	344,813				
Landscape		3,242,776	1,842,776		1,400,000		
Inspection Fees	4%	745,820	689,820				
Soft Costs	6%	1,118,730	1,034,730		84,000		
Contingency	5%	932,275	862,275		70,000		
District Formation		800,000	800,000				
Total		22,242,322	20,632,322	-	1,554,000	-	-

Master Infrastructure Private Costs

Phase		Total	1A	1B,1C	2	3	4
Franchise Utilities		2,312,267	2,312,267				
Soft Costs	6%	138,736	138,736				
Contingency	5%	115,613	115,613				
Total		2,566,617	2,566,617	-	-	-	-

Direct Public Costs

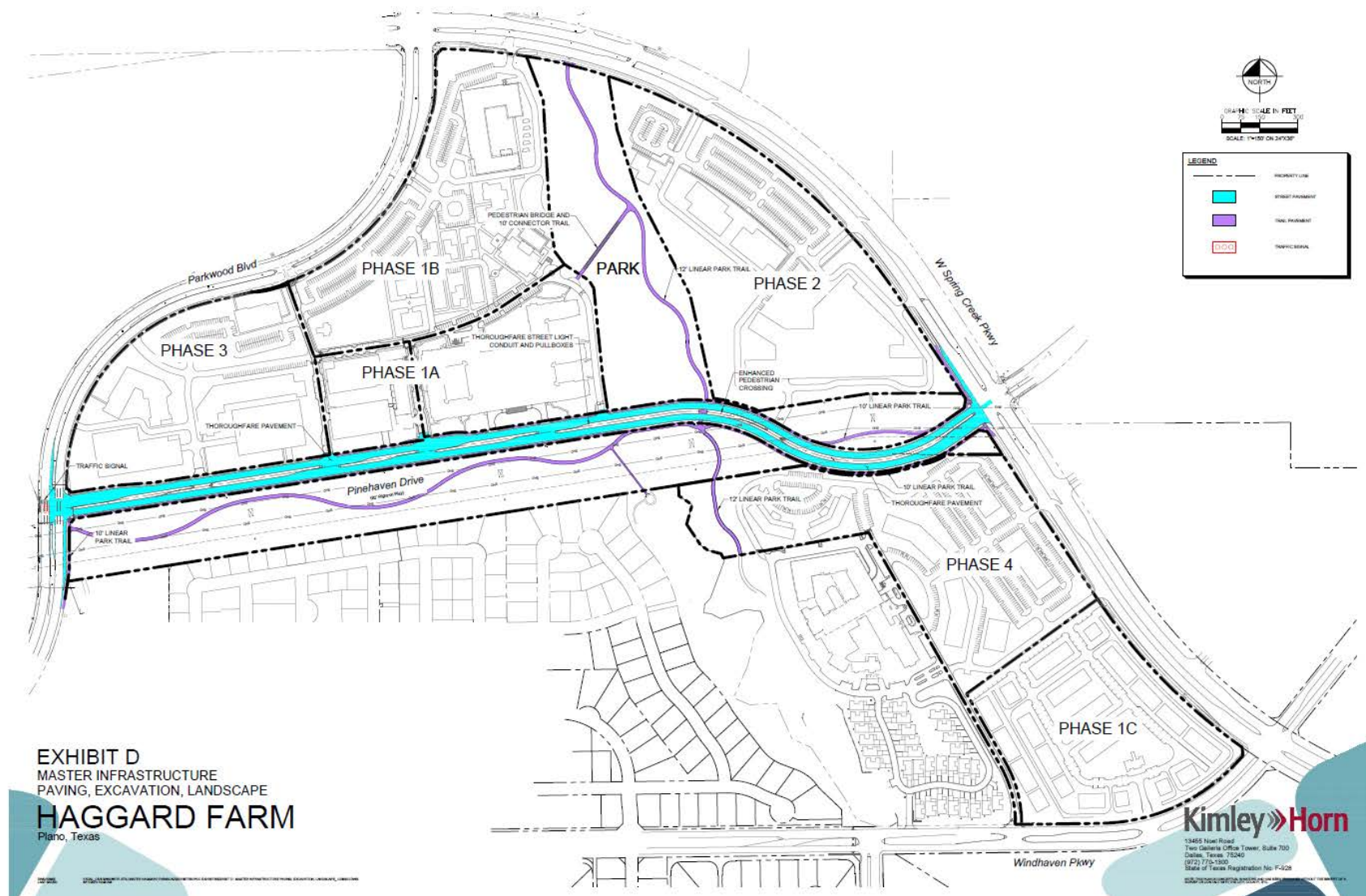
Phase		Total	1A	1B,1C	2	3	4
Paving		10,259,809	-	7,209,170	2,032,115	-	1,018,524
Water		6,377,411	569,020	2,425,893	1,414,456	522,936	1,445,106
Sanitary Sewer		2,501,598	146,120	1,908,332	281,321	94,386	71,439
Storm		5,922,439	633,390	2,456,532	1,182,294	521,635	1,128,588
Landscape		2,011,900	-	2,011,900	-	-	-
Soft Costs	6%	1,624,389	80,912	960,710	294,611	68,337	219,819
Contingency	5%	1,434,877	71,472	848,627	260,240	60,365	194,174
Total		30,132,422	1,500,914	17,821,163	5,465,037	1,267,658	4,077,651

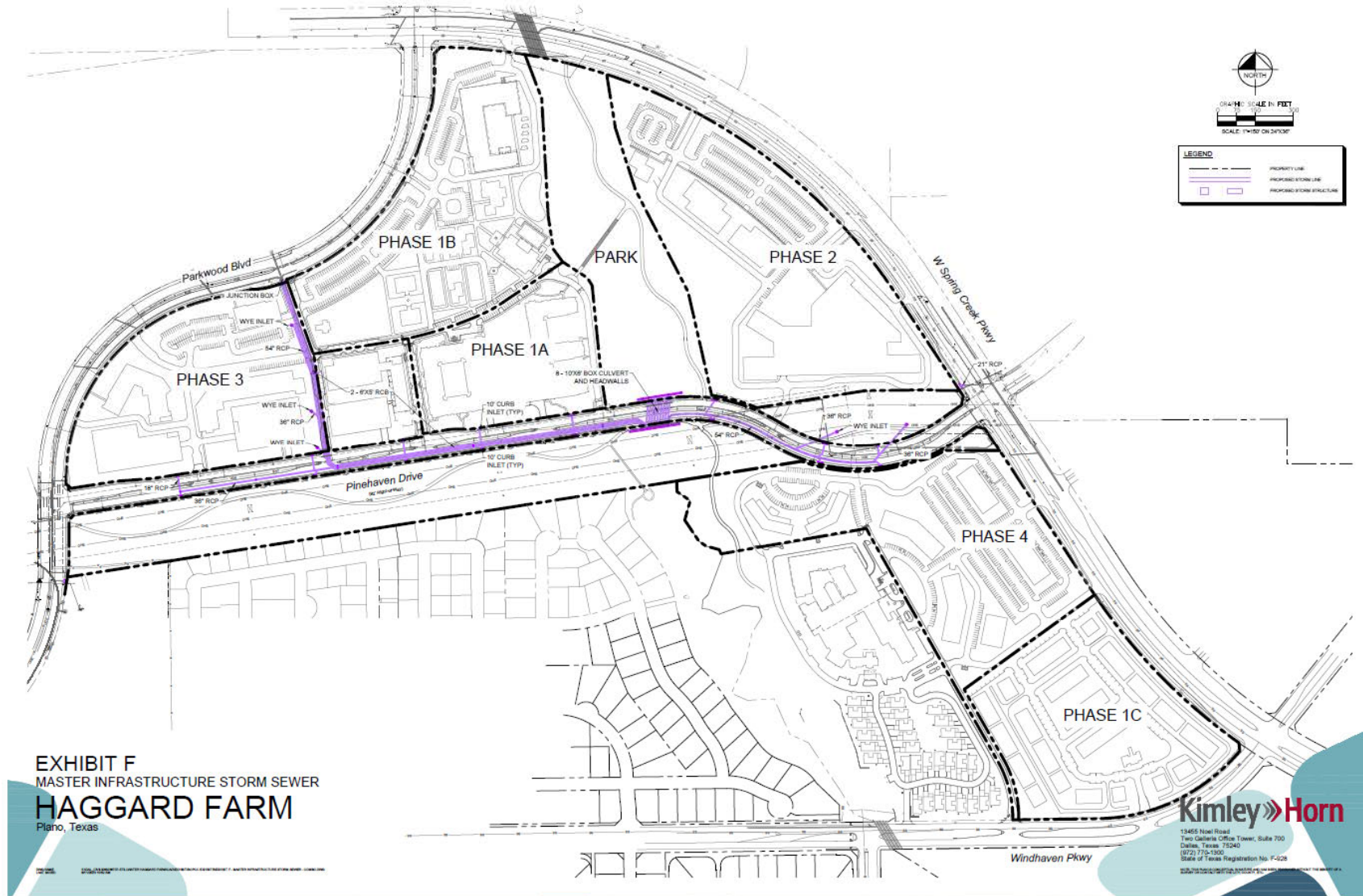
Direct Private Costs

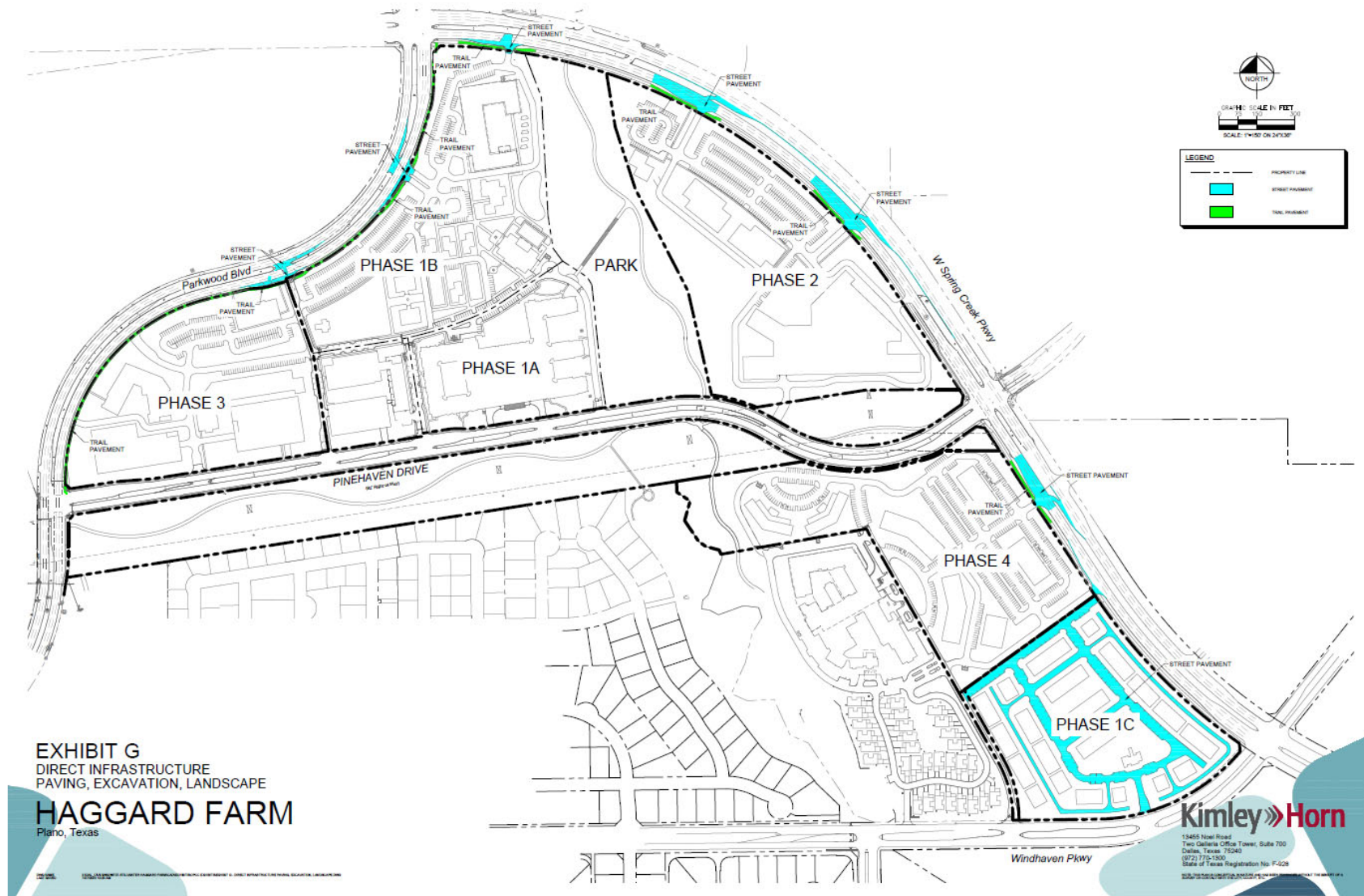
Phase		Total	1A	1B,1C	2	3	4
Paving		16,989,658	2,039,592	3,179,498	3,625,936	3,596,032	4,548,601
Water		1,752,684	19,500	124,302	541,151	469,048	598,683
Sanitary Sewer		2,336,911	141,740	49,996	721,535	625,397	798,244
Storm		3,505,367	193,675	93,929	1,082,303	938,095	1,197,365
Franchise Utilities		5,355,081	155,786	1,713,386	1,172,494	1,016,270	1,297,146
Landscape		27,347,611	2,809,000	9,530,300	3,898,109	4,958,984	6,151,218
Soft Costs	6%	3,437,239	321,558	881,485	662,492	696,229	875,475
Contingency	5%	3,036,228	284,042	778,645	585,201	615,003	773,337
Total		63,760,778	5,964,892	16,351,540	12,289,220	12,915,057	16,240,069

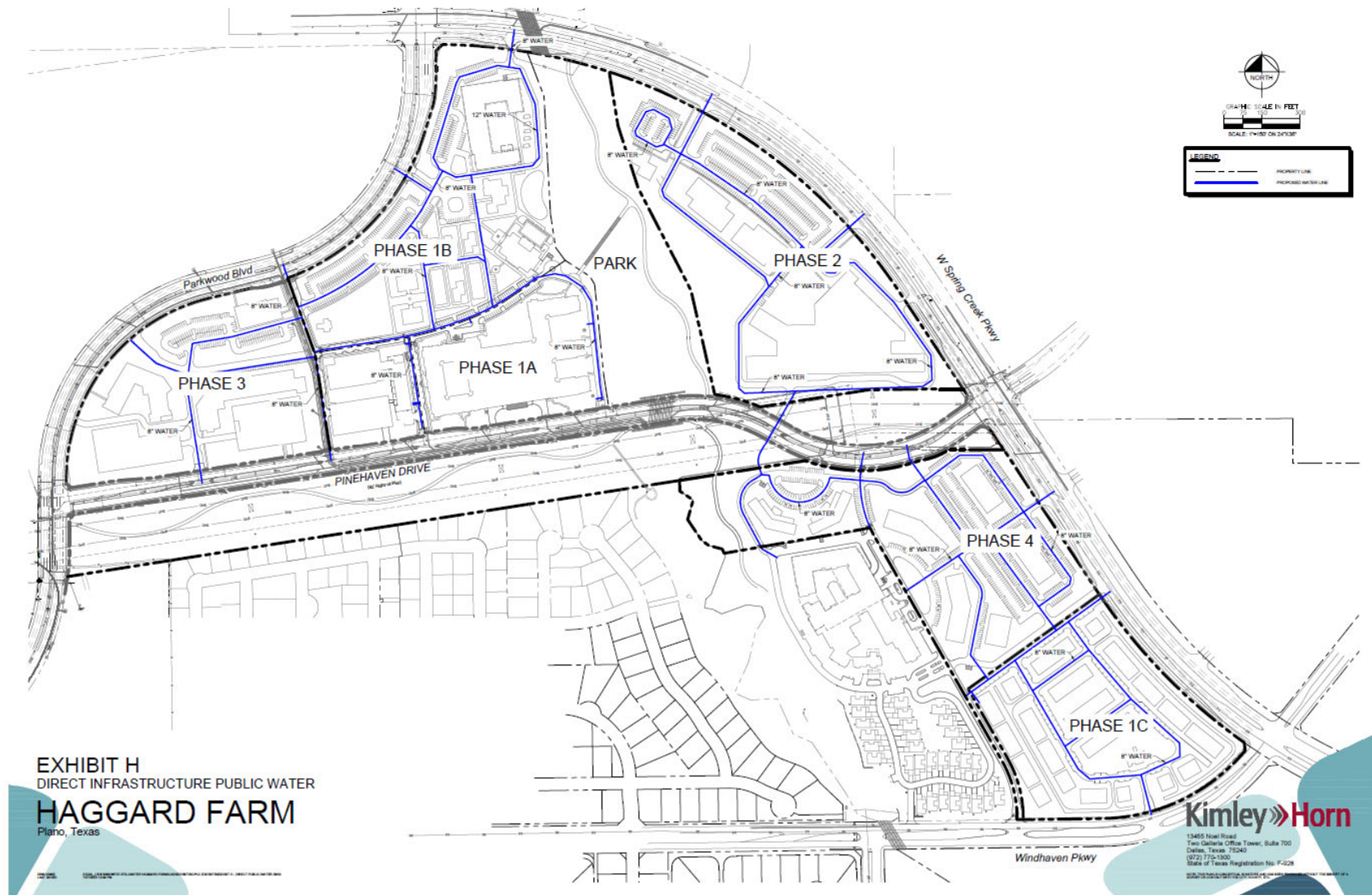
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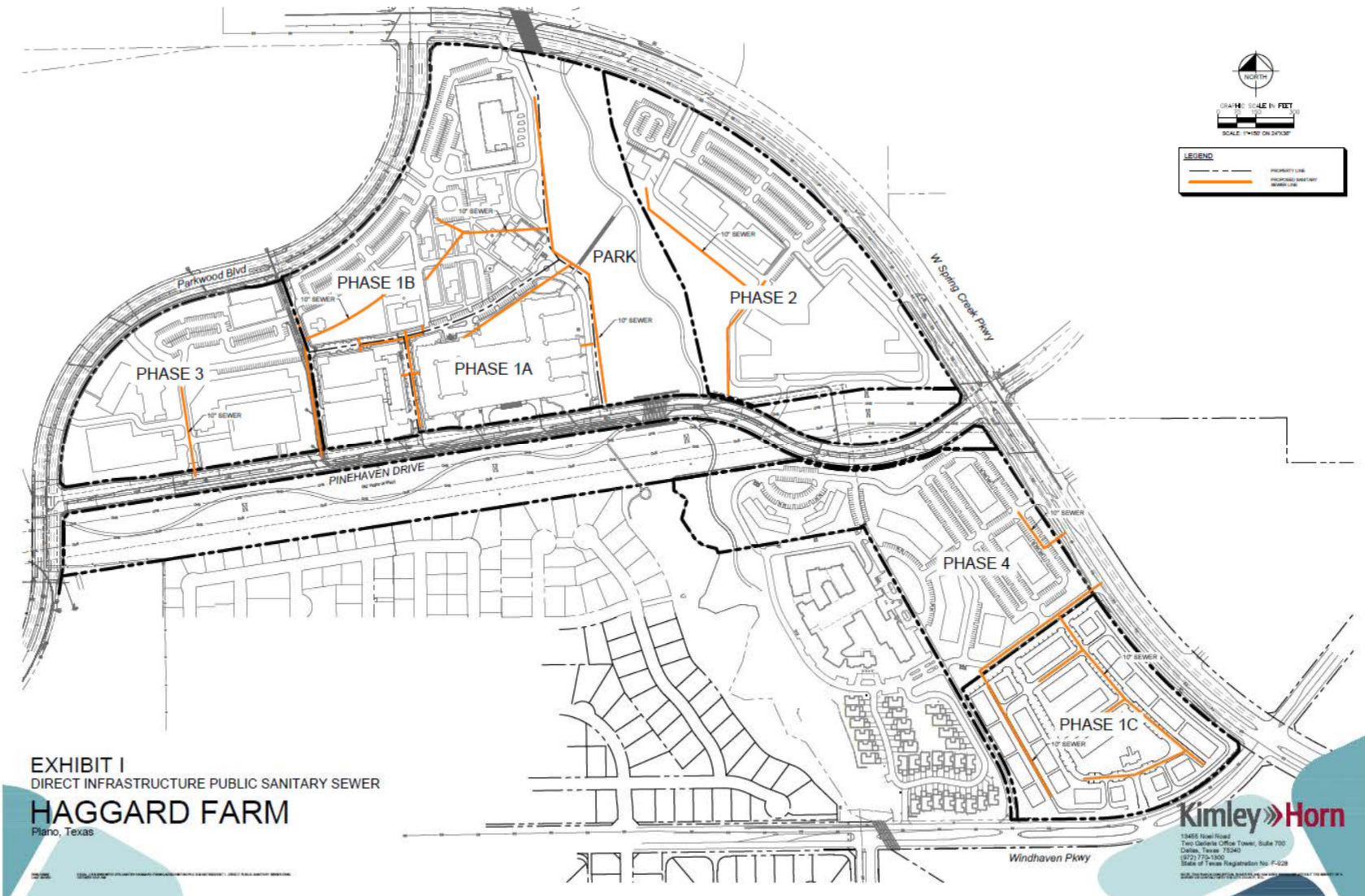
1. Kimley-Horn (KH) does not control the cost of labor, materials, equipment or services furnished by others; and does not control the methods of determining prices, or competitive bidding or market conditions; any opinions rendered as to costs, including but not limited to opinions as to the costs of construction and materials shall be made on the basis of its experience and represent judgment as an experienced and qualified professional, familiar with the industry. KH cannot and does not guarantee that proposals, bids, or actual costs will not vary from its opinions of cost, due to variances in items, quantities, or price.

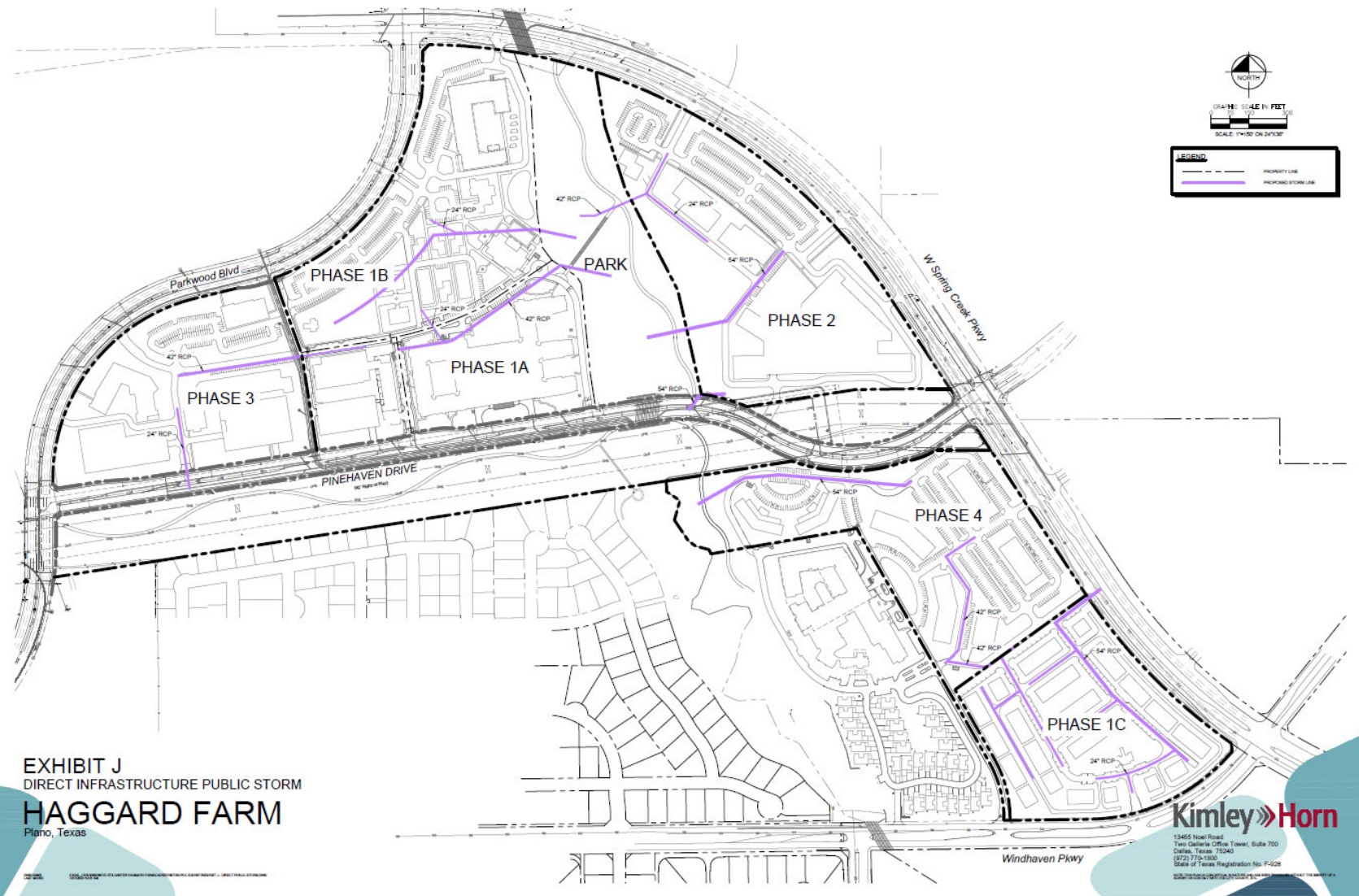




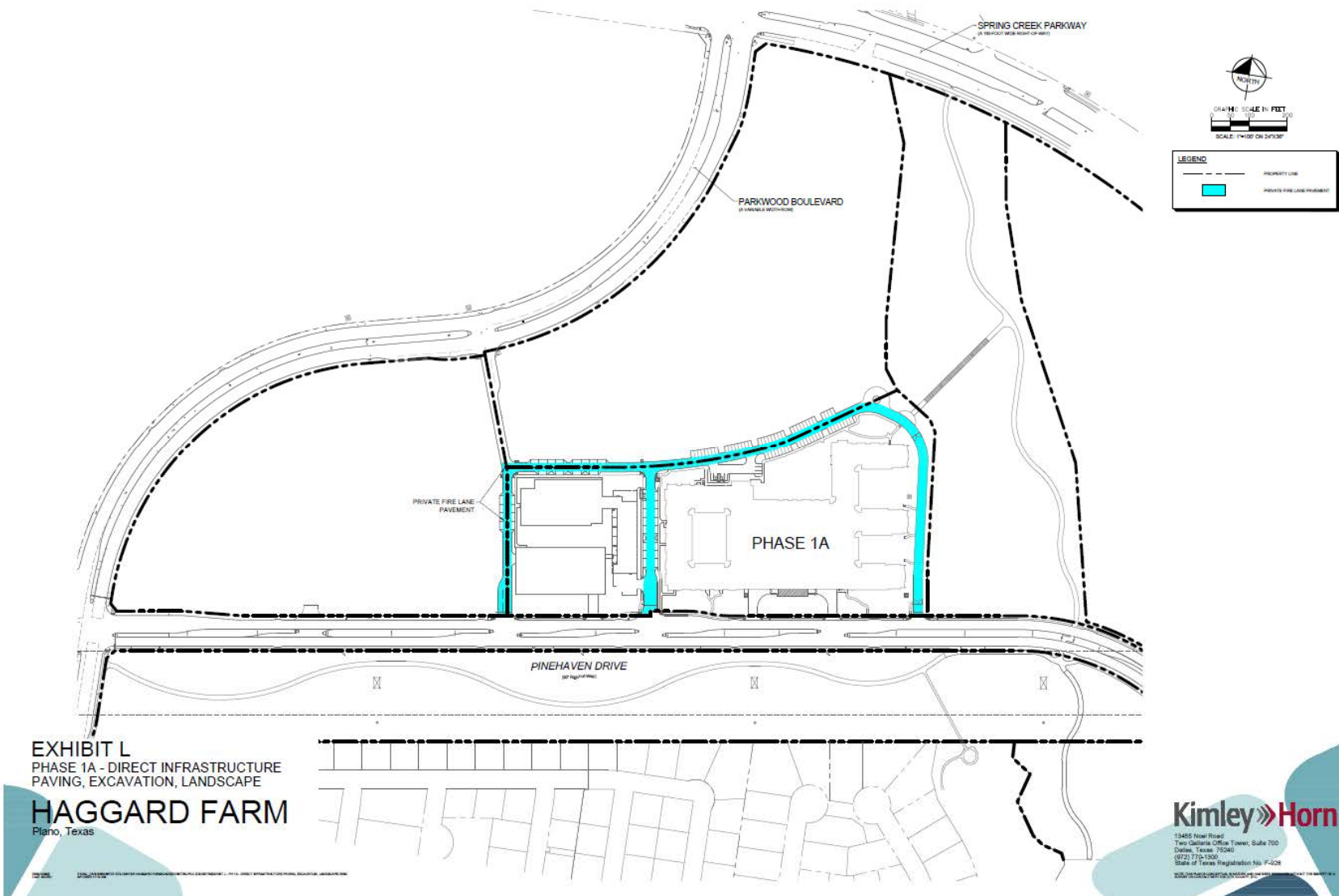












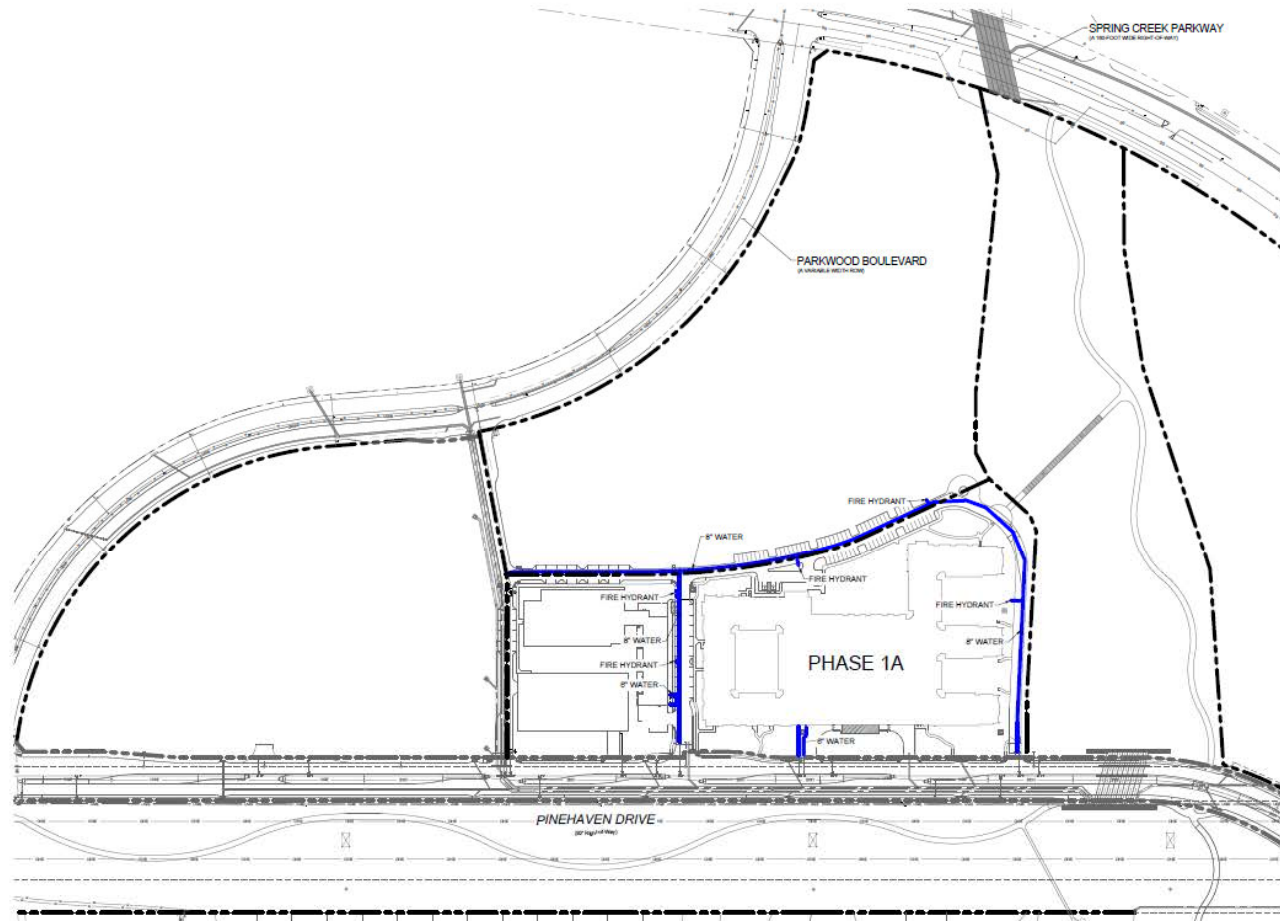
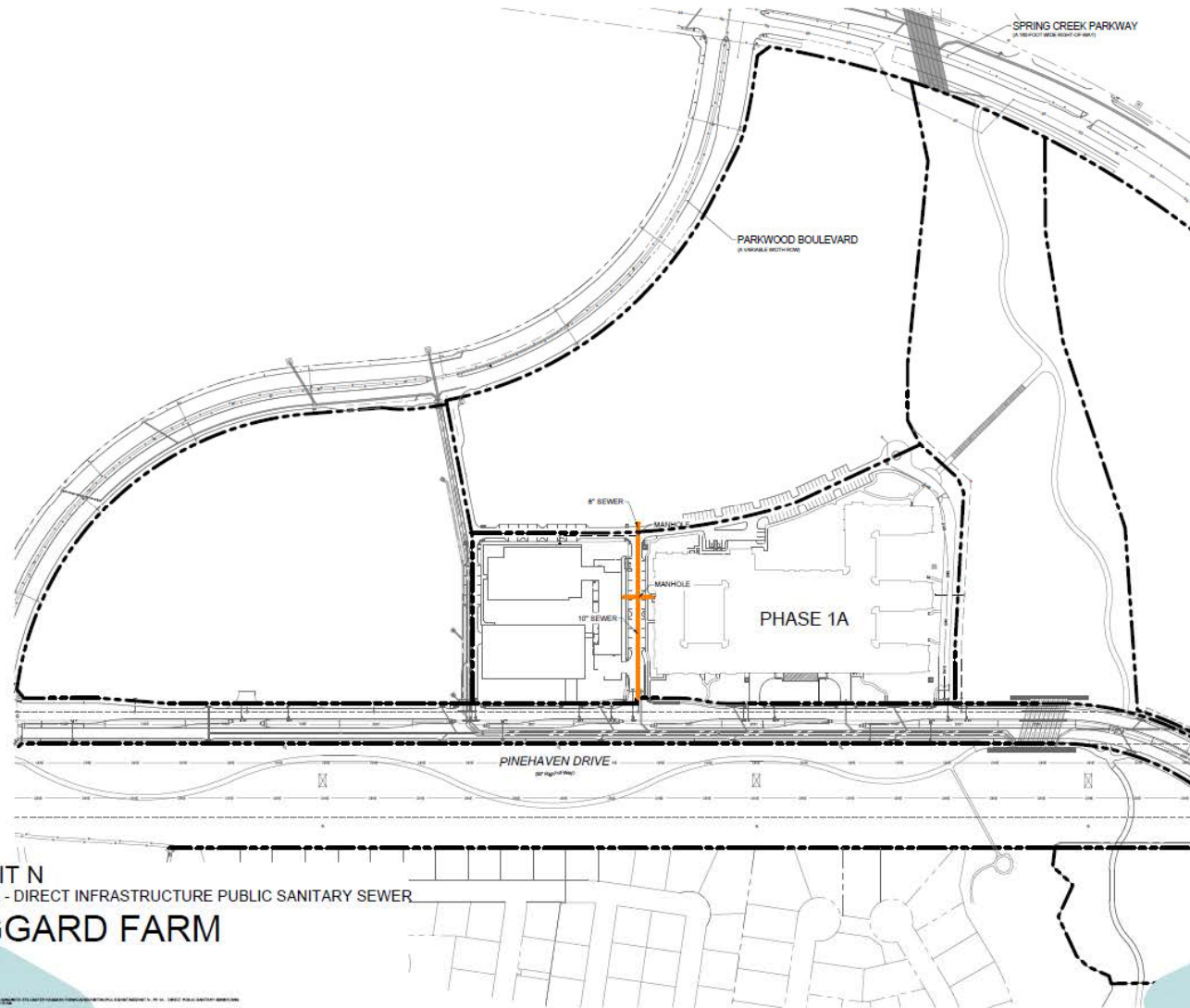


EXHIBIT M
PHASE 1A - DIRECT INFRASTRUCTURE PUBLIC WATER
HAGGARD FARM
Plano, Texas

Kimley»Horn

13455 Nowell Road
Two Galleria Office Tower, Suite 700
Dallas, Texas 75240
(972) 775-1500
State of Texas Registration No. F-026



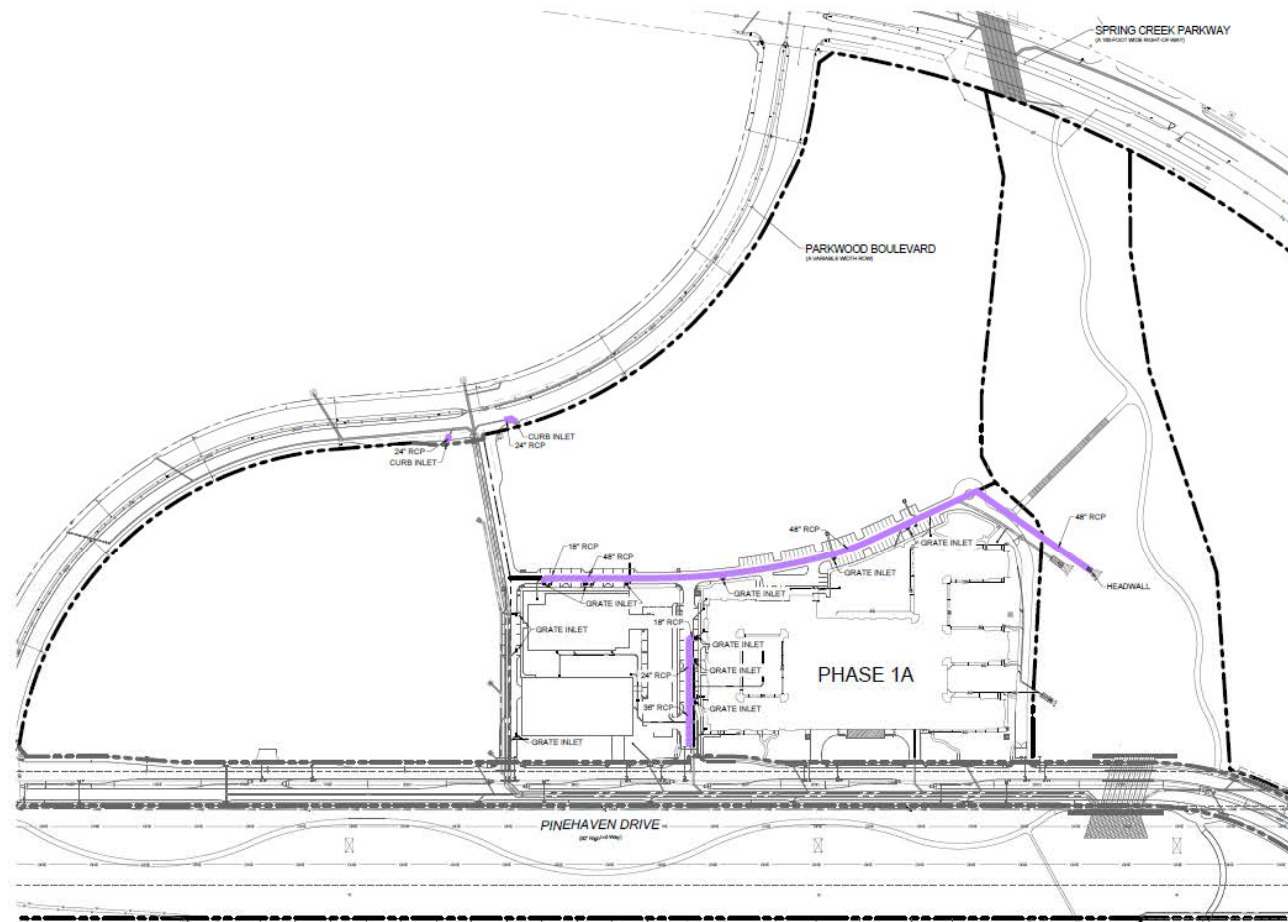


EXHIBIT O
PHASE 1A - DIRECT INFRASTRUCTURE PUBLIC STORM
HAGGARD FARM
Plano, Texas

Kimley»Horn
13455 Noel Road
Two Galleria Office Towers, Suite 700
Dallas, Texas 75240
(972) 775-1300
State of Texas Registration No. F-2625
Kimley-Horn and Associates, Inc. is an Equal Opportunity Employer. Minorities and women are encouraged to apply.

EXHIBIT P
Haggard Farm Public Infrastructure Schedule

	Sep-23				Oct-23					Nov-23				Dec-23				Jan-24				Feb-24				Mar-24				Apr-24				May-24				Jun-24																		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43													
Letter of Map Revision																																																								
Earthwork																																																								
Utilities																																																								
Electrical																																																								
Paving																																																								
Landscape & Irrigation																																																								
Pavement Markings																																																								
Substantial Completion																																																								

APPENDIX B – BUYER DISCLOSURES

Forms of the buyer disclosures for the following Lot Types are found in this appendix:

Improvement Area #1

- Tract 1 Parcel 1 – Multi-Family
- Tract 1 Parcel 2 - Office

Major Improvement Area

- Tract 1 Parcel 3 – Retail
- Tract 1 Parcel 4 – Hotel
- Tract 1 Parcel 5 – Office
- Tract 1 Parcel 6 – Office
- Tract 1 Parcel 7 – Office
- Tract 2 Parcel 1 – Multi-Family
- Tract 2 Parcel 2 – Office
- Tract 2 Parcel 3 – Office
- Tract 2 Parcel 4 – Retail
- Tract 3 Parcel 1 – Office
- Tract 3 Parcel 2 – Office
- Tract 3 Parcel 3 – Assisted Living
- Tract 3 Parcel 4 – Assisted Living
- Tract 3 – Parcel 5 – Assisted Living
- Tract 4 Parcel 1 - Townhomes

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA #1 TRACT 1 PARCEL 1 MULTI-FAMILY BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

**IMPROVEMENT AREA #1 TRACT 1 PARCEL 1 MULTI-FAMILY LOT TYPE (350
UNITS) PRINCIPAL ASSESSMENT: \$3,482,972.14**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 TRACT 1 PARCEL 1 MULTI-FAMILY LOT TYPE PER UNIT

Installment Due 1/31	Principal	Interest	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment
2024	\$ -	\$ 278,637.77	\$ (278,637.77)	\$ -	\$ -	\$ -
2025	\$ -	\$ 278,637.77	\$ (278,637.77)	\$ 17,414.86	\$ 24,868.42	\$ 42,283.28
2026	\$ 36,919.50	\$ 278,637.77	\$ -	\$ 17,414.86	\$ 25,365.79	\$ 358,337.93
2027	\$ 39,705.88	\$ 275,684.21	\$ -	\$ 17,230.26	\$ 25,873.11	\$ 358,493.46
2028	\$ 42,492.26	\$ 272,507.74	\$ -	\$ 17,031.73	\$ 26,390.57	\$ 358,422.30
2029	\$ 45,975.23	\$ 269,108.36	\$ -	\$ 16,819.27	\$ 26,918.38	\$ 358,821.24
2030	\$ 49,458.20	\$ 265,430.34	\$ -	\$ 16,589.40	\$ 27,456.75	\$ 358,934.69
2031	\$ 53,637.77	\$ 261,473.68	\$ -	\$ 16,342.11	\$ 28,005.88	\$ 359,459.44
2032	\$ 57,817.34	\$ 257,182.66	\$ -	\$ 16,073.92	\$ 28,566.00	\$ 359,639.92
2033	\$ 62,693.50	\$ 252,557.28	\$ -	\$ 15,784.83	\$ 29,137.32	\$ 360,172.92
2034	\$ 67,569.66	\$ 247,541.80	\$ -	\$ 15,471.36	\$ 29,720.07	\$ 360,302.88
2035	\$ 73,142.41	\$ 242,136.22	\$ -	\$ 15,133.51	\$ 30,314.47	\$ 360,726.62
2036	\$ 78,715.17	\$ 236,284.83	\$ -	\$ 14,767.80	\$ 30,920.76	\$ 360,688.56
2037	\$ 84,984.52	\$ 229,987.62	\$ -	\$ 14,374.23	\$ 31,539.17	\$ 360,885.53
2038	\$ 91,950.46	\$ 223,188.85	\$ -	\$ 13,949.30	\$ 32,169.95	\$ 361,258.58
2039	\$ 99,613.00	\$ 215,832.82	\$ -	\$ 13,489.55	\$ 32,813.35	\$ 361,748.72
2040	\$ 107,275.54	\$ 207,863.78	\$ -	\$ 12,991.49	\$ 33,469.62	\$ 361,600.43
2041	\$ 115,634.67	\$ 199,281.73	\$ -	\$ 12,455.11	\$ 34,139.01	\$ 361,510.53
2042	\$ 125,387.00	\$ 190,030.96	\$ -	\$ 11,876.93	\$ 34,821.79	\$ 362,116.68
2043	\$ 135,139.32	\$ 180,000.00	\$ -	\$ 11,250.00	\$ 35,518.23	\$ 361,907.55
2044	\$ 146,284.83	\$ 169,188.85	\$ -	\$ 10,574.30	\$ 36,228.59	\$ 362,276.58
2045	\$ 157,430.34	\$ 157,486.07	\$ -	\$ 9,842.88	\$ 36,953.17	\$ 361,712.45
2046	\$ 169,969.04	\$ 144,891.64	\$ -	\$ 9,055.73	\$ 37,692.23	\$ 361,608.64
2047	\$ 183,900.93	\$ 131,294.12	\$ -	\$ 8,205.88	\$ 38,446.07	\$ 361,847.00
2048	\$ 198,529.41	\$ 116,582.04	\$ -	\$ 7,286.38	\$ 39,214.99	\$ 361,612.83
2049	\$ 214,551.08	\$ 100,699.69	\$ -	\$ 6,293.73	\$ 39,999.29	\$ 361,543.80
2050	\$ 231,965.94	\$ 83,535.60	\$ -	\$ 5,220.98	\$ 40,799.28	\$ 361,521.80
2051	\$ 250,077.40	\$ 64,978.33	\$ -	\$ 4,061.15	\$ 41,615.27	\$ 360,732.14
2052	\$ 270,278.64	\$ 44,972.14	\$ -	\$ 2,810.76	\$ 42,447.57	\$ 360,509.10
2053	\$ 291,873.07	\$ 23,349.85	\$ -	\$ 1,459.37	\$ 43,296.52	\$ 359,978.80
Total	\$ 3,482,972.14	\$ 5,898,984.52	\$ (557,275.54)	\$ 351,271.67	\$ 964,701.62	\$ 10,140,654.41

Footnotes:

[a] Interest is calculated at a 8.00% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA #1
TRACT 1 PARCEL 2 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 TRACT 1 PARCEL 2 OFFICE LOT TYPE (98,000 SQ FT)
PRINCIPAL ASSESSMENT: \$1,517,027.86

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 TRACT 1 PARCEL 1 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment
2024	\$ -	\$ 121,362.23	\$ (121,362.23)	\$ -	\$ -	\$ -
2025	\$ -	\$ 121,362.23	\$ (121,362.23)	\$ 7,585.14	\$ 10,831.58	\$ 18,416.72
2026	\$ 16,080.50	\$ 121,362.23	\$ -	\$ 7,585.14	\$ 11,048.21	\$ 156,076.07
2027	\$ 17,294.12	\$ 120,075.79	\$ -	\$ 7,504.74	\$ 11,269.17	\$ 156,143.82
2028	\$ 18,507.74	\$ 118,692.26	\$ -	\$ 7,418.27	\$ 11,494.56	\$ 156,112.82
2029	\$ 20,024.77	\$ 117,211.64	\$ -	\$ 7,325.73	\$ 11,724.45	\$ 156,286.59
2030	\$ 21,541.80	\$ 115,609.66	\$ -	\$ 7,225.60	\$ 11,958.94	\$ 156,336.00
2031	\$ 23,362.23	\$ 113,886.32	\$ -	\$ 7,117.89	\$ 12,198.12	\$ 156,564.56
2032	\$ 25,182.66	\$ 112,017.34	\$ -	\$ 7,001.08	\$ 12,442.08	\$ 156,643.16
2033	\$ 27,306.50	\$ 110,002.72	\$ -	\$ 6,875.17	\$ 12,690.92	\$ 156,875.32
2034	\$ 29,430.34	\$ 107,818.20	\$ -	\$ 6,738.64	\$ 12,944.74	\$ 156,931.92
2035	\$ 31,857.59	\$ 105,463.78	\$ -	\$ 6,591.49	\$ 13,203.63	\$ 157,116.48
2036	\$ 34,284.83	\$ 102,915.17	\$ -	\$ 6,432.20	\$ 13,467.71	\$ 157,099.91
2037	\$ 37,015.48	\$ 100,172.38	\$ -	\$ 6,260.77	\$ 13,737.06	\$ 157,185.70
2038	\$ 40,049.54	\$ 97,211.15	\$ -	\$ 6,075.70	\$ 14,011.80	\$ 157,348.18
2039	\$ 43,387.00	\$ 94,007.18	\$ -	\$ 5,875.45	\$ 14,292.04	\$ 157,561.67
2040	\$ 46,724.46	\$ 90,536.22	\$ -	\$ 5,658.51	\$ 14,577.88	\$ 157,497.07
2041	\$ 50,365.33	\$ 86,798.27	\$ -	\$ 5,424.89	\$ 14,869.44	\$ 157,457.92
2042	\$ 54,613.00	\$ 82,769.04	\$ -	\$ 5,173.07	\$ 15,166.83	\$ 157,721.93
2043	\$ 58,860.68	\$ 78,400.00	\$ -	\$ 4,900.00	\$ 15,470.16	\$ 157,630.84
2044	\$ 63,715.17	\$ 73,691.15	\$ -	\$ 4,605.70	\$ 15,779.57	\$ 157,791.58
2045	\$ 68,569.66	\$ 68,593.93	\$ -	\$ 4,287.12	\$ 16,095.16	\$ 157,545.87
2046	\$ 74,030.96	\$ 63,108.36	\$ -	\$ 3,944.27	\$ 16,417.06	\$ 157,500.65
2047	\$ 80,099.07	\$ 57,185.88	\$ -	\$ 3,574.12	\$ 16,745.40	\$ 157,604.47
2048	\$ 86,470.59	\$ 50,777.96	\$ -	\$ 3,173.62	\$ 17,080.31	\$ 157,502.48
2049	\$ 93,448.92	\$ 43,860.31	\$ -	\$ 2,741.27	\$ 17,421.92	\$ 157,472.41
2050	\$ 101,034.06	\$ 36,384.40	\$ -	\$ 2,274.02	\$ 17,770.35	\$ 157,462.83
2051	\$ 108,922.60	\$ 28,301.67	\$ -	\$ 1,768.85	\$ 18,125.76	\$ 157,118.89
2052	\$ 117,721.36	\$ 19,587.86	\$ -	\$ 1,224.24	\$ 18,488.28	\$ 157,021.74
2053	\$ 127,126.93	\$ 10,170.15	\$ -	\$ 635.63	\$ 18,858.04	\$ 156,790.77
Total	\$ 1,517,027.86	\$ 2,569,335.48	\$ (242,724.46)	\$ 152,998.33	\$ 420,181.15	\$ 4,416,818.36

Footnotes:

[a] Interest is calculated at a 8.00% rate for illustrative purposes.

[b] 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.

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 3 RETAIL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 3 RETAIL (63,050 SQ FT)
PRINCIPAL ASSESSMENT: \$826,710.67

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 3

RETAIL LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 70,270.41	\$ (70,270.41)	\$ -	\$ -	\$ -
2025	\$ -	\$ 70,270.41	\$ (70,270.41)	\$ 4,133.55	\$ 1,793.27	\$ 5,926.82
2026	\$ 7,986.81	\$ 70,270.41	\$ -	\$ 4,133.55	\$ 1,829.13	\$ 84,219.91
2027	\$ 8,639.82	\$ 69,591.53	\$ -	\$ 4,093.62	\$ 1,865.71	\$ 84,190.69
2028	\$ 9,393.30	\$ 68,857.14	\$ -	\$ 4,050.42	\$ 1,903.03	\$ 84,203.89
2029	\$ 10,197.00	\$ 68,058.71	\$ -	\$ 4,003.45	\$ 1,941.09	\$ 84,200.26
2030	\$ 11,050.94	\$ 67,191.97	\$ -	\$ 3,952.47	\$ 1,979.91	\$ 84,175.28
2031	\$ 11,955.11	\$ 66,252.64	\$ -	\$ 3,897.21	\$ 2,019.51	\$ 84,124.47
2032	\$ 13,009.97	\$ 65,236.45	\$ -	\$ 3,837.44	\$ 2,059.90	\$ 84,143.76
2033	\$ 14,115.06	\$ 64,130.61	\$ -	\$ 3,772.39	\$ 2,101.10	\$ 84,119.15
2034	\$ 15,320.62	\$ 62,930.83	\$ -	\$ 3,701.81	\$ 2,143.12	\$ 84,096.38
2035	\$ 16,626.64	\$ 61,628.57	\$ -	\$ 3,625.21	\$ 2,185.98	\$ 84,066.40
2036	\$ 18,033.12	\$ 60,215.31	\$ -	\$ 3,542.08	\$ 2,229.70	\$ 84,020.21
2037	\$ 19,540.07	\$ 58,682.49	\$ -	\$ 3,451.91	\$ 2,274.29	\$ 83,948.77
2038	\$ 21,197.71	\$ 57,021.59	\$ -	\$ 3,354.21	\$ 2,319.78	\$ 83,893.29
2039	\$ 23,006.04	\$ 55,219.78	\$ -	\$ 3,248.22	\$ 2,366.18	\$ 83,840.23
2040	\$ 24,965.07	\$ 53,264.27	\$ -	\$ 3,133.19	\$ 2,413.50	\$ 83,776.04
2041	\$ 27,074.80	\$ 51,142.24	\$ -	\$ 3,008.37	\$ 2,461.77	\$ 83,687.17
2042	\$ 29,385.45	\$ 48,840.88	\$ -	\$ 2,872.99	\$ 2,511.01	\$ 83,610.33
2043	\$ 31,897.03	\$ 46,343.12	\$ -	\$ 2,726.07	\$ 2,561.23	\$ 83,527.43
2044	\$ 34,609.53	\$ 43,631.87	\$ -	\$ 2,566.58	\$ 2,612.45	\$ 83,420.43
2045	\$ 37,522.96	\$ 40,690.06	\$ -	\$ 2,393.53	\$ 2,664.70	\$ 83,271.25
2046	\$ 40,737.78	\$ 37,500.61	\$ -	\$ 2,205.92	\$ 2,717.99	\$ 83,162.30
2047	\$ 44,203.75	\$ 34,037.90	\$ -	\$ 2,002.23	\$ 2,772.35	\$ 83,016.23
2048	\$ 47,971.12	\$ 30,280.58	\$ -	\$ 1,781.21	\$ 2,827.80	\$ 82,860.71
2049	\$ 52,039.87	\$ 26,203.03	\$ -	\$ 1,541.35	\$ 2,884.36	\$ 82,668.62
2050	\$ 56,460.25	\$ 21,779.64	\$ -	\$ 1,281.16	\$ 2,942.04	\$ 82,463.09
2051	\$ 61,232.25	\$ 16,980.52	\$ -	\$ 998.85	\$ 3,000.88	\$ 82,212.50
2052	\$ 66,456.33	\$ 11,775.78	\$ -	\$ 692.69	\$ 3,060.90	\$ 81,985.70
2053	\$ 72,082.26	\$ 6,126.99	\$ -	\$ 360.41	\$ 3,122.12	\$ 81,691.78
Total	\$ 826,710.67	\$ 1,504,426.31	\$ (140,540.81)	\$ 84,362.11	\$ 69,564.79	\$ 2,344,523.07

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 4 HOTEL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 4 HOTEL (122 UNITS)
PRINCIPAL ASSESSMENT: \$1,299,725.54

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 4 HOTEL LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 110,476.67	\$ (110,476.67)	\$ -	\$ -	\$ -
2025	\$ -	\$ 110,476.67	\$ (110,476.67)	\$ 6,498.63	\$ 2,819.31	\$ 9,317.94
2026	\$ 12,556.59	\$ 110,476.67	\$ -	\$ 6,498.63	\$ 2,875.70	\$ 132,407.58
2027	\$ 13,583.23	\$ 109,409.36	\$ -	\$ 6,435.84	\$ 2,933.21	\$ 132,361.64
2028	\$ 14,767.81	\$ 108,254.79	\$ -	\$ 6,367.93	\$ 2,991.87	\$ 132,382.40
2029	\$ 16,031.37	\$ 106,999.52	\$ -	\$ 6,294.09	\$ 3,051.71	\$ 132,376.69
2030	\$ 17,373.90	\$ 105,636.86	\$ -	\$ 6,213.93	\$ 3,112.75	\$ 132,337.43
2031	\$ 18,795.40	\$ 104,160.07	\$ -	\$ 6,127.06	\$ 3,175.00	\$ 132,257.54
2032	\$ 20,453.82	\$ 102,562.47	\$ -	\$ 6,033.09	\$ 3,238.50	\$ 132,287.87
2033	\$ 22,191.21	\$ 100,823.89	\$ -	\$ 5,930.82	\$ 3,303.27	\$ 132,249.19
2034	\$ 24,086.54	\$ 98,937.64	\$ -	\$ 5,819.86	\$ 3,369.34	\$ 132,213.38
2035	\$ 26,139.82	\$ 96,890.28	\$ -	\$ 5,699.43	\$ 3,436.72	\$ 132,166.25
2036	\$ 28,351.04	\$ 94,668.40	\$ -	\$ 5,568.73	\$ 3,505.46	\$ 132,093.63
2037	\$ 30,720.21	\$ 92,258.56	\$ -	\$ 5,426.97	\$ 3,575.57	\$ 131,981.31
2038	\$ 33,326.30	\$ 89,647.34	\$ -	\$ 5,273.37	\$ 3,647.08	\$ 131,894.09
2039	\$ 36,169.30	\$ 86,814.61	\$ -	\$ 5,106.74	\$ 3,720.02	\$ 131,810.66
2040	\$ 39,249.22	\$ 83,740.22	\$ -	\$ 4,925.90	\$ 3,794.42	\$ 131,709.75
2041	\$ 42,566.05	\$ 80,404.03	\$ -	\$ 4,729.65	\$ 3,870.31	\$ 131,570.04
2042	\$ 46,198.78	\$ 76,785.92	\$ -	\$ 4,516.82	\$ 3,947.71	\$ 131,449.23
2043	\$ 50,147.39	\$ 72,859.02	\$ -	\$ 4,285.82	\$ 4,026.67	\$ 131,318.90
2044	\$ 54,411.89	\$ 68,596.49	\$ -	\$ 4,035.09	\$ 4,107.20	\$ 131,150.67
2045	\$ 58,992.28	\$ 63,971.48	\$ -	\$ 3,763.03	\$ 4,189.35	\$ 130,916.14
2046	\$ 64,046.51	\$ 58,957.14	\$ -	\$ 3,468.07	\$ 4,273.13	\$ 130,744.85
2047	\$ 69,495.59	\$ 53,513.19	\$ -	\$ 3,147.83	\$ 4,358.60	\$ 130,515.21
2048	\$ 75,418.51	\$ 47,606.06	\$ -	\$ 2,800.36	\$ 4,445.77	\$ 130,270.70
2049	\$ 81,815.27	\$ 41,195.49	\$ -	\$ 2,423.26	\$ 4,534.68	\$ 129,968.70
2050	\$ 88,764.83	\$ 34,241.19	\$ -	\$ 2,014.19	\$ 4,625.38	\$ 129,645.58
2051	\$ 96,267.19	\$ 26,696.18	\$ -	\$ 1,570.36	\$ 4,717.88	\$ 129,251.62
2052	\$ 104,480.31	\$ 18,513.47	\$ -	\$ 1,089.03	\$ 4,812.24	\$ 128,895.04
2053	\$ 113,325.20	\$ 9,632.64	\$ -	\$ 566.63	\$ 4,908.49	\$ 128,432.96
Total	\$ 1,299,725.54	\$ 2,365,206.31	\$ (220,953.34)	\$ 132,631.16	\$ 109,367.33	\$ 3,685,976.99

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 5 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 5 OFFICE (164,000 SQ FT)
PRINCIPAL ASSESSMENT: \$1,881,569.88

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 5 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 159,933.44	\$ (159,933.44)	\$ -	\$ -	\$ -
2025	\$ -	\$ 159,933.44	\$ (159,933.44)	\$ 9,407.85	\$ 4,081.42	\$ 13,489.27
2026	\$ 18,177.76	\$ 159,933.44	\$ -	\$ 9,407.85	\$ 4,163.05	\$ 191,682.10
2027	\$ 19,663.99	\$ 158,388.33	\$ -	\$ 9,316.96	\$ 4,246.31	\$ 191,615.60
2028	\$ 21,378.88	\$ 156,716.89	\$ -	\$ 9,218.64	\$ 4,331.24	\$ 191,645.65
2029	\$ 23,208.09	\$ 154,899.69	\$ -	\$ 9,111.75	\$ 4,417.86	\$ 191,637.38
2030	\$ 25,151.62	\$ 152,927.00	\$ -	\$ 8,995.71	\$ 4,506.22	\$ 191,580.55
2031	\$ 27,209.48	\$ 150,789.11	\$ -	\$ 8,869.95	\$ 4,596.34	\$ 191,464.88
2032	\$ 29,610.32	\$ 148,476.31	\$ -	\$ 8,733.90	\$ 4,688.27	\$ 191,508.79
2033	\$ 32,125.48	\$ 145,959.43	\$ -	\$ 8,585.85	\$ 4,782.04	\$ 191,452.79
2034	\$ 34,869.29	\$ 143,228.76	\$ -	\$ 8,425.22	\$ 4,877.68	\$ 191,400.95
2035	\$ 37,841.76	\$ 140,264.87	\$ -	\$ 8,250.87	\$ 4,975.23	\$ 191,332.74
2036	\$ 41,042.87	\$ 137,048.32	\$ -	\$ 8,061.67	\$ 5,074.74	\$ 191,227.60
2037	\$ 44,472.64	\$ 133,559.68	\$ -	\$ 7,856.45	\$ 5,176.23	\$ 191,065.00
2038	\$ 48,245.38	\$ 129,779.51	\$ -	\$ 7,634.09	\$ 5,279.75	\$ 190,938.73
2039	\$ 52,361.10	\$ 125,678.65	\$ -	\$ 7,392.86	\$ 5,385.35	\$ 190,817.96
2040	\$ 56,819.80	\$ 121,227.95	\$ -	\$ 7,131.06	\$ 5,493.06	\$ 190,671.86
2041	\$ 61,621.47	\$ 116,398.27	\$ -	\$ 6,846.96	\$ 5,602.92	\$ 190,469.62
2042	\$ 66,880.45	\$ 111,160.45	\$ -	\$ 6,538.85	\$ 5,714.98	\$ 190,294.72
2043	\$ 72,596.72	\$ 105,475.61	\$ -	\$ 6,204.45	\$ 5,829.28	\$ 190,106.06
2044	\$ 78,770.30	\$ 99,304.89	\$ -	\$ 5,841.46	\$ 5,945.86	\$ 189,862.52
2045	\$ 85,401.19	\$ 92,609.41	\$ -	\$ 5,447.61	\$ 6,064.78	\$ 189,522.99
2046	\$ 92,718.02	\$ 85,350.31	\$ -	\$ 5,020.61	\$ 6,186.07	\$ 189,275.01
2047	\$ 100,606.48	\$ 77,469.28	\$ -	\$ 4,557.02	\$ 6,309.80	\$ 188,942.57
2048	\$ 109,180.90	\$ 68,917.73	\$ -	\$ 4,053.98	\$ 6,435.99	\$ 188,588.60
2049	\$ 118,441.27	\$ 59,637.35	\$ -	\$ 3,508.08	\$ 6,564.71	\$ 188,151.41
2050	\$ 128,501.92	\$ 49,569.84	\$ -	\$ 2,915.87	\$ 6,696.01	\$ 187,683.64
2051	\$ 139,362.84	\$ 38,647.18	\$ -	\$ 2,273.36	\$ 6,829.93	\$ 187,113.31
2052	\$ 151,252.70	\$ 26,801.34	\$ -	\$ 1,576.55	\$ 6,966.52	\$ 186,597.11
2053	\$ 164,057.16	\$ 13,944.86	\$ -	\$ 820.29	\$ 7,105.85	\$ 185,928.16
Total	\$ 1,881,569.88	\$ 3,424,031.33	\$ (319,866.88)	\$ 192,005.76	\$ 158,327.48	\$ 5,336,067.57

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 6 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 6 OFFICE (144,000 SQ FT)
PRINCIPAL ASSESSMENT: \$1,652,110.14

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§
§
§

COUNTY OF _____

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 6 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 140,429.36	\$ (140,429.36)	\$ -	\$ -	\$ -
2025	\$ -	\$ 140,429.36	\$ (140,429.36)	\$ 8,260.55	\$ 3,583.69	\$ 11,844.24
2026	\$ 15,960.96	\$ 140,429.36	\$ -	\$ 8,260.55	\$ 3,655.36	\$ 168,306.24
2027	\$ 17,265.95	\$ 139,072.68	\$ -	\$ 8,180.75	\$ 3,728.47	\$ 168,247.84
2028	\$ 18,771.70	\$ 137,605.07	\$ -	\$ 8,094.42	\$ 3,803.04	\$ 168,274.23
2029	\$ 20,377.83	\$ 136,009.48	\$ -	\$ 8,000.56	\$ 3,879.10	\$ 168,266.97
2030	\$ 22,084.35	\$ 134,277.36	\$ -	\$ 7,898.67	\$ 3,956.68	\$ 168,217.06
2031	\$ 23,891.25	\$ 132,400.20	\$ -	\$ 7,788.25	\$ 4,035.81	\$ 168,115.51
2032	\$ 25,999.30	\$ 130,369.44	\$ -	\$ 7,668.79	\$ 4,116.53	\$ 168,154.06
2033	\$ 28,207.74	\$ 128,159.50	\$ -	\$ 7,538.79	\$ 4,198.86	\$ 168,104.89
2034	\$ 30,616.94	\$ 125,761.84	\$ -	\$ 7,397.76	\$ 4,282.84	\$ 168,059.37
2035	\$ 33,226.91	\$ 123,159.40	\$ -	\$ 7,244.67	\$ 4,368.50	\$ 167,999.47
2036	\$ 36,037.64	\$ 120,335.11	\$ -	\$ 7,078.54	\$ 4,455.87	\$ 167,907.16
2037	\$ 39,049.15	\$ 117,271.91	\$ -	\$ 6,898.35	\$ 4,544.98	\$ 167,764.39
2038	\$ 42,361.80	\$ 113,952.74	\$ -	\$ 6,703.10	\$ 4,635.88	\$ 167,653.52
2039	\$ 45,975.60	\$ 110,351.98	\$ -	\$ 6,491.29	\$ 4,728.60	\$ 167,547.48
2040	\$ 49,890.55	\$ 106,444.06	\$ -	\$ 6,261.42	\$ 4,823.17	\$ 167,419.20
2041	\$ 54,106.66	\$ 102,203.36	\$ -	\$ 6,011.96	\$ 4,919.64	\$ 167,241.62
2042	\$ 58,724.29	\$ 97,604.29	\$ -	\$ 5,741.43	\$ 5,018.03	\$ 167,088.05
2043	\$ 63,743.46	\$ 92,612.73	\$ -	\$ 5,447.81	\$ 5,118.39	\$ 166,922.39
2044	\$ 69,164.17	\$ 87,194.53	\$ -	\$ 5,129.09	\$ 5,220.76	\$ 166,708.55
2045	\$ 74,986.41	\$ 81,315.58	\$ -	\$ 4,783.27	\$ 5,325.17	\$ 166,410.43
2046	\$ 81,410.94	\$ 74,941.74	\$ -	\$ 4,408.34	\$ 5,431.67	\$ 166,192.69
2047	\$ 88,337.40	\$ 68,021.81	\$ -	\$ 4,001.28	\$ 5,540.31	\$ 165,900.80
2048	\$ 95,866.16	\$ 60,513.13	\$ -	\$ 3,559.60	\$ 5,651.11	\$ 165,589.99
2049	\$ 103,997.21	\$ 52,364.50	\$ -	\$ 3,080.26	\$ 5,764.14	\$ 165,206.12
2050	\$ 112,830.95	\$ 43,524.74	\$ -	\$ 2,560.28	\$ 5,879.42	\$ 164,795.39
2051	\$ 122,367.38	\$ 33,934.11	\$ -	\$ 1,996.12	\$ 5,997.01	\$ 164,294.62
2052	\$ 132,807.25	\$ 23,532.88	\$ -	\$ 1,384.29	\$ 6,116.95	\$ 163,841.37
2053	\$ 144,050.19	\$ 12,244.27	\$ -	\$ 720.25	\$ 6,239.29	\$ 163,254.00
Total	\$ 1,652,110.14	\$ 3,006,466.53	\$ (280,858.72)	\$ 168,590.42	\$ 139,019.25	\$ 4,685,327.63

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 7 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 7 OFFICE (31,500 SQ FT)
PRINCIPAL ASSESSMENT: \$361,399.09

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 1 PARCEL 7 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 30,718.92	\$ (30,718.92)	\$ -	\$ -	\$ -
2025	\$ -	\$ 30,718.92	\$ (30,718.92)	\$ 1,807.00	\$ 783.93	\$ 2,590.93
2026	\$ 3,491.46	\$ 30,718.92	\$ -	\$ 1,807.00	\$ 799.61	\$ 36,816.99
2027	\$ 3,776.93	\$ 30,422.15	\$ -	\$ 1,789.54	\$ 815.60	\$ 36,804.22
2028	\$ 4,106.31	\$ 30,101.11	\$ -	\$ 1,770.65	\$ 831.91	\$ 36,809.99
2029	\$ 4,457.65	\$ 29,752.07	\$ -	\$ 1,750.12	\$ 848.55	\$ 36,808.40
2030	\$ 4,830.95	\$ 29,373.17	\$ -	\$ 1,727.83	\$ 865.52	\$ 36,797.48
2031	\$ 5,226.21	\$ 28,962.54	\$ -	\$ 1,703.68	\$ 882.83	\$ 36,775.27
2032	\$ 5,687.35	\$ 28,518.31	\$ -	\$ 1,677.55	\$ 900.49	\$ 36,783.70
2033	\$ 6,170.44	\$ 28,034.89	\$ -	\$ 1,649.11	\$ 918.50	\$ 36,772.94
2034	\$ 6,697.46	\$ 27,510.40	\$ -	\$ 1,618.26	\$ 936.87	\$ 36,762.99
2035	\$ 7,268.39	\$ 26,941.12	\$ -	\$ 1,584.77	\$ 955.61	\$ 36,749.89
2036	\$ 7,883.23	\$ 26,323.31	\$ -	\$ 1,548.43	\$ 974.72	\$ 36,729.69
2037	\$ 8,542.00	\$ 25,653.23	\$ -	\$ 1,509.01	\$ 994.21	\$ 36,698.46
2038	\$ 9,266.64	\$ 24,927.16	\$ -	\$ 1,466.30	\$ 1,014.10	\$ 36,674.21
2039	\$ 10,057.16	\$ 24,139.50	\$ -	\$ 1,419.97	\$ 1,034.38	\$ 36,651.01
2040	\$ 10,913.56	\$ 23,284.64	\$ -	\$ 1,369.68	\$ 1,055.07	\$ 36,622.95
2041	\$ 11,835.83	\$ 22,356.99	\$ -	\$ 1,315.12	\$ 1,076.17	\$ 36,584.10
2042	\$ 12,845.94	\$ 21,350.94	\$ -	\$ 1,255.94	\$ 1,097.69	\$ 36,550.51
2043	\$ 13,943.88	\$ 20,259.03	\$ -	\$ 1,191.71	\$ 1,119.65	\$ 36,514.27
2044	\$ 15,129.66	\$ 19,073.80	\$ -	\$ 1,121.99	\$ 1,142.04	\$ 36,467.50
2045	\$ 16,403.28	\$ 17,787.78	\$ -	\$ 1,046.34	\$ 1,164.88	\$ 36,402.28
2046	\$ 17,808.64	\$ 16,393.50	\$ -	\$ 964.32	\$ 1,188.18	\$ 36,354.65
2047	\$ 19,323.81	\$ 14,879.77	\$ -	\$ 875.28	\$ 1,211.94	\$ 36,290.80
2048	\$ 20,970.72	\$ 13,237.25	\$ -	\$ 778.66	\$ 1,236.18	\$ 36,222.81
2049	\$ 22,749.39	\$ 11,454.74	\$ -	\$ 673.81	\$ 1,260.90	\$ 36,138.84
2050	\$ 24,681.77	\$ 9,521.04	\$ -	\$ 560.06	\$ 1,286.12	\$ 36,048.99
2051	\$ 26,767.86	\$ 7,423.09	\$ -	\$ 436.65	\$ 1,311.85	\$ 35,939.45
2052	\$ 29,051.59	\$ 5,147.82	\$ -	\$ 302.81	\$ 1,338.08	\$ 35,840.30
2053	\$ 31,510.98	\$ 2,678.43	\$ -	\$ 157.55	\$ 1,364.84	\$ 35,711.81
Total	\$ 361,399.09	\$ 657,664.55	\$ (61,437.85)	\$ 36,879.15	\$ 30,410.46	\$ 1,024,915.42

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 1 MULTI-FAMILY BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 1 MULTI-FAMILY (350 UNITS)
PRINCIPAL ASSESSMENT: \$2,581,422.10

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§
§
§

COUNTY OF _____

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 1 MULTI-FAMILY LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 219,420.88	\$ (219,420.88)	\$ -	\$ -	\$ -
2025	\$ -	\$ 219,420.88	\$ (219,420.88)	\$ 12,907.11	\$ 5,599.51	\$ 18,506.62
2026	\$ 24,939.00	\$ 219,420.88	\$ -	\$ 12,907.11	\$ 5,711.50	\$ 262,978.49
2027	\$ 26,978.04	\$ 217,301.06	\$ -	\$ 12,782.42	\$ 5,825.73	\$ 262,887.25
2028	\$ 29,330.78	\$ 215,007.93	\$ -	\$ 12,647.53	\$ 5,942.25	\$ 262,928.48
2029	\$ 31,840.36	\$ 212,514.81	\$ -	\$ 12,500.87	\$ 6,061.09	\$ 262,917.14
2030	\$ 34,506.80	\$ 209,808.38	\$ -	\$ 12,341.67	\$ 6,182.31	\$ 262,839.16
2031	\$ 37,330.08	\$ 206,875.30	\$ -	\$ 12,169.14	\$ 6,305.96	\$ 262,680.48
2032	\$ 40,623.91	\$ 203,702.25	\$ -	\$ 11,982.49	\$ 6,432.08	\$ 262,740.72
2033	\$ 44,074.59	\$ 200,249.22	\$ -	\$ 11,779.37	\$ 6,560.72	\$ 262,663.89
2034	\$ 47,838.97	\$ 196,502.88	\$ -	\$ 11,558.99	\$ 6,691.94	\$ 262,592.77
2035	\$ 51,917.04	\$ 192,436.56	\$ -	\$ 11,319.80	\$ 6,825.77	\$ 262,499.18
2036	\$ 56,308.82	\$ 188,023.61	\$ -	\$ 11,060.21	\$ 6,962.29	\$ 262,354.93
2037	\$ 61,014.29	\$ 183,237.36	\$ -	\$ 10,778.67	\$ 7,101.54	\$ 262,131.86
2038	\$ 66,190.31	\$ 178,051.15	\$ -	\$ 10,473.60	\$ 7,243.57	\$ 261,958.62
2039	\$ 71,836.88	\$ 172,424.97	\$ -	\$ 10,142.65	\$ 7,388.44	\$ 261,792.93
2040	\$ 77,953.99	\$ 166,318.84	\$ -	\$ 9,783.46	\$ 7,536.21	\$ 261,592.50
2041	\$ 84,541.65	\$ 159,692.75	\$ -	\$ 9,393.69	\$ 7,686.93	\$ 261,315.02
2042	\$ 91,756.71	\$ 152,506.71	\$ -	\$ 8,970.98	\$ 7,840.67	\$ 261,075.07
2043	\$ 99,599.16	\$ 144,707.39	\$ -	\$ 8,512.20	\$ 7,997.48	\$ 260,816.23
2044	\$ 108,069.01	\$ 136,241.46	\$ -	\$ 8,014.20	\$ 8,157.43	\$ 260,482.11
2045	\$ 117,166.26	\$ 127,055.59	\$ -	\$ 7,473.86	\$ 8,320.58	\$ 260,016.29
2046	\$ 127,204.60	\$ 117,096.46	\$ -	\$ 6,888.03	\$ 8,486.99	\$ 259,676.08
2047	\$ 138,027.19	\$ 106,284.07	\$ -	\$ 6,252.00	\$ 8,656.73	\$ 259,219.99
2048	\$ 149,790.87	\$ 94,551.76	\$ -	\$ 5,561.87	\$ 8,829.87	\$ 258,734.36
2049	\$ 162,495.64	\$ 81,819.54	\$ -	\$ 4,812.91	\$ 9,006.46	\$ 258,134.56
2050	\$ 176,298.36	\$ 68,007.41	\$ -	\$ 4,000.44	\$ 9,186.59	\$ 257,492.80
2051	\$ 191,199.02	\$ 53,022.05	\$ -	\$ 3,118.94	\$ 9,370.32	\$ 256,710.34
2052	\$ 207,511.33	\$ 36,770.13	\$ -	\$ 2,162.95	\$ 9,557.73	\$ 256,002.14
2053	\$ 225,078.42	\$ 19,131.67	\$ -	\$ 1,125.39	\$ 9,748.89	\$ 255,084.37
Total	\$ 2,581,422.10	\$ 4,697,603.96	\$ (438,841.76)	\$ 263,422.53	\$ 217,217.58	\$ 7,320,824.42

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 2 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 2 OFFICE (50,000 SQ FT)
PRINCIPAL ASSESSMENT: \$573,649.36

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 2 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 48,760.20	\$ (48,760.20)	\$ -	\$ -	\$ -
2025	\$ -	\$ 48,760.20	\$ (48,760.20)	\$ 2,868.25	\$ 1,244.34	\$ 4,112.58
2026	\$ 5,542.00	\$ 48,760.20	\$ -	\$ 2,868.25	\$ 1,269.22	\$ 58,439.67
2027	\$ 5,995.12	\$ 48,289.13	\$ -	\$ 2,840.54	\$ 1,294.61	\$ 58,419.39
2028	\$ 6,517.95	\$ 47,779.54	\$ -	\$ 2,810.56	\$ 1,320.50	\$ 58,428.55
2029	\$ 7,075.64	\$ 47,225.51	\$ -	\$ 2,777.97	\$ 1,346.91	\$ 58,426.03
2030	\$ 7,668.18	\$ 46,624.09	\$ -	\$ 2,742.59	\$ 1,373.85	\$ 58,408.70
2031	\$ 8,295.57	\$ 45,972.29	\$ -	\$ 2,704.25	\$ 1,401.32	\$ 58,373.44
2032	\$ 9,027.54	\$ 45,267.17	\$ -	\$ 2,662.77	\$ 1,429.35	\$ 58,386.83
2033	\$ 9,794.35	\$ 44,499.83	\$ -	\$ 2,617.64	\$ 1,457.94	\$ 58,369.75
2034	\$ 10,630.88	\$ 43,667.31	\$ -	\$ 2,568.67	\$ 1,487.10	\$ 58,353.95
2035	\$ 11,537.12	\$ 42,763.68	\$ -	\$ 2,515.51	\$ 1,516.84	\$ 58,333.15
2036	\$ 12,513.07	\$ 41,783.03	\$ -	\$ 2,457.83	\$ 1,547.18	\$ 58,301.10
2037	\$ 13,558.73	\$ 40,719.41	\$ -	\$ 2,395.26	\$ 1,578.12	\$ 58,251.52
2038	\$ 14,708.96	\$ 39,566.92	\$ -	\$ 2,327.47	\$ 1,609.68	\$ 58,213.03
2039	\$ 15,963.75	\$ 38,316.66	\$ -	\$ 2,253.92	\$ 1,641.87	\$ 58,176.21
2040	\$ 17,323.11	\$ 36,959.74	\$ -	\$ 2,174.10	\$ 1,674.71	\$ 58,131.67
2041	\$ 18,787.03	\$ 35,487.28	\$ -	\$ 2,087.49	\$ 1,708.21	\$ 58,070.01
2042	\$ 20,390.38	\$ 33,890.38	\$ -	\$ 1,993.55	\$ 1,742.37	\$ 58,016.68
2043	\$ 22,133.15	\$ 32,157.20	\$ -	\$ 1,891.60	\$ 1,777.22	\$ 57,959.16
2044	\$ 24,015.34	\$ 30,275.88	\$ -	\$ 1,780.93	\$ 1,812.76	\$ 57,884.91
2045	\$ 26,036.95	\$ 28,234.58	\$ -	\$ 1,660.86	\$ 1,849.02	\$ 57,781.40
2046	\$ 28,267.69	\$ 26,021.44	\$ -	\$ 1,530.67	\$ 1,886.00	\$ 57,705.80
2047	\$ 30,672.71	\$ 23,618.68	\$ -	\$ 1,389.33	\$ 1,923.72	\$ 57,604.44
2048	\$ 33,286.86	\$ 21,011.50	\$ -	\$ 1,235.97	\$ 1,962.19	\$ 57,496.53
2049	\$ 36,110.14	\$ 18,182.12	\$ -	\$ 1,069.54	\$ 2,001.44	\$ 57,363.23
2050	\$ 39,177.41	\$ 15,112.76	\$ -	\$ 888.99	\$ 2,041.47	\$ 57,220.62
2051	\$ 42,488.67	\$ 11,782.68	\$ -	\$ 693.10	\$ 2,082.29	\$ 57,046.74
2052	\$ 46,113.63	\$ 8,171.14	\$ -	\$ 480.66	\$ 2,123.94	\$ 56,889.36
2053	\$ 50,017.43	\$ 4,251.48	\$ -	\$ 250.09	\$ 2,166.42	\$ 56,685.42
Total	\$ 573,649.36	\$ 1,043,911.99	\$ (97,520.39)	\$ 58,538.34	\$ 48,270.57	\$ 1,626,849.87

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 3 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 3 OFFICE (50,000 SQ FT)
PRINCIPAL ASSESSMENT: \$573,649.36

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 3 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 48,760.20	\$ (48,760.20)	\$ -	\$ -	\$ -
2025	\$ -	\$ 48,760.20	\$ (48,760.20)	\$ 2,868.25	\$ 1,244.34	\$ 4,112.58
2026	\$ 5,542.00	\$ 48,760.20	\$ -	\$ 2,868.25	\$ 1,269.22	\$ 58,439.67
2027	\$ 5,995.12	\$ 48,289.13	\$ -	\$ 2,840.54	\$ 1,294.61	\$ 58,419.39
2028	\$ 6,517.95	\$ 47,779.54	\$ -	\$ 2,810.56	\$ 1,320.50	\$ 58,428.55
2029	\$ 7,075.64	\$ 47,225.51	\$ -	\$ 2,777.97	\$ 1,346.91	\$ 58,426.03
2030	\$ 7,668.18	\$ 46,624.09	\$ -	\$ 2,742.59	\$ 1,373.85	\$ 58,408.70
2031	\$ 8,295.57	\$ 45,972.29	\$ -	\$ 2,704.25	\$ 1,401.32	\$ 58,373.44
2032	\$ 9,027.54	\$ 45,267.17	\$ -	\$ 2,662.77	\$ 1,429.35	\$ 58,386.83
2033	\$ 9,794.35	\$ 44,499.83	\$ -	\$ 2,617.64	\$ 1,457.94	\$ 58,369.75
2034	\$ 10,630.88	\$ 43,667.31	\$ -	\$ 2,568.67	\$ 1,487.10	\$ 58,353.95
2035	\$ 11,537.12	\$ 42,763.68	\$ -	\$ 2,515.51	\$ 1,516.84	\$ 58,333.15
2036	\$ 12,513.07	\$ 41,783.03	\$ -	\$ 2,457.83	\$ 1,547.18	\$ 58,301.10
2037	\$ 13,558.73	\$ 40,719.41	\$ -	\$ 2,395.26	\$ 1,578.12	\$ 58,251.52
2038	\$ 14,708.96	\$ 39,566.92	\$ -	\$ 2,327.47	\$ 1,609.68	\$ 58,213.03
2039	\$ 15,963.75	\$ 38,316.66	\$ -	\$ 2,253.92	\$ 1,641.87	\$ 58,176.21
2040	\$ 17,323.11	\$ 36,959.74	\$ -	\$ 2,174.10	\$ 1,674.71	\$ 58,131.67
2041	\$ 18,787.03	\$ 35,487.28	\$ -	\$ 2,087.49	\$ 1,708.21	\$ 58,070.01
2042	\$ 20,390.38	\$ 33,890.38	\$ -	\$ 1,993.55	\$ 1,742.37	\$ 58,016.68
2043	\$ 22,133.15	\$ 32,157.20	\$ -	\$ 1,891.60	\$ 1,777.22	\$ 57,959.16
2044	\$ 24,015.34	\$ 30,275.88	\$ -	\$ 1,780.93	\$ 1,812.76	\$ 57,884.91
2045	\$ 26,036.95	\$ 28,234.58	\$ -	\$ 1,660.86	\$ 1,849.02	\$ 57,781.40
2046	\$ 28,267.69	\$ 26,021.44	\$ -	\$ 1,530.67	\$ 1,886.00	\$ 57,705.80
2047	\$ 30,672.71	\$ 23,618.68	\$ -	\$ 1,389.33	\$ 1,923.72	\$ 57,604.44
2048	\$ 33,286.86	\$ 21,011.50	\$ -	\$ 1,235.97	\$ 1,962.19	\$ 57,496.53
2049	\$ 36,110.14	\$ 18,182.12	\$ -	\$ 1,069.54	\$ 2,001.44	\$ 57,363.23
2050	\$ 39,177.41	\$ 15,112.76	\$ -	\$ 888.99	\$ 2,041.47	\$ 57,220.62
2051	\$ 42,488.67	\$ 11,782.68	\$ -	\$ 693.10	\$ 2,082.29	\$ 57,046.74
2052	\$ 46,113.63	\$ 8,171.14	\$ -	\$ 480.66	\$ 2,123.94	\$ 56,889.36
2053	\$ 50,017.43	\$ 4,251.48	\$ -	\$ 250.09	\$ 2,166.42	\$ 56,685.42
Total	\$ 573,649.36	\$ 1,043,911.99	\$ (97,520.39)	\$ 58,538.34	\$ 48,270.57	\$ 1,626,849.87

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 4 RETAIL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 4 RETAIL (6,600 SQ FT)
PRINCIPAL ASSESSMENT: \$86,539.10

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 2 PARCEL 4 RETAIL LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 7,355.82	\$ (7,355.82)	\$ -	\$ -	\$ -
2025	\$ -	\$ 7,355.82	\$ (7,355.82)	\$ 432.70	\$ 187.72	\$ 620.41
2026	\$ 836.05	\$ 7,355.82	\$ -	\$ 432.70	\$ 191.47	\$ 8,816.04
2027	\$ 904.41	\$ 7,284.76	\$ -	\$ 428.52	\$ 195.30	\$ 8,812.98
2028	\$ 983.28	\$ 7,207.88	\$ -	\$ 423.99	\$ 199.21	\$ 8,814.36
2029	\$ 1,067.41	\$ 7,124.31	\$ -	\$ 419.08	\$ 203.19	\$ 8,813.98
2030	\$ 1,156.80	\$ 7,033.58	\$ -	\$ 413.74	\$ 207.25	\$ 8,811.37
2031	\$ 1,251.45	\$ 6,935.25	\$ -	\$ 407.96	\$ 211.40	\$ 8,806.05
2032	\$ 1,361.87	\$ 6,828.88	\$ -	\$ 401.70	\$ 215.63	\$ 8,808.07
2033	\$ 1,477.55	\$ 6,713.12	\$ -	\$ 394.89	\$ 219.94	\$ 8,805.49
2034	\$ 1,603.74	\$ 6,587.52	\$ -	\$ 387.50	\$ 224.34	\$ 8,803.11
2035	\$ 1,740.46	\$ 6,451.21	\$ -	\$ 379.48	\$ 228.83	\$ 8,799.97
2036	\$ 1,887.69	\$ 6,303.27	\$ -	\$ 370.78	\$ 233.40	\$ 8,795.14
2037	\$ 2,045.43	\$ 6,142.81	\$ -	\$ 361.34	\$ 238.07	\$ 8,787.66
2038	\$ 2,218.95	\$ 5,968.95	\$ -	\$ 351.11	\$ 242.83	\$ 8,781.85
2039	\$ 2,408.25	\$ 5,780.34	\$ -	\$ 340.02	\$ 247.69	\$ 8,776.30
2040	\$ 2,613.31	\$ 5,575.64	\$ -	\$ 327.98	\$ 252.64	\$ 8,769.58
2041	\$ 2,834.16	\$ 5,353.51	\$ -	\$ 314.91	\$ 257.70	\$ 8,760.28
2042	\$ 3,076.03	\$ 5,112.61	\$ -	\$ 300.74	\$ 262.85	\$ 8,752.23
2043	\$ 3,338.94	\$ 4,851.14	\$ -	\$ 285.36	\$ 268.11	\$ 8,743.55
2044	\$ 3,622.89	\$ 4,567.33	\$ -	\$ 268.67	\$ 273.47	\$ 8,732.35
2045	\$ 3,927.86	\$ 4,259.39	\$ -	\$ 250.55	\$ 278.94	\$ 8,716.74
2046	\$ 4,264.38	\$ 3,925.52	\$ -	\$ 230.91	\$ 284.52	\$ 8,705.33
2047	\$ 4,627.20	\$ 3,563.05	\$ -	\$ 209.59	\$ 290.21	\$ 8,690.04
2048	\$ 5,021.56	\$ 3,169.74	\$ -	\$ 186.46	\$ 296.01	\$ 8,673.76
2049	\$ 5,447.47	\$ 2,742.90	\$ -	\$ 161.35	\$ 301.93	\$ 8,653.65
2050	\$ 5,910.19	\$ 2,279.87	\$ -	\$ 134.11	\$ 307.97	\$ 8,632.14
2051	\$ 6,409.72	\$ 1,777.50	\$ -	\$ 104.56	\$ 314.13	\$ 8,605.91
2052	\$ 6,956.57	\$ 1,232.67	\$ -	\$ 72.51	\$ 320.41	\$ 8,582.17
2053	\$ 7,545.49	\$ 641.37	\$ -	\$ 37.73	\$ 326.82	\$ 8,551.40
Total	\$ 86,539.10	\$ 157,481.58	\$ (14,711.65)	\$ 8,830.93	\$ 7,281.96	\$ 245,421.92

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 1 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 1 OFFICE (43,200 SQ FT)
PRINCIPAL ASSESSMENT: \$495,633.04

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 1

OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 42,128.81	\$ (42,128.81)	\$ -	\$ -	\$ -
2025	\$ -	\$ 42,128.81	\$ (42,128.81)	\$ 2,478.17	\$ 1,075.11	\$ 3,553.27
2026	\$ 4,788.29	\$ 42,128.81	\$ -	\$ 2,478.17	\$ 1,096.61	\$ 50,491.87
2027	\$ 5,179.78	\$ 41,721.80	\$ -	\$ 2,454.22	\$ 1,118.54	\$ 50,474.35
2028	\$ 5,631.51	\$ 41,281.52	\$ -	\$ 2,428.32	\$ 1,140.91	\$ 50,482.27
2029	\$ 6,113.35	\$ 40,802.84	\$ -	\$ 2,400.17	\$ 1,163.73	\$ 50,480.09
2030	\$ 6,625.30	\$ 40,283.21	\$ -	\$ 2,369.60	\$ 1,187.00	\$ 50,465.12
2031	\$ 7,167.38	\$ 39,720.06	\$ -	\$ 2,336.47	\$ 1,210.74	\$ 50,434.65
2032	\$ 7,799.79	\$ 39,110.83	\$ -	\$ 2,300.64	\$ 1,234.96	\$ 50,446.22
2033	\$ 8,462.32	\$ 38,447.85	\$ -	\$ 2,261.64	\$ 1,259.66	\$ 50,431.47
2034	\$ 9,185.08	\$ 37,728.55	\$ -	\$ 2,219.33	\$ 1,284.85	\$ 50,417.81
2035	\$ 9,968.07	\$ 36,947.82	\$ -	\$ 2,173.40	\$ 1,310.55	\$ 50,399.84
2036	\$ 10,811.29	\$ 36,100.53	\$ -	\$ 2,123.56	\$ 1,336.76	\$ 50,372.15
2037	\$ 11,714.74	\$ 35,181.57	\$ -	\$ 2,069.50	\$ 1,363.49	\$ 50,329.32
2038	\$ 12,708.54	\$ 34,185.82	\$ -	\$ 2,010.93	\$ 1,390.76	\$ 50,296.06
2039	\$ 13,792.68	\$ 33,105.59	\$ -	\$ 1,947.39	\$ 1,418.58	\$ 50,264.24
2040	\$ 14,967.17	\$ 31,933.22	\$ -	\$ 1,878.42	\$ 1,446.95	\$ 50,225.76
2041	\$ 16,232.00	\$ 30,661.01	\$ -	\$ 1,803.59	\$ 1,475.89	\$ 50,172.48
2042	\$ 17,617.29	\$ 29,281.29	\$ -	\$ 1,722.43	\$ 1,505.41	\$ 50,126.41
2043	\$ 19,123.04	\$ 27,783.82	\$ -	\$ 1,634.34	\$ 1,535.52	\$ 50,076.72
2044	\$ 20,749.25	\$ 26,158.36	\$ -	\$ 1,538.73	\$ 1,566.23	\$ 50,012.56
2045	\$ 22,495.92	\$ 24,394.67	\$ -	\$ 1,434.98	\$ 1,597.55	\$ 49,923.13
2046	\$ 24,423.28	\$ 22,482.52	\$ -	\$ 1,322.50	\$ 1,629.50	\$ 49,857.81
2047	\$ 26,501.22	\$ 20,406.54	\$ -	\$ 1,200.38	\$ 1,662.09	\$ 49,770.24
2048	\$ 28,759.85	\$ 18,153.94	\$ -	\$ 1,067.88	\$ 1,695.33	\$ 49,677.00
2049	\$ 31,199.16	\$ 15,709.35	\$ -	\$ 924.08	\$ 1,729.24	\$ 49,561.83
2050	\$ 33,849.29	\$ 13,057.42	\$ -	\$ 768.08	\$ 1,763.83	\$ 49,438.62
2051	\$ 36,710.21	\$ 10,180.23	\$ -	\$ 598.84	\$ 1,799.10	\$ 49,288.39
2052	\$ 39,842.17	\$ 7,059.86	\$ -	\$ 415.29	\$ 1,835.08	\$ 49,152.41
2053	\$ 43,215.06	\$ 3,673.28	\$ -	\$ 216.08	\$ 1,871.79	\$ 48,976.20
Total	\$ 495,633.04	\$ 901,939.96	\$ (84,257.62)	\$ 50,577.13	\$ 41,705.78	\$ 1,405,598.29

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 2 OFFICE BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 2 OFFICE (43,200 SQ FT)
PRINCIPAL ASSESSMENT: \$495,633.04

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 2 OFFICE LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 42,128.81	\$ (42,128.81)	\$ -	\$ -	\$ -
2025	\$ -	\$ 42,128.81	\$ (42,128.81)	\$ 2,478.17	\$ 1,075.11	\$ 3,553.27
2026	\$ 4,788.29	\$ 42,128.81	\$ -	\$ 2,478.17	\$ 1,096.61	\$ 50,491.87
2027	\$ 5,179.78	\$ 41,721.80	\$ -	\$ 2,454.22	\$ 1,118.54	\$ 50,474.35
2028	\$ 5,631.51	\$ 41,281.52	\$ -	\$ 2,428.32	\$ 1,140.91	\$ 50,482.27
2029	\$ 6,113.35	\$ 40,802.84	\$ -	\$ 2,400.17	\$ 1,163.73	\$ 50,480.09
2030	\$ 6,625.30	\$ 40,283.21	\$ -	\$ 2,369.60	\$ 1,187.00	\$ 50,465.12
2031	\$ 7,167.38	\$ 39,720.06	\$ -	\$ 2,336.47	\$ 1,210.74	\$ 50,434.65
2032	\$ 7,799.79	\$ 39,110.83	\$ -	\$ 2,300.64	\$ 1,234.96	\$ 50,446.22
2033	\$ 8,462.32	\$ 38,447.85	\$ -	\$ 2,261.64	\$ 1,259.66	\$ 50,431.47
2034	\$ 9,185.08	\$ 37,728.55	\$ -	\$ 2,219.33	\$ 1,284.85	\$ 50,417.81
2035	\$ 9,968.07	\$ 36,947.82	\$ -	\$ 2,173.40	\$ 1,310.55	\$ 50,399.84
2036	\$ 10,811.29	\$ 36,100.53	\$ -	\$ 2,123.56	\$ 1,336.76	\$ 50,372.15
2037	\$ 11,714.74	\$ 35,181.57	\$ -	\$ 2,069.50	\$ 1,363.49	\$ 50,329.32
2038	\$ 12,708.54	\$ 34,185.82	\$ -	\$ 2,010.93	\$ 1,390.76	\$ 50,296.06
2039	\$ 13,792.68	\$ 33,105.59	\$ -	\$ 1,947.39	\$ 1,418.58	\$ 50,264.24
2040	\$ 14,967.17	\$ 31,933.22	\$ -	\$ 1,878.42	\$ 1,446.95	\$ 50,225.76
2041	\$ 16,232.00	\$ 30,661.01	\$ -	\$ 1,803.59	\$ 1,475.89	\$ 50,172.48
2042	\$ 17,617.29	\$ 29,281.29	\$ -	\$ 1,722.43	\$ 1,505.41	\$ 50,126.41
2043	\$ 19,123.04	\$ 27,783.82	\$ -	\$ 1,634.34	\$ 1,535.52	\$ 50,076.72
2044	\$ 20,749.25	\$ 26,158.36	\$ -	\$ 1,538.73	\$ 1,566.23	\$ 50,012.56
2045	\$ 22,495.92	\$ 24,394.67	\$ -	\$ 1,434.98	\$ 1,597.55	\$ 49,923.13
2046	\$ 24,423.28	\$ 22,482.52	\$ -	\$ 1,322.50	\$ 1,629.50	\$ 49,857.81
2047	\$ 26,501.22	\$ 20,406.54	\$ -	\$ 1,200.38	\$ 1,662.09	\$ 49,770.24
2048	\$ 28,759.85	\$ 18,153.94	\$ -	\$ 1,067.88	\$ 1,695.33	\$ 49,677.00
2049	\$ 31,199.16	\$ 15,709.35	\$ -	\$ 924.08	\$ 1,729.24	\$ 49,561.83
2050	\$ 33,849.29	\$ 13,057.42	\$ -	\$ 768.08	\$ 1,763.83	\$ 49,438.62
2051	\$ 36,710.21	\$ 10,180.23	\$ -	\$ 598.84	\$ 1,799.10	\$ 49,288.39
2052	\$ 39,842.17	\$ 7,059.86	\$ -	\$ 415.29	\$ 1,835.08	\$ 49,152.41
2053	\$ 43,215.06	\$ 3,673.28	\$ -	\$ 216.08	\$ 1,871.79	\$ 48,976.20
Total	\$ 495,633.04	\$ 901,939.96	\$ (84,257.62)	\$ 50,577.13	\$ 41,705.78	\$ 1,405,598.29

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 3 ASSISTED LIVING BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

**MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 3 ASSISTED LIVING (120
UNITS) PRINCIPAL ASSESSMENT: \$983,398.89**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 3 ASSISTED LIVING LOT TYPE

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 83,588.91	\$ (83,588.91)	\$ -	\$ -	\$ -
2025	\$ -	\$ 83,588.91	\$ (83,588.91)	\$ 4,916.99	\$ 2,133.15	\$ 7,050.14
2026	\$ 9,500.57	\$ 83,588.91	\$ -	\$ 4,916.99	\$ 2,175.81	\$ 100,182.28
2027	\$ 10,277.35	\$ 82,781.36	\$ -	\$ 4,869.49	\$ 2,219.33	\$ 100,147.52
2028	\$ 11,173.63	\$ 81,907.78	\$ -	\$ 4,818.10	\$ 2,263.71	\$ 100,163.23
2029	\$ 12,129.66	\$ 80,958.02	\$ -	\$ 4,762.24	\$ 2,308.99	\$ 100,158.91
2030	\$ 13,145.45	\$ 79,927.00	\$ -	\$ 4,701.59	\$ 2,355.17	\$ 100,129.20
2031	\$ 14,220.98	\$ 78,809.64	\$ -	\$ 4,635.86	\$ 2,402.27	\$ 100,068.75
2032	\$ 15,475.78	\$ 77,600.86	\$ -	\$ 4,564.76	\$ 2,450.32	\$ 100,091.70
2033	\$ 16,790.32	\$ 76,285.42	\$ -	\$ 4,487.38	\$ 2,499.32	\$ 100,062.44
2034	\$ 18,224.37	\$ 74,858.24	\$ -	\$ 4,403.43	\$ 2,549.31	\$ 100,035.34
2035	\$ 19,777.92	\$ 73,309.17	\$ -	\$ 4,312.30	\$ 2,600.29	\$ 99,999.69
2036	\$ 21,450.98	\$ 71,628.04	\$ -	\$ 4,213.41	\$ 2,652.30	\$ 99,944.74
2037	\$ 23,243.54	\$ 69,804.71	\$ -	\$ 4,106.16	\$ 2,705.35	\$ 99,859.76
2038	\$ 25,215.36	\$ 67,829.01	\$ -	\$ 3,989.94	\$ 2,759.45	\$ 99,793.76
2039	\$ 27,366.43	\$ 65,685.70	\$ -	\$ 3,863.86	\$ 2,814.64	\$ 99,730.64
2040	\$ 29,696.76	\$ 63,359.56	\$ -	\$ 3,727.03	\$ 2,870.94	\$ 99,654.28
2041	\$ 32,206.34	\$ 60,835.33	\$ -	\$ 3,578.55	\$ 2,928.35	\$ 99,548.58
2042	\$ 34,954.94	\$ 58,097.79	\$ -	\$ 3,417.52	\$ 2,986.92	\$ 99,457.17
2043	\$ 37,942.54	\$ 55,126.62	\$ -	\$ 3,242.74	\$ 3,046.66	\$ 99,358.57
2044	\$ 41,169.15	\$ 51,901.51	\$ -	\$ 3,053.03	\$ 3,107.59	\$ 99,231.28
2045	\$ 44,634.77	\$ 48,402.13	\$ -	\$ 2,847.18	\$ 3,169.74	\$ 99,053.83
2046	\$ 48,458.90	\$ 44,608.18	\$ -	\$ 2,624.01	\$ 3,233.14	\$ 98,924.22
2047	\$ 52,581.79	\$ 40,489.17	\$ -	\$ 2,381.72	\$ 3,297.80	\$ 98,750.47
2048	\$ 57,063.19	\$ 36,019.72	\$ -	\$ 2,118.81	\$ 3,363.76	\$ 98,565.47
2049	\$ 61,903.10	\$ 31,169.35	\$ -	\$ 1,833.49	\$ 3,431.03	\$ 98,336.97
2050	\$ 67,161.28	\$ 25,907.58	\$ -	\$ 1,523.98	\$ 3,499.65	\$ 98,092.49
2051	\$ 72,837.72	\$ 20,198.87	\$ -	\$ 1,188.17	\$ 3,569.65	\$ 97,794.41
2052	\$ 79,051.93	\$ 14,007.67	\$ -	\$ 823.98	\$ 3,641.04	\$ 97,524.62
2053	\$ 85,744.16	\$ 7,288.25	\$ -	\$ 428.72	\$ 3,713.86	\$ 97,175.00
Total	\$ 983,398.89	\$ 1,789,563.41	\$ (167,177.81)	\$ 100,351.44	\$ 82,749.56	\$ 2,788,885.49

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 4 ASSISTED LIVING BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

**MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 4 ASSISTED LIVING (107
UNITS) PRINCIPAL ASSESSMENT: \$876,864.01**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 4 ASSISTED LIVING

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 74,533.44	\$ (74,533.44)	\$ -	\$ -	\$ -
2025	\$ -	\$ 74,533.44	\$ (74,533.44)	\$ 4,384.32	\$ 1,902.06	\$ 6,286.38
2026	\$ 8,471.34	\$ 74,533.44	\$ -	\$ 4,384.32	\$ 1,940.10	\$ 89,329.20
2027	\$ 9,163.97	\$ 73,813.38	\$ -	\$ 4,341.96	\$ 1,978.90	\$ 89,298.21
2028	\$ 9,963.15	\$ 73,034.44	\$ -	\$ 4,296.14	\$ 2,018.48	\$ 89,312.21
2029	\$ 10,815.62	\$ 72,187.57	\$ -	\$ 4,246.33	\$ 2,058.85	\$ 89,308.36
2030	\$ 11,721.36	\$ 71,268.24	\$ -	\$ 4,192.25	\$ 2,100.02	\$ 89,281.87
2031	\$ 12,680.38	\$ 70,271.93	\$ -	\$ 4,133.64	\$ 2,142.02	\$ 89,227.97
2032	\$ 13,799.23	\$ 69,194.10	\$ -	\$ 4,070.24	\$ 2,184.87	\$ 89,248.44
2033	\$ 14,971.37	\$ 68,021.16	\$ -	\$ 4,001.24	\$ 2,228.56	\$ 89,222.34
2034	\$ 16,250.06	\$ 66,748.60	\$ -	\$ 3,926.39	\$ 2,273.13	\$ 89,198.18
2035	\$ 17,635.31	\$ 65,367.34	\$ -	\$ 3,845.14	\$ 2,318.60	\$ 89,166.39
2036	\$ 19,127.12	\$ 63,868.34	\$ -	\$ 3,756.96	\$ 2,364.97	\$ 89,117.39
2037	\$ 20,725.49	\$ 62,242.53	\$ -	\$ 3,661.33	\$ 2,412.27	\$ 89,041.62
2038	\$ 22,483.69	\$ 60,480.87	\$ -	\$ 3,557.70	\$ 2,460.51	\$ 88,982.77
2039	\$ 24,401.73	\$ 58,569.75	\$ -	\$ 3,445.28	\$ 2,509.72	\$ 88,926.49
2040	\$ 26,479.61	\$ 56,495.61	\$ -	\$ 3,323.27	\$ 2,559.92	\$ 88,858.40
2041	\$ 28,717.32	\$ 54,244.84	\$ -	\$ 3,190.87	\$ 2,611.12	\$ 88,764.15
2042	\$ 31,168.15	\$ 51,803.87	\$ -	\$ 3,047.29	\$ 2,663.34	\$ 88,682.64
2043	\$ 33,832.10	\$ 49,154.57	\$ -	\$ 2,891.45	\$ 2,716.61	\$ 88,594.72
2044	\$ 36,709.16	\$ 46,278.85	\$ -	\$ 2,722.29	\$ 2,770.94	\$ 88,481.22
2045	\$ 39,799.33	\$ 43,158.57	\$ -	\$ 2,538.74	\$ 2,826.36	\$ 88,322.99
2046	\$ 43,209.18	\$ 39,775.62	\$ -	\$ 2,339.74	\$ 2,882.88	\$ 88,207.43
2047	\$ 46,885.43	\$ 36,102.84	\$ -	\$ 2,123.70	\$ 2,940.54	\$ 88,052.51
2048	\$ 50,881.34	\$ 32,117.58	\$ -	\$ 1,889.27	\$ 2,999.35	\$ 87,887.55
2049	\$ 55,196.93	\$ 27,792.67	\$ -	\$ 1,634.86	\$ 3,059.34	\$ 87,683.80
2050	\$ 59,885.48	\$ 23,100.93	\$ -	\$ 1,358.88	\$ 3,120.53	\$ 87,465.81
2051	\$ 64,946.97	\$ 18,010.66	\$ -	\$ 1,059.45	\$ 3,182.94	\$ 87,200.02
2052	\$ 70,487.97	\$ 12,490.17	\$ -	\$ 734.72	\$ 3,246.59	\$ 86,959.46
2053	\$ 76,455.21	\$ 6,498.69	\$ -	\$ 382.28	\$ 3,311.53	\$ 86,647.71
Total	\$ 876,864.01	\$ 1,595,694.04	\$ (149,066.88)	\$ 89,480.04	\$ 73,785.02	\$ 2,486,756.23

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 5 ASSISTED LIVING BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

**MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 5 ASSISTED LIVING (120
UNITS) PRINCIPAL ASSESSMENT: \$1,638,998.16**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§
§
§

COUNTY OF _____

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 3 PARCEL 5 ASSISTED LIVING

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 139,314.84	\$ (139,314.84)	\$ -	\$ -	\$ -
2025	\$ -	\$ 139,314.84	\$ (139,314.84)	\$ 8,194.99	\$ 3,555.25	\$ 11,750.24
2026	\$ 15,834.29	\$ 139,314.84	\$ -	\$ 8,194.99	\$ 3,626.35	\$ 166,970.47
2027	\$ 17,128.92	\$ 137,968.93	\$ -	\$ 8,115.82	\$ 3,698.88	\$ 166,912.54
2028	\$ 18,622.72	\$ 136,512.97	\$ -	\$ 8,030.17	\$ 3,772.86	\$ 166,938.72
2029	\$ 20,216.10	\$ 134,930.04	\$ -	\$ 7,937.06	\$ 3,848.31	\$ 166,931.52
2030	\$ 21,909.08	\$ 133,211.67	\$ -	\$ 7,835.98	\$ 3,925.28	\$ 166,882.01
2031	\$ 23,701.64	\$ 131,349.40	\$ -	\$ 7,726.44	\$ 4,003.78	\$ 166,781.26
2032	\$ 25,792.96	\$ 129,334.76	\$ -	\$ 7,607.93	\$ 4,083.86	\$ 166,819.51
2033	\$ 27,983.87	\$ 127,142.36	\$ -	\$ 7,478.96	\$ 4,165.54	\$ 166,770.73
2034	\$ 30,373.95	\$ 124,763.73	\$ -	\$ 7,339.04	\$ 4,248.85	\$ 166,725.57
2035	\$ 32,963.20	\$ 122,181.94	\$ -	\$ 7,187.17	\$ 4,333.82	\$ 166,666.15
2036	\$ 35,751.63	\$ 119,380.07	\$ -	\$ 7,022.36	\$ 4,420.50	\$ 166,574.56
2037	\$ 38,739.23	\$ 116,341.18	\$ -	\$ 6,843.60	\$ 4,508.91	\$ 166,432.93
2038	\$ 42,025.59	\$ 113,048.35	\$ -	\$ 6,649.90	\$ 4,599.09	\$ 166,322.94
2039	\$ 45,610.72	\$ 109,476.17	\$ -	\$ 6,439.77	\$ 4,691.07	\$ 166,217.74
2040	\$ 49,494.60	\$ 105,599.26	\$ -	\$ 6,211.72	\$ 4,784.89	\$ 166,090.47
2041	\$ 53,677.24	\$ 101,392.22	\$ -	\$ 5,964.25	\$ 4,880.59	\$ 165,914.30
2042	\$ 58,258.23	\$ 96,829.66	\$ -	\$ 5,695.86	\$ 4,978.20	\$ 165,761.95
2043	\$ 63,237.56	\$ 91,877.71	\$ -	\$ 5,404.57	\$ 5,077.77	\$ 165,597.61
2044	\$ 68,615.25	\$ 86,502.51	\$ -	\$ 5,088.38	\$ 5,179.32	\$ 165,385.47
2045	\$ 74,391.28	\$ 80,670.22	\$ -	\$ 4,745.31	\$ 5,282.91	\$ 165,089.71
2046	\$ 80,764.83	\$ 74,346.96	\$ -	\$ 4,373.35	\$ 5,388.57	\$ 164,873.70
2047	\$ 87,636.31	\$ 67,481.95	\$ -	\$ 3,969.53	\$ 5,496.34	\$ 164,584.12
2048	\$ 95,105.31	\$ 60,032.86	\$ -	\$ 3,531.34	\$ 5,606.26	\$ 164,275.79
2049	\$ 103,171.84	\$ 51,948.91	\$ -	\$ 3,055.82	\$ 5,718.39	\$ 163,894.96
2050	\$ 111,935.47	\$ 43,179.31	\$ -	\$ 2,539.96	\$ 5,832.76	\$ 163,487.49
2051	\$ 121,396.21	\$ 33,664.79	\$ -	\$ 1,980.28	\$ 5,949.41	\$ 162,990.69
2052	\$ 131,753.22	\$ 23,346.11	\$ -	\$ 1,373.30	\$ 6,068.40	\$ 162,541.04
2053	\$ 142,906.94	\$ 12,147.09	\$ -	\$ 714.53	\$ 6,189.77	\$ 161,958.33
Total	\$ 1,638,998.16	\$ 2,982,605.69	\$ (278,629.69)	\$ 167,252.40	\$ 137,915.93	\$ 4,648,142.49

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – MAJOR IMPROVEMENT AREA TRACT 4 PARCEL 1 TOWNHOMES

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

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

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

This notice requirement does not apply to a transfer:

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

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

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

AFTER RECORDING¹ RETURN TO:

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

STREET ADDRESS

MAJOR IMPROVEMENT AREA TRACT 4 PARCEL 1 TOWNHOMES (100 UNITS)
PRINCIPAL ASSESSMENT: \$2,130,697.60

As the purchaser of the real property described above, you are obligated to pay assessments to City of Plano, 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 *Haggard Farm Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

YOU ARE SIGNING UP TO PAY AN ADDITIONAL ASSESSMENT ABOVE AND BEYOND YOUR PROPERTY TAXES EVERY YEAR. IF YOU DON'T PAY IT, YOUR HOUSE MAY BE FORECLOSED ON.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§
§
§

COUNTY OF _____

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

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

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

Notary Public, State of Texas]⁴

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

Seller Signature Page to Final Notice with Current Information
of Obligation to Pay Improvement District Assessment

ANNUAL INSTALLMENTS - MAJOR IMPROVEMENT AREA TRACT 5 PARCEL 1 TOWNHOMES

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2024	\$ -	\$ 181,109.30	\$ (181,109.30)	\$ -	\$ -	\$ -
2025	\$ -	\$ 181,109.30	\$ (181,109.30)	\$ 10,653.49	\$ 4,621.82	\$ 15,275.31
2026	\$ 20,584.57	\$ 181,109.30	\$ -	\$ 10,653.49	\$ 4,714.26	\$ 217,061.61
2027	\$ 22,267.59	\$ 179,359.61	\$ -	\$ 10,550.57	\$ 4,808.54	\$ 216,986.30
2028	\$ 24,209.53	\$ 177,466.86	\$ -	\$ 10,439.23	\$ 4,904.71	\$ 217,020.33
2029	\$ 26,280.93	\$ 175,409.05	\$ -	\$ 10,318.18	\$ 5,002.81	\$ 217,010.97
2030	\$ 28,481.80	\$ 173,175.17	\$ -	\$ 10,186.77	\$ 5,102.86	\$ 216,946.61
2031	\$ 30,812.13	\$ 170,754.22	\$ -	\$ 10,044.37	\$ 5,204.92	\$ 216,815.63
2032	\$ 33,530.85	\$ 168,135.19	\$ -	\$ 9,890.31	\$ 5,309.02	\$ 216,865.36
2033	\$ 36,379.03	\$ 165,285.07	\$ -	\$ 9,722.65	\$ 5,415.20	\$ 216,801.94
2034	\$ 39,486.13	\$ 162,192.85	\$ -	\$ 9,540.76	\$ 5,523.50	\$ 216,743.24
2035	\$ 42,852.16	\$ 158,836.53	\$ -	\$ 9,343.33	\$ 5,633.97	\$ 216,665.99
2036	\$ 46,477.12	\$ 155,194.09	\$ -	\$ 9,129.06	\$ 5,746.65	\$ 216,546.93
2037	\$ 50,361.00	\$ 151,243.54	\$ -	\$ 8,896.68	\$ 5,861.58	\$ 216,362.80
2038	\$ 54,633.27	\$ 146,962.85	\$ -	\$ 8,644.87	\$ 5,978.82	\$ 216,219.82
2039	\$ 59,293.93	\$ 142,319.03	\$ -	\$ 8,371.71	\$ 6,098.39	\$ 216,083.06
2040	\$ 64,342.98	\$ 137,279.04	\$ -	\$ 8,075.24	\$ 6,220.36	\$ 215,917.62
2041	\$ 69,780.41	\$ 131,809.89	\$ -	\$ 7,753.52	\$ 6,344.77	\$ 215,688.59
2042	\$ 75,735.70	\$ 125,878.55	\$ -	\$ 7,404.62	\$ 6,471.66	\$ 215,490.53
2043	\$ 82,208.83	\$ 119,441.02	\$ -	\$ 7,025.94	\$ 6,601.10	\$ 215,276.89
2044	\$ 89,199.82	\$ 112,453.27	\$ -	\$ 6,614.90	\$ 6,733.12	\$ 215,001.11
2045	\$ 96,708.66	\$ 104,871.28	\$ -	\$ 6,168.90	\$ 6,867.78	\$ 214,616.62
2046	\$ 104,994.27	\$ 96,651.05	\$ -	\$ 5,685.36	\$ 7,005.14	\$ 214,335.81
2047	\$ 113,927.20	\$ 87,726.53	\$ -	\$ 5,160.38	\$ 7,145.24	\$ 213,959.36
2048	\$ 123,636.91	\$ 78,042.72	\$ -	\$ 4,590.75	\$ 7,288.14	\$ 213,558.52
2049	\$ 134,123.39	\$ 67,533.59	\$ -	\$ 3,972.56	\$ 7,433.91	\$ 213,063.44
2050	\$ 145,516.11	\$ 56,133.10	\$ -	\$ 3,301.95	\$ 7,582.58	\$ 212,533.74
2051	\$ 157,815.07	\$ 43,764.23	\$ -	\$ 2,574.37	\$ 7,734.24	\$ 211,887.90
2052	\$ 171,279.19	\$ 30,349.95	\$ -	\$ 1,785.29	\$ 7,888.92	\$ 211,303.35
2053	\$ 185,779.02	\$ 15,791.22	\$ -	\$ 928.90	\$ 8,046.70	\$ 210,545.83
Total	\$ 2,130,697.60	\$ 3,877,387.39	\$ (362,218.59)	\$ 217,428.12	\$ 179,290.70	\$ 6,042,585.23

Footnotes:

[a] Interest is calculated at a 8.50% rate for illustrative purposes.

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

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

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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[CLOSING DATE]

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

Tel +1 214 855 8000
Fax +1 214 855 8200
nortonrosefulbright.com

IN REGARD to the authorization and issuance of the “City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)” (the “Bonds”), dated November 20, 2023, in the principal amount of \$_____, we have examined the legality and validity of the issuance thereof by the City of Plano, Texas (the “City”) solely to express legal opinions as to the validity of the Bonds and the exclusion of the interest on the Bonds from gross income for federal income tax purposes, and for no other purpose. We have not been requested to investigate or verify, and we neither expressly nor by implication render herein any opinion concerning, the financial condition or capabilities of the City, or the history or prospects of the collection of the Pledged Revenues, the disclosure of any financial or statistical information or data pertaining to the City and used in the sale of the Bonds, or the sufficiency of the security for or the value or marketability of the Bonds, and have not assumed any responsibility with respect thereto. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Indenture.

THE BONDS are issued in fully registered form only and mature on September 15 in each of the years specified in an Indenture of Trust (the “Indenture”), dated as November 1, 2023, with Wilmington Trust, National Association, as trustee (the “Trustee”), approved by the City Council of the City pursuant to an ordinance (the “Ordinance”) adopted by the City Council of the City authorizing the issuance of the Bonds, unless redeemed prior to maturity in accordance with the terms stated on the Bonds. The Bonds accrue interest from the date, at the rates, and in the manner and interest is payable on the dates, all as provided in the Indenture.

IN RENDERING THE OPINIONS herein we have examined and rely upon (i) original or certified copies of the proceedings had in connection with the issuance of the Bonds, including the Indenture, the Ordinance and an examination of the initial Bond executed and delivered by the City (which we found to be in due form and properly executed); (ii) certifications of officers of the City relating to the expected use and investment of proceeds of the sale of the Bonds and certain other funds of the City and (iii) other documentation and such matters of law as we deem relevant. In the examination of the proceedings relating to the issuance of the Bonds, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such documents and certifications.

BASED ON OUR EXAMINATION, we are of the opinion that, under applicable law of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Bonds have been authorized, issued and delivered in accordance with law; that the Bonds are valid, legally binding and enforceable limited obligations of the City in accordance with their terms payable solely from the Trust Estate, except to the extent the

enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws now or hereafter enacted relating to creditors' rights generally.

2. Assuming continuing compliance after the date hereof by the City with the provisions of the Indenture and in reliance upon representations and certifications of the City made in a certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Bonds, interest on the Bonds for federal income tax purposes (i) will be excludable from gross income, as defined in Section 61 of the Internal Revenue Code of 1986, as amended to the date hereof, of the owners thereof pursuant to Section 103 of such Code, existing regulations, published rulings, and court decisions thereunder, and (ii) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

We express no opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, property and casualty insurance companies, life insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, corporations subject to the alternative minimum tax on adjusted financial statement income, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

APPENDIX E-1

FORM OF DISCLOSURE AGREEMENT OF ISSUER

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**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of Issuer dated as of November 1, 2023 (this “Disclosure Agreement”) is executed and delivered by and between the City of Plano, Texas (the “Issuer”), P3Works, LLC (as more fully defined herein, the “Administrator”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (as more fully defined herein, the “Dissemination Agent”), with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2023 (Haggard Farm 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 November 1, 2023, 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:

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

“Administrator” shall mean the Issuer or independent firm designated by the Issuer who shall have the responsibilities provided in the Indenture, the Service and Assessment Plan, or any other agreement or document approved by 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 Collections Report” shall mean any Annual Collection Report provided by the Issuer pursuant to, and as described in, Section 5 of this Disclosure Agreement.

“Annual Collections Report Filing Date” shall mean, for each Fiscal Year succeeding the reporting Fiscal Year, the date that is three (3) months after the Final Assessment Payment Date, which Annual Collections Report Filing Date is currently April 30.

“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 Financial Statements” shall mean audited or unaudited financial statements of the Issuer prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

“Annual Financials Filing Date” shall mean, for each Fiscal Year, the date on which the Annual Financial Statements must be filed with the MSRB, which date is twelve (12) months after the end of the Issuer’s Fiscal Year. The Annual Financials Filing Date is currently September 30.

“Annual Information Filing Date” shall mean, for each Fiscal Year, the date on which the Annual Financial Information must be filed with the MSRB, which date is six (6) months after the end of the Issuer’s Fiscal Year. The Annual Information Filing Date is currently March 31.

“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.

“Bond Year” 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.

“Collections Reporting Date” shall mean, for each Tax Year, the date that is one (1) month after the Delinquency Date, which Collections Reporting Date is currently March 1.

“Delinquency Date” shall mean February 1 of the year following the year in which the Assessments were billed or as may be otherwise defined in Section 31.02 of the Texas Tax Code, as amended.

“Developer” shall mean SW Haggard Master Developer, LLC, a Texas limited liability company, and its successors and assigns.

“Disclosure Agreement of Developer” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of Developer dated as of November 1, 2023 executed and delivered by the Developer, P3Works, LLC, as Administrator, and the Dissemination Agent.

“Disclosure Agreement of Landowner” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of Landowner dated as of November 1, 2023 executed and delivered by the Landowner and the Dissemination Agent.

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

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

“District” shall mean Haggard Farm Public Improvement District.

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

“Filing Date” means, collectively, an Annual Financials Filing Date, an Annual Information Filing Date and an Annual Collections Report Filing Date, or, individually, as the context requires, an Annual Financials Filing Date, an Annual Information Filing Date or an Annual Collections Report Filing Date.

“Final Assessment Payment Date” shall mean the calendar day preceding the Delinquency Date.

“Financial Obligation” shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

“Landowner” shall mean Acres of Sunshine, Ltd., a Texas limited partnership, and its successors and assigns.

“Listed Events” shall mean any of the events listed in Section 6(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 reporting pursuant to the Rule.

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

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

“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.

“Tax Year” means the calendar year or as may be otherwise defined in Section 1.04 of the Texas Tax Code, as amended.

“Trustee” shall mean Wilmington Trust, National Association, acting solely in its capacity as trustee, or any successor trustee pursuant to the Indenture.

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

(a) For each Fiscal Year, commencing with the Fiscal Year ending September 30, 2023, 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, the Annual Financial Information and the Annual Financial Statements.

(i) The Issuer shall provide or caused to be provided the Annual Financial Information to the MSRB not later than the Annual Information Filing Date; and

(ii) The Issuer shall provide or caused to be provided audited Annual Financial Statements to the MSRB not later than the Annual Financials Filing Date, or if audited Annual Financial Statements are not available by the Annual Financials Filing Date, unaudited Annual Financial Statements, provided to the Dissemination Agent which is consistent with the requirements specified in Section 4 of this Disclosure Agreement.

In each case, the Annual Financial Information and Annual Financial Statements 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 Annual Information Filing Date. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Not later than ten (10) days prior to the applicable Filing Date, the Issuer shall provide the Annual Financial Information or Annual Financial Statements, as applicable, to the Dissemination Agent. The Dissemination Agent shall provide such Annual Financial Information or Annual Financial Statements to the MSRB not later than ten (10) days from receipt of such Annual Financial Information or Annual Financial Statements from the Issuer, but in no event later than the applicable Filing Dates for such Fiscal Year.

If by the fifth (5th) day before the applicable Filing Date, the Dissemination Agent has not received a copy of the Annual Financial Information or Annual Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the applicable Annual Financial Information or Annual Financial Statements pursuant to subsection (a). Upon such reminder, the Disclosure

Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Financial Information or Annual Financial Statements, as applicable, no later than two (2) Business Days prior to the applicable Filing Date; or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Financial Information by the Annual Information Filing Date or the Annual Financial Statements by the Annual Financials Filing Date, as applicable, state the date by which the Annual Financial Information or Annual Filings for such year will be provided and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Financial Information, Annual Financial Statements or the notice of failure to file, as applicable, to the MSRB, no later than the applicable Filing Date; provided further, however, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than on the last Business Day prior to the applicable Filing Date.

(c) 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 and the Annual Financial Statements on the dates required in subsection (a);

(ii) on behalf of the Issuer, file the Annual Financial Information and the Annual Financial Statements containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the Issuer has provided the Dissemination Agent with the completed Annual Financial Information and the Annual Financial Statements, as applicable, and the Dissemination Agent has filed such Annual Financial Information or Annual Financial Statements with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information or Annual Financial Statements has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB.

SECTION 4. Content of Annual Financial Information and Annual Financial Statements.

(a) *Annual Financial Information.* The Annual Financial Information 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 by the Annual Information Filing Date, 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, the principal amount remaining Outstanding and the total interest amount due on the principal amount Outstanding;

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

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

(ii) Financial information and operating data with respect to the Issuer of the general type and in substantially similar form to that shown in the tables provided under Section 4(a)(ii) of Exhibit B attached hereto. Such information shall be provided as of the end of the reporting Fiscal Year.

(iii) With respect to the office parcels, until a building permit has been issued for each office parcel in Improvement Area #1, the number of building permit(s) issued for any such office parcels.

(iv) With respect to the multifamily parcels, until a building permit has been issued for each multifamily parcel in Improvement Area #1, the number of building permit(s) issued for any such multifamily parcel.

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

(vi) Any changes to the land use designation for the property in the District that might negatively impact its development for those purposes identified in the final Service and Assessment Plan, as the same may be amended and supplemented from time to time.

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

(viii) With respect to the aggregate value of the Indenture:

(A) the total aggregate amount paid to the Trustee under the Indenture, as of the earlier of (1) six (6) months after the end of such Bond Year or (2) the dated date of the applicable Annual Financial Information; and

(B) the dollar limitation set forth in Sections 2274.002(a)(2) and 2276.002(a)(2), Texas Government Code, as amended.

(b) *Annual Financial Statements.* The Issuer agrees to provide or cause to be provided to the Dissemination Agent to file by the Annual Financials Filing Date the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If the audited financial statements of the Issuer are not available by the Annual Financials Filing Date, the Issuer shall provide unaudited financial statements of the Issuer no later than the Annual Financials Filing Date and audited financial statements when and if available.

(c) See Exhibit B hereto for a form for submitting the information set forth in subsection 4(a) above. 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 under this Section 4.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference. The Dissemination Agent has no duty or obligation to determine whether or not the information contained in any completed Exhibit B provided to it has been accurately completed and shall only be required to file the forms as completed and provided to it by either the Administrator or the Issuer.

SECTION 5. Annual Collections Report.

(a) For each Fiscal Year succeeding the reporting Fiscal Year, the Issuer shall cause, pursuant to written direction, 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, not later than the Annual Collections Report Filing Date, an Annual Collections Report provided to the Dissemination Agent which complies with the requirements specified in this Section 5; provided that the Issuer may provide the Annual Collections Report as part of the Annual Financial Information, if such Annual Collections Report is available when the Annual Financial Information is provided to the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Not later than ten (10) days prior to the Annual Collections Report Filing Date, the Issuer shall provide the Annual Collections Report to the Dissemination Agent together with written direction to file such Annual Collections Report with the MSRB. The Dissemination Agent shall provide such Annual Collections Report to the MSRB not later than ten (10) days from receipt of such Annual Collections Report from the Issuer, but in no event later than the Annual Collections Report Filing Date.

If by the fifth (5th) day before the Annual Collections Report Filing Date, the Dissemination Agent has not received a copy of the Annual Collections Report, the Dissemination Agent shall contact the Disclosure Representative in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the applicable Annual Collections Report pursuant to this subsection 5(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Collections Report no later than two (2) Business Days prior to the Annual Collections Report Filing Date; or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Collections Report by the Annual Collections Report Filing Date, state the date by which the Annual Collections Report for such year will be provided and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Collections Report or the notice of failure to file, as applicable, to the MSRB, no later than the Annual Collections Report Filing Date; provided further, however, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than on the last Business Day prior to the Annual Collections Report Filing Date; or the Issuer will notify the Dissemination Agent in writing that the Issuer will provide or cause to be provided the Annual Collections Report to the MSRB through alternate means. If the Issuer so notifies the Dissemination Agent, the Issuer will provide the Dissemination Agent with a written

report certifying that the Annual Collections Report has been provided to the MSRB pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB prior to the second (2nd) Business Day prior to the Annual Collections Report Filing Date. In the event the Issuer fails to provide the Dissemination Agent with such a report, the Dissemination Agent shall file a notice of failure to file no later than the last Business Day prior to the applicable Annual Collections Report Filing Date.

(b) The Annual Collections Report for the Bonds shall contain, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file by the Annual Collections Report Filing Date, certain financial information and operating data with respect to collection of the Assessments of the general type and in substantially similar form to that shown in the tables provided in Exhibit C attached hereto. Such information shall cover the period beginning the first (1st) day of the Fiscal Year succeeding the reporting Fiscal Year through the Collections Reporting Date. If the State Legislature amends the definition of Delinquency Date or Tax Year, the City shall file notice of such change or changes with the MSRB prior to the next Annual Collections Report Filing Date. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Collections Report. In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of the Annual Collections Report under this Section 5.

SECTION 6. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 6, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

The Issuer does not intend for any sale by the Developer of real property within Improvement Area #1 to be considered a Listed Event for the purposes of paragraph (10) above.

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

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018. For the avoidance of doubt, the incurrence of Additional Obligations without the filing of a corresponding official statement with the MSRB will constitute the incurrence of a material Financial Obligation for which a notice of a Listed Event in accordance with this Section 6 must be filed with the MSRB.

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

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

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made under this Section 6. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 6 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within one (1) Business Day 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 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. It is agreed and understood that the duty to make 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 Participating Underwriter, 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 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) above.

SECTION 7. 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 selected by the Issuer to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Administrator and Dissemination Agent 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 Administrator and Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give

notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 6(a).

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, 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 shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer will give prompt written notice to the Developer, or any other party responsible for providing quarterly information pursuant to the Disclosure Agreement of Developer, and the Landowner, or any other party responsible for providing annual financial statements pursuant to the Disclosure Agreement of Landowner, of any change in the identity of the Dissemination Agent under the Disclosure Agreement of Developer or Disclosure Agreement of Landowner, as applicable.

SECTION 9. 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), 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, 5, or 6(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, 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 6(a), and (ii) the Annual Financial Information for the 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 10. 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, Annual Financial Statements, Annual Collections Report 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, Annual Financial Statements, Annual Collections Report 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, Annual Financial Statements, Annual Collections Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Dissemination Agent (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under the Disclosure Agreement of Developer or the Disclosure Agreement of Landowner, and a default under the Disclosure Agreement of Developer or the Disclosure Agreement of Landowner shall not be deemed a default under this Disclosure Agreement.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) 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 by the Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the Landowner or the failure of the Developer or Landowner to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer or the Disclosure Agreement of Landowner, as

applicable. 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 6 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

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

(b) The Administrator shall not have any responsibility for the timeliness and accuracy of any information provided by third parties for the disclosures made pursuant to the terms thereof. The Administrator shall have only such duties as are specifically set forth in Section 4 and 5 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 by the Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Administrator’s negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties, or the failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the Developer to provide information to the Administrator as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an “obligated person” under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

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

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY ANY 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. THE DISSEMINATION AGENT AND THE ADMINISTRATOR ARE UNDER NO OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

SECTION 13. 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 Exhibit D which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments. The Dissemination Agent has no duties or obligations with respect to Exhibit D. 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 14. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer, the Administrator or Dissemination Agent in other than that person's official capacity.

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

SECTION 16. 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 17. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person

or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 18. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in Improvement Area #1 of the District, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 19. Anti-Boycott Verification. The Dissemination Agent and Administrator, each respectively, hereby verify that the Dissemination Agent, the Administrator and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, do not boycott Israel and, to the extent this Disclosure Agreement is a contract for goods or services, will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer 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.

SECTION 20. Iran, Sudan and Foreign Terrorist Organizations. The Dissemination Agent and the Administrator, each respectively, represent that neither the Dissemination Agent, the Administrator nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator 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 under the following Divestment Statute Lists: “Scrutinized Companies with ties to Foreign Terrorist Organizations,” “Scrutinized Companies with ties to Iran,” or “Scrutinized Companies with ties to Sudan” of such officer’s Internet website that are available at:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>.

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

SECTION 21. No Discrimination Against Fossil-Fuel Companies. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is

required under Section 2276.002, Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, hereby verify that the Dissemination Agent, the Administrator and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, do not boycott energy companies and will not boycott energy companies during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Texas or federal 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.

SECTION 22. No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, hereby verify that the Dissemination Agent, the Administrator and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination or the Administrator, 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 Disclosure Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions,

(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.

SECTION 23. Affiliate. As used in Sections 19 through 22, the Dissemination Agent and the Administrator, each respectively, understand “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

SECTION 24. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement. Submitted herewith is a completed Form 1295 in connection with the Administrator’s participation in the execution of this Disclosure 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 Issuer hereby confirms receipt of the Form 1295 from the Administrator, and the Issuer agrees to acknowledge such form with the TEC through its electronic filing application not later than the thirtieth (30th) day after the receipt of such form. The Administrator and the Issuer understand and agree that, with the exception of information identifying the Issuer and the contract identification number, neither the Issuer 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 Administrator; and, neither the Issuer nor its consultants have verified such information.

SECTION 25. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 26. 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]

CITY OF PLANO, TEXAS

By: _____
Mayor

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(IMPROVEMENT AREA #1)

S-1

HTS CONTINUING DISCLOSURE SERVICES,
A DIVISION OF HILLTOP SECURITIES INC.
(as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(IMPROVEMENT AREA #1)

S-2

P3WORKS, LLC
(as Administrator)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(IMPROVEMENT AREA #1)

S-1

EXHIBIT A

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

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm
Public Improvement District Improvement Area #1 Project)
CUSIP NOs. *[insert CUSIP NOs.]*
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that the City of Plano, Texas (the “Issuer”), has not provided the [Annual Financial Information][[audited][unaudited] Annual Financial Statements][Annual Collections Report] for fiscal year ended _____ with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of November 1, 2023, between the Issuer, P3Works, LLC, as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent. The Issuer anticipates that the [Annual Financial Information][[audited][unaudited] Annual Financial Statements][Annual Collections Report] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.
on behalf of the City of Plano, Texas
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Plano, Texas

EXHIBIT B

**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

ANNUAL FINANCIAL INFORMATION*

Delivery Date: _____, 20__

CUSIP NOs.: *[insert CUSIP NOs.]*

DISSEMINATION AGENT

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

Section 4(a)(i)(A)

BONDS OUTSTANDING

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

Section 4(a)(i)(B)

INVESTMENTS

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

*Excluding Annual Financial Statements of the Issuer.

Section 4(a)(i)(C)

ASSETS AND LIABILITIES OF TRUST ESTATE

Cash Position of Trust Estate for statements dated September 30, 20[]		
[List of Funds/Accounts Held Under Indenture]	Amount In the Fund	
Total		A
Bond Principal Amount Outstanding		B
Outstanding Assessment Amount to be collected		C
Net Position of Trust Estate and Outstanding Bonds and Assessments		A-B+C

September 30, 20[] Trust Statements: ☐ Audited ☐ Unaudited

Accounting Type: ☐ Cash ☐ Accrual ☐ Modified Accrual

Section 4(a)(ii)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AND IN SUBSTANTIALLY SIMILAR FORM PROVIDED IN THE FOLLOWING TABLES AS OF THE END OF THE FISCAL YEAR

Debt Service Requirements on the Bonds

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

Top [Five] Assessment Payers in Improvement Area #1⁽¹⁾

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

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

Assessed Value of Improvement Area #1 of the District

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

Foreclosure History Related to the Assessments for the Past Five Fiscal Years

Fiscal Year Ended (9/30)	Delinquent Assessment Amount not in Foreclosure Proceedings	Parcels in Foreclosure Proceedings	Delinquent Assessment Amount in Foreclosure Proceedings	Foreclosure Sales	Foreclosure Proceeds Received
20__	\$		\$		\$
20__					
20__					
20__					
20__					

[insert any necessary footnotes]

Collection and Delinquency History of Annual Installments for the Past Five Fiscal Years

Fiscal Year Ended (9/30)	Total Annual Installment Billed	Parcels Levied ⁽¹⁾	Delinquent Amount as of 3/1	Delinquent % as of 3/1	Delinquent Amount as of [9/1]	Delinquent % as of [9/1]	Total Annual Installments Collected ⁽²⁾
20__	\$		\$	%	\$	%	\$
20__							
20__							
20__							
20__							

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

⁽²⁾ [Does/does not] include interest and penalties.

Parcel Numbers for Delinquencies Equaling or Exceeding 10% of Annual Installments Due

For the past five Fiscal Years, if the total amount of delinquencies as of September 1 equals or exceeds ten percent (10%) of the amount of Annual Installments due, a list of parcel numbers for which the Annual Installments are delinquent.

Fiscal Year Ended (9/30)	Delinquent % as of 9/1	Parcel Numbers
20__	%	
20__		

History of Prepayment of Assessments for the Past Five Fiscal Years

Fiscal Year Ended (9/30)	Number of Prepayments	Amount of Prepayments	Bond Call Date	Amount of Bonds Redeemed
20__		\$		\$
20__				
20__				
20__				
20__				

[insert any necessary footnotes]

ITEMS REQUIRED BY SECTIONS 4(a)(iii) – (viii) OF THE CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER RELATING TO THE CITY OF PLANO, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023 (HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

[Insert a line item for each applicable listing]

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EXHIBIT C

**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

ANNUAL COLLECTIONS REPORT

Delivery Date: _____, 20__

CUSIP NOSs: [insert CUSIP Nos.]

DISSEMINATION AGENT

Name: HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.
Address: [_____]
City: [_____, Texas ____]
Telephone: (____) ____ - ____
Contact Person: Attn: _____

SELECT FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO COLLECTION OF THE ASSESSMENTS COVERING THE PERIOD BEGINNING WITH THE FIRST DAY OF THE FISCAL YEAR SUCCEEDING THE REPORTING FISCAL YEAR THROUGH THE COLLECTIONS REPORTING DATE PROVIDED IN COMPLIANCE WITH SECTION 5(A) OF THE CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER RELATING TO CITY OF PLANO, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023 (HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

Foreclosure History Related To The Annual Installments⁽¹⁾

Succeeding Fiscal Year	Delinquent Annual Installment Amount not in Foreclosure <u>Proceedings</u>	Parcels in Foreclosure <u>Proceedings</u>	Delinquent Annual Installment Amount in Foreclosure <u>Proceedings</u>	Foreclosure <u>Sales</u>	Foreclosure Proceeds <u>Received</u>
20__	\$ _____		\$ _____		\$ _____

(i) Period covered includes November 1, 20__ through March 1, 20__.

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Collection and Delinquency Annual Installments⁽¹⁾

Succeeding Fiscal Year 20__	Total Annual Installment <u>Levied</u> \$	Parcels <u>Levied⁽²⁾</u>	Delinquent Amount as <u>of 3/1</u> \$	Delinquent <u>% as of 3/1</u> %	Total Annual Installments <u>Collected⁽³⁾</u> \$
-----------------------------------	--	--	--	---------------------------------------	--

⁽¹⁾ Period covered includes November 1, 20__ through March 1, 20__.

⁽²⁾ Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments ("Installment Payments"). Effective January 1, 2018, pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, April 1, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

⁽³⁾ [Does/does not] include interest and penalties.

Prepayment of Assessments⁽¹⁾

Succeeding Fiscal Year	Number of <u>Prepayments</u>	Amount of <u>Prepayments</u> \$	<u>Bond Call Date</u>	Amount of Bonds <u>Redeemed</u> \$
---------------------------	---------------------------------	---------------------------------------	-----------------------	---

⁽¹⁾ Period covered includes November 1, 20__ through March 1, 20__.

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EXHIBIT D

BASIC TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES¹

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

¹ Illustrates anticipated dates and procedures for pursuing the collection of delinquent Annual Installments of the 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 Collin County Tax Assessor-Collector's procedures, and are subject to adjustment by the Issuer. If the collection and delinquency procedures under the Code are subsequently modified, whether due to an executive order of the Governor of Texas or an amendment to the Code, such modifications shall control.

April 1

59/60

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

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

July 1

152/153

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

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

Preliminary Foreclosure activity commences, in accordance with the County Tax Assessor-Collector's procedures, and Issuer to notify Dissemination Agent in writing of the commencement of preliminary foreclosure activity.

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

If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the Owners under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.

August 15

197/198

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

Foreclosure action to be filed with the court in accordance with the County Tax Assessor-Collector's procedures.

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

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

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

APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

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**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE DEVELOPER

This Continuing Disclosure Agreement of the Developer dated as of November 1, 2023 (this “Disclosure Agreement”) is executed and delivered by and among SW Haggard Master Developer, LLC, a Texas limited liability company (as more fully defined herein, the “Developer”), P3Works, LLC (as more fully defined herein, the “Administrator”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent (as more fully defined herein, the “Dissemination Agent”), with respect to the “City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm 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 November 1, 2023, 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:

“Acres of Sunshine” shall mean Acres of Sunshine, Ltd., a Texas limited partnership, including its respective successors and assigns.

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

“Affiliate” shall mean an entity that owns property within Improvement Area #1 of the District and is controlled by, controls, or is under common control with the Developer or any Significant Landowner.

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

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

“Annual Service Plan Update” shall mean the annual review and update of the Service and Assessment Plan required by the PID Act and the Service and Assessment Plan.

“Assessed Property” 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 have the meaning assigned to such term in the Indenture.

“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 SW Haggard Master Developer, LLC, a Texas limited liability company, including its Affiliates, successors and assigns.

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

“Disclosure Agreement of Issuer” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of the Issuer dated as of November 1, 2023 executed and delivered by the Issuer, the Administrator and the Dissemination Agent.

“Disclosure Agreement of Landowner” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of the Landowner dated as of November 1, 2023 executed and delivered by Acres of Sunshine and the Dissemination Agent.

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

“District” shall mean Haggard Farm Public Improvement District.

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

“Enterprises” shall mean Haggard Enterprises Limited, Ltd., a Texas limited partnership, including its respective successors and assigns.

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

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

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

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

“Landowner” shall mean any landowner who owns or acquires a Non-SF Parcel within Improvement Area #1.

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

“Non-SF Parcel” shall mean any Parcel in Improvement Area #1 that is designated for any use other than single family residential use, including, but not limited to, commercial, retail, office or multifamily residential.

“Option Agreement” shall mean the Option Agreement, effective as of September 1, 2023, among Stillwater Capital, Acres of Sunshine and Enterprises, as amended from time to time.

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

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

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

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

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

“Private Improvements” shall mean those “Private Internal Improvements” identified on Exhibit B to the Service and Assessment Plan.

“Purchase Agreement” shall mean, with respect to lots or land within Improvement Area #1, any purchase agreement between Stillwater Capital, Acres of Sunshine, Enterprises, the Developer and/or one or more Landowners to purchase lots or to purchase a Non-SF Parcel, including any purchase agreement executed pursuant to the Option Agreement.

“Quarterly Ending Date” shall mean each March 31, June 30, September 30 and December 31, beginning March 31, 2024.

“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, collectively, the Developer and any Significant Landowner who has 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.

“Significant Landowner” shall mean any Landowner, including any Affiliates of such Landowner, that then owns property within Improvement Area #1 representing at least ten percent (10%) of the total Annual Installments of the Assessments as of each Quarterly Ending Date.

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

“Stillwater Capital” shall mean Stillwater Capital Investments, LLC, a Texas limited liability company, and its successors and assigns.

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

SECTION 3. Quarterly Reports.

(a) The Developer and any Significant Landowner, 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 (10) days after each Quarterly Ending Date, beginning with March 31, 2024, 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, such Quarterly Information until such party’s obligations terminate pursuant to Section 6 of this Disclosure Agreement. For the avoidance of doubt, (i) if the Developer elects, the Developer may, but shall not be obligated to, provide any Quarterly Information on behalf of any Significant Landowner and (ii) the Developer shall remain obligated to provide the Quarterly Information with respect to any real property acquired by a Significant Landowner 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 the Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property so transferred.

(b) The Administrator shall (i) prepare each Quarterly Report with the Quarterly Information provided by each Reporting Party pursuant to subsection (a) above and (ii) provide to the Reporting Parties each Quarterly Report for review no later than twenty (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 thirty (30) days after each Quarterly Ending Date, provide to the Administrator the Certification Letter and authorize the Administrator to provide such Quarterly Report and Certification Letter to the Issuer and Dissemination Agent pursuant to subsection (c) below. 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 Reporting Party contained in the Quarterly Report. Notwithstanding anything to the contrary in this Disclosure Agreement, the Developer shall use commercially reasonable efforts to cause to be provided any information required by this Section 3 regarding and in the possession of a Landowner that is not a Reporting Party. Without limiting the generality of the immediately preceding sentence, commercially reasonable efforts in such regard shall include, but not be limited to, ensuring that each Purchase Agreement that is executed with a Landowner after the date hereof contains a provision obligating the applicable Landowner to provide the Developer the information required by this Section 3 as and when required for the Developer to comply with its obligations hereunder.

(c) The Administrator shall provide to the Dissemination Agent, no later than thirty-five (35) days after each Quarterly Ending Date, the Quarterly Report containing the information described in this Section 3, the Certification Letter(s) provided by each Reporting Party, and written direction to the Dissemination Agent to file such documents with the MSRB. Pursuant to the written direction of the Administrator, the Dissemination Agent shall file the Quarterly Report and the Certification Letter(s) with the MSRB and provide a copy of such report to the Issuer and the Participating Underwriter within ten (10) days of the Dissemination Agent's receipt thereof pursuant to this subsection 3(c); provided, however, that the Quarterly Report and the Certification Letter(s) must be submitted to the MSRB not later than each Quarterly Filing Date. In the event that 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, upon written direction from the applicable Reporting Party 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, the Dissemination Agent or any other Reporting Party who provided complete information shall not be responsible for the failure to submit a complete Quarterly Report to the MSRB. 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 provided by each Reporting Party to the Dissemination Agent, or the failure of the Dissemination Agent to provide such information to the Participating Underwriter in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

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

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

A. The total number of actual or proposed acres and square feet of Non-SF Parcels, broken out by type of use, within Improvement Area #1, as of the Quarterly Ending Date;

B. The total number of actual or proposed acres and square feet of Non-SF Parcels, broken out by type of use, within Improvement Area #1, identified in the prior Quarterly Report;

C. The number of platted Non-SF Parcels, broken out by type of use, within Improvement Area #1, as of the Quarterly Ending Date;

D. The number of platted Non-SF Parcels, broken out by type of use, within Improvement Area #1 identified in the prior Quarterly Report; and

E. An explanation as to any change to the total number of proposed acres or square feet of Non-SF Parcels within Improvement Area #1 from the prior Quarterly Report;

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

A. The number of acres of Non-SF Parcels owned by the Developer and each Landowner, broken out by type of use; and

B. Based on the information in the Annual Service Plan Update most recently approved by the Issuer and as calculated by the Administrator, the percentage of Annual Installments of Assessments relative to the total Annual Installments of Assessments for the Developer and each Landowner, as of the Quarterly Ending Date.

(iii) In a form similar to that as Table 3(d)(iii) in Exhibit A attached hereto, for each Non-SF Parcel within Improvement Area #1 designated as multifamily residential:

A. Name of landowner/developer/builder entity;

B. Number of actual or expected dwelling units by type of unit;

C. Actual or expected date of commencement of vertical construction;

D. Actual or expected date of substantial completion of the multifamily facility;

E. Actual or expected average rental rates by dwelling unit type; and

F. Narrative update on construction milestones of vertical construction since the date of the prior Quarterly Report.

(iv) In a form similar to that as Table 3(d)(iv) in Exhibit A attached hereto, for each Non-SF Parcel designated as any use other than multifamily residential, including but not limited to, commercial, office, retail, and mixed-use:

A. List of any letters of intent (“LOIs”) and Purchase Agreements, including (i) name of purchaser and seller, (ii) date of LOIs or Purchase Agreements, (iii) legal

description of property to be purchased, (iv) date of termination of feasibility period under such LOIs and Purchase Agreements and (v) expected closing date under such LOIs and Purchase Agreements;

B. Actual or expected use for such Parcel (i.e., retail, office, mixed-use, etc.);

C. Number of acres of such Parcel;

D. Actual or expected date of commencement of vertical construction on the applicable Parcel;

E. Actual or expected date of substantial completion of vertical improvements on the applicable Parcel;

F. List of any lease agreements, including, (i) name of lessor and lessee, (ii) type of business(es), (iii) legal description of leased property and (iv) commencement and termination dates; and

G. Narrative update on construction milestones of vertical construction since the date of the prior Quarterly Report.

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

(vi) In a form similar to that as Table 3(d)(vi) in Exhibit A attached hereto, information on any existing, new or modified mortgage debt on the land within Improvement Area #1 owned by the Developer, including any Affiliates of the Developer, including the original principal amount, loan balance, existence of deeds of trust or other similar encumbrances against the property within Improvement Area #1, interest rate and terms of repayment.

(e) In a form similar to that as Tables 3(e)(i)-(iii) in Exhibit A attached hereto, with respect to the Improvement Area #1 Projects and the Private Improvements, the Developer shall provide or cause to be provided the following information to the Administrator for inclusion in each Quarterly Report:

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

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

B. Total actual costs of the Improvement Area #1 Projects drawn from the Project Fund (as defined in the Indenture), as of the Quarterly Ending Date;

C. Total actual costs of the Improvement Area #1 Projects financed with other sources of funds (other than Bond proceeds), as of the Quarterly Ending Date;

D. Actual or expected date of commencement of construction;

E. Actual or expected construction completion date, and if there is a delay from the date previously reported, an explanation of the delay; and

F. Actual acceptance date by the Issuer or other applicable entity, if accepted.

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

A. Total budgeted costs of all Private Improvements;

B. Total actual costs of all Private Improvements, as of the Quarterly Ending Date;

C. Actual or expected date of commencement of construction;

D. Actual or expected construction completion date, and if there is a delay from the date previously reported, an explanation of the delay; and

E. Actual acceptance date by the Issuer or other applicable entity, if accepted.

(iii) Narrative update on construction milestones for the Improvement Area #1 Projects and Private Improvements since the date of the prior Quarterly Report.

SECTION 4. Event Reporting Obligations.

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #1 on an Assessed Property 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 Developer Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement;

(ii) Material damage to or destruction of any development or improvements in Improvement Area #1, including the Improvement Area #1 Projects and the Private Improvements;

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

(iv) Material default by the Developer on any loan secured by property within Improvement Area #1 owned by the Developer;

(v) The bankruptcy, insolvency or similar filing of the Developer or any determination that the Developer 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, 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 that may adversely affect the completion of the development of Improvement Area #1 or litigation that may materially adversely affect the financial condition of the Developer;

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

(ix) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein; and

(x) Early termination of or material default under a Purchase Agreement.

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

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

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

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

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

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

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein.

(c) Whenever a Reporting Party obtains knowledge of the occurrence of a Listed Event applicable to such Reporting Party, such Reporting Party shall promptly, and not more than five (5) Business Days after such Reporting Party obtains such knowledge, notify the Issuer, the Administrator and the Dissemination Agent in writing and the Reporting Party shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy

of such notice to the Issuer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Reporting Party becomes aware of the occurrence of such Listed Event. If the Reporting Party 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 such Reporting Party under this Disclosure Agreement.

Any notice under the preceding paragraph shall be accompanied with the text of the disclosure that the applicable Reporting Party desires to make, the written authorization of such Reporting Party for the Dissemination Agent to disseminate such information as provided herein, and the date the Reporting Party desires for the Dissemination Agent to disseminate the information.

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, regardless of if such Reporting Party is providing Quarterly Information on behalf of any other Significant Landowner.

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 applicable Reporting Party shall have the sole responsibility to ensure that any notice required to be filed with the MSRB under this Section 4 is actually filed within ten (10) Business Days after such Reporting Party becomes aware of the Listed Event applicable to such Reporting Party.

(d) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify in writing the Administrator and the applicable Reporting Party 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 applicable Reporting Party 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 Reporting Party 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 applicable Reporting Party 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 Administrator, the Issuer, any 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.

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

SECTION 5. Assumption of Reporting Obligations by Significant Landowner.

(a) If a Landowner acquires ownership of real property in Improvement Area #1 resulting in such Landowner becoming a Significant Landowner, the Developer may (i) cause such Significant Landowner to comply with the Developer's disclosure obligations under Sections 3(d)(i)-(iv) and (vi) and Section 4(b) hereof, with respect to such acquired real property until such party's disclosure obligations terminate pursuant to Section 6 of this Disclosure Agreement or (ii) elect to provide any or all Quarterly Information on behalf of such Significant Landowner; provided, however, that if the Developer initially elects to provide any or all Quarterly Information on behalf of such Significant Landowner, the Developer may elect in the future to cause such Significant Landowner to comply with the disclosure obligations, as described in (i) above.

(b) If the Developer elects to cause a Significant Landowner to comply with the Developer's disclosure obligations, as described in (a)(i) above, the Developer shall deliver to the Dissemination Agent, Administrator and the Issuer a written acknowledgement from each Significant Landowner, in substantially the form attached as Exhibit E (the "Significant Landowner Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(ix) above, the Developer shall direct the Dissemination Agent to file a copy of the Significant Landowner Acknowledgment with the MSRB, in accordance with Section 4(e) above. Upon any such transfer to a Significant Landowner, and such Significant Landowner's delivery of written acknowledgement of assumption of the 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. The Developer shall remain obligated with respect to any real property acquired by a Significant Landowner until an acknowledgment of assignment with respect to such real property is delivered to the Dissemination Agent, the Administrator, the Issuer and the MSRB, in accordance with this Section 4(b).

(c) 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 Significant Landowner arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, the Developer shall use commercially reasonable efforts to require that any Significant Landowner comply with obligations of this Section 5 with respect to any subsequent transfers by such Significant Landowner to any individual or entity meeting the definition of a "Significant Landowner" in the future, including the requirement, pursuant to Section 4(b)(vi) above, to direct the Dissemination Agent to file a copy of the Significant Landowner Acknowledgment with the MSRB, in accordance with Section 4(e) above.

SECTION 6. Termination of Reporting Obligations.

(a) The reporting obligations of the Developer shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when the Developer (including its respective Affiliates, as provided in the definition thereof) is no longer responsible for the payment of Annual Installments of Assessments in an aggregate amount equal to at least ten percent (10%) of the total Annual Installments of Assessments for any year or (iii) with respect to a specific Non-SF Parcel, the Issuer's issuance of the last certificate of occupancy for such Non-SF Parcel owned by the Developer and/or its Affiliates. Notwithstanding the foregoing, if the Developer is reporting on behalf of a Significant Landowner, the

Developer's reporting obligations, with respect to the property owned by the Significant Landowner, terminates in accordance with subsection (b) below.

(b) The reporting obligations of a Significant Landowner that is a Reporting Party, if any, under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when such Significant Landowner (including its respective Affiliates, as provided in the definition thereof) is no longer responsible for the payment of Annual Installments of Assessments in an amount equal to at least ten percent (10%) of the total Annual Installments of Assessments for any year, (iii) with respect to a specific Non-SF Parcel, the Issuer's issuance of the last certificate of occupancy for such Non-SF Parcel owned by the Significant Landowner and/or its Affiliates.

(c) 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) or (b), as applicable, 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.

(d) 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) and (b) of this Section 6 and any Termination Notice required by subsection (c) 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 HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Reporting Parties in carrying out their 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. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each then-existing Reporting Party of any change in the identity of the Dissemination Agent. The Dissemination Agent may resign at any time with thirty (30) days' written notice to the Issuer.

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 in writing by the Developer or Administrator), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of any Reporting Party, 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 Reporting Parties. 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 any Reporting Party 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 any Reporting Party 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, no Reporting Party shall have an 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 applicable Reporting Party 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 a Reporting Party, 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 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 Reporting Party, Dissemination Agent and/or 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 a Reporting Party, 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 Landowner, and a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of Landowner shall not be deemed a default under this Disclosure Agreement. Furthermore, a default under this Disclosure Agreement by any Reporting Party shall not be

deemed a default under this Disclosure Agreement by any other Reporting Party, and no Reporting Party shall have any obligation to take any action to mitigate or cure the default of any other Reporting Party.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not have any duty with respect to the content of any disclosures made by a Reporting Party and/or the Administrator 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. 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. If any Reporting Party or the Administrator does not provide the information required by Sections 3(a) or (b) in a timely manner or incomplete Quarterly Information is provided by any Reporting Party, the Dissemination Agent shall not be responsible for the failure to submit a complete Quarterly Information or Quarterly Report to the MSRB. 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, THE DEVELOPER OR ANY OTHER REPORTING PARTY 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 PARTY TO THIS DISCLOSURE AGREEMENT OR A REPORTING PARTY, 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 a Reporting Party, 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 Reporting Party, 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 Reporting Parties, 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 Service Plan Update. 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 Service Plan Update. The Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of Improvement Area #1, 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.]

HTS Continuing Disclosure Services, a division
of Hilltop Securities Inc.
(as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF DEVELOPER

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company
(as Developer)

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF DEVELOPER

P3WORKS, LLC
(as Administrator)

By: _____
Title: _____

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF DEVELOPER

EXHIBIT A

**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

QUARTERLY REPORT
[INSERT QUARTERLY ENDING DATE]

Delivery Date: _____, 20__

CUSIP Numbers: [Insert CUSIP Numbers]

DISSEMINATION AGENT

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

[Remainder of page intentionally left blank]

TABLE 3(d)(i)

IMPROVEMENT AREA #1 OVERVIEW (as of [<i>Insert Quarterly Ending Date</i>])			
NUMBER OF ACTUAL/PROPOSED ACRES AND SQUARE FEET AND PLATTED NON-SF PARCELS IN IMPROVEMENT AREA #1 SUBJECT TO ASSESSMENTS:			
	As of [<i>Insert Quarterly Ending Date</i>]	As of [<i>Insert Prior Quarterly Ending Date</i>]	Explanation as to any change to the total number of proposed non-single family acres or square feet from the prior Quarterly Report
Total Actual/Proposed Non-SF Acres and Square Feet			
Multifamily	_____ Acres _____ Square Feet	_____ Acres _____ Square Feet	
Office	_____ Acres _____ Square Feet	_____ Acres _____ Square Feet	
Total Platted Non-SF Parcels			
Multifamily			N/A
Office			N/A

[Remainder of page intentionally left blank]

TABLE 3(d)(ii)

LANDOWNER COMPOSITION (as of <i>[Insert Quarterly Ending Date]</i>) OF IMPROVEMENT AREA #1			
Landowner Composition	Lot Type (multifamily, office, etc.)	Number of Acres Owned	% of Annual Installments of Assessments ⁽¹⁾
Developer Owned			
Landowner Owned⁽²⁾			
Acres of Sunshine, Ltd.			
SW Haggard Office I Development, LLC ⁽³⁾⁽⁵⁾			
[] ⁽⁴⁾⁽⁵⁾			
[]			
Total:			

(1) Derived from information in the Improvement Area #1 Assessment Roll approved by the Issuer on _____, 20__ as part of the Annual Service Plan Update. Does not take into consideration any prepayments of Assessments made between the date of such Annual Service Plan Update and the date of this Quarterly Report.

(2) Add lines for each Landowner.

(3) [Such entity is a single-purpose entity, wholly owned by Stillwater Capital Investments, LLC.]

(4) [Such entity is a Joint Venture between Stillwater Capital Investments, LLC and [Acres of Sunshine, Ltd.][and Haggard Enterprises Limited, Ltd.].]

(5) [Such entity is an Affiliate of the Developer.]

[Remainder of page intentionally left blank]

FOR EACH NON-SF PARCEL DESIGNATED AS MULTIFAMILY RESIDENTIAL:

TABLE 3(d)(iii)

DEVELOPMENT OF MULTIFAMILY RESIDENTIAL				
Name of Landowner/ Developer/Builder	Number of Actual/Expected Dwelling Units by Type	Actual/Expected Date of Commencement of Vertical Construction	Actual/Expected Date of Substantial Completion	Actual/Expected Rental Rates by Dwelling Unit Type

Narrative update on construction milestones of vertical construction since last Quarterly Report:

FOR EACH PARCEL DESIGNATED AS A NON-SF PARCEL, OTHER THAN MULTIFAMILY:

TABLE 3(d)(iv)

DEVELOPMENT OF NON-SF PARCELS						
Landowner	Number of Acres	Actual/ Expected Use	LOI/Purchase Agreement, including: (i) purchase and seller, (ii) date of LOI/Purchase Agreement, (iii) legal description, (iv) feasibility termination date, (v) expected closing date	Actual/ Expected Date of Commencement of Vertical Construction	Actual/ Expected Date of Substantial Completion	Any lease agreements, including: (i) name of lessor and lessee, (ii) type of business(es), (iii) legal description of leased property, (iv) commencement and termination dates

Narrative update on construction milestones of vertical construction since last Quarterly Report:

STATUS OF DEVELOPMENT IN IMPROVEMENT AREA #1:

TABLE 3(d)(v)

PERMITS/APPROVALS FOR IMPROVEMENT AREA #1	
Materially Adverse Change or Determination to Permit/Approval	Description of the Change to the Land Use Plan

TABLE 3(d)(vi)

INFORMATION ON EXISTING, NEW OR MODIFIED MORTGAGE DEBT ON LAND WITHIN IMPROVEMENT AREA #1						
Borrower	Lender	Amount	Loan Balance	Existence of Deeds of Trust	Interest Rate	Terms

(1) [Such entity is a single-purpose entity, wholly owned by Stillwater Capital Investments, LLC.]

(2) [Such entity is a Joint Venture between Stillwater Capital Investments, LLC and [Acres of Sunshine, Ltd.][and Haggard Enterprises Limited, Ltd.].]

(3) [Such entity is an Affiliate of the Developer.]

[Remainder of page intentionally left blank]

STATUS OF IMPROVEMENT AREA #1 PROJECTS AND PRIVATE IMPROVEMENTS:

TABLES 3(e)(i)-(iii)

IMPROVEMENT AREA #1 PROJECTS BUDGET AND TIMELINE OVERVIEW						
Improvements Area #1 Projects	Budgeted Costs	Actual Costs Drawn from Project Fund as of [Insert Quarterly Ending Date]	Actual Costs financed with sources other than Bond proceeds as of [Insert Quarterly Ending Date]	Actual/Expected Construction Commencement Date	Actual/Expected Completion Date	Actual Acceptance Date
Major Improvements						
• Streets	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Sewer	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Linear Parks	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	_____	_____	_____
Improvement Area #1 Improvements:						
• Water	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Sewer	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	_____	_____	_____

If there is a delay in the expected completion date for any Improvement Area #1 Project from that previously reported, an explanation of such delay:

[Remainder of page intentionally left blank]

PRIVATE IMPROVEMENTS BUDGET AND TIMELINE OVERVIEW					
Private Improvements	Budgeted Costs	Actual Costs spent as of [<i>Insert Quarterly Ending Date</i>]	Actual/ Expected Construction Commencement Date	Actual/ Expected Completion Date	Actual Acceptance Date
<ul style="list-style-type: none"> Streets Water Sewer Drainage Soft Costs 	\$ _____ \$ _____ \$ _____ \$ _____ \$ _____	\$ _____ \$ _____ \$ _____ \$ _____ \$ _____	_____ _____ _____ _____ _____	_____ _____ _____ _____ _____	_____ _____ _____ _____ _____

If there is a delay in the expected completion date for any Private Improvement from that previously reported, an explanation of such delay:

Narrative update on construction milestones for Improvement Area #1 Projects and Private Improvements since last Quarterly Report:

EXHIBIT B

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

[DATE]

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm
Public Improvement District Improvement Area #1 Project) (the
“Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that _____, a
_____ (the [“Developer”] [“Significant Landowner”]) has not provided the
[Quarterly Information][Quarterly Report] for the period ending on [*insert Quarterly Ending
Date*][*insert applicable fiscal year end*] with respect to the Bonds as required by the Continuing
Disclosure Agreement of the Developer dated as of November 1, 2023, by and among SW Haggard
Master Developer, LLC (the “Developer”), P3Works, LLC (the “Administrator”) and HTS
Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”).
[Developer] [Significant Landowner] anticipates that the [Quarterly Information][Quarterly
Report] will be [provided][filed] by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the [Developer] [Significant
Landowner]
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Plano, Texas

EXHIBIT C

TERMINATION NOTICE

[DATE]

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) (the “Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

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

SW Haggard Master Developer, LLC
4145 Travis, Suite 300
Dallas, Texas 75204

City of Plano, Texas
P.O. Box 860358
Plano, Texas 75086

[Insert Significant Landowner
Contact Information]

HTS Continuing Disclosure Services, a
division of Hilltop Securities Inc.
777 Main Street, Suite 1525
Fort Worth, Texas 76102

NOTICE IS HEREBY GIVEN that _____, a
_____ (the [“Developer”] [“Significant Landowner”]) 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 November 1, 2023, by and among SW Haggard Master
Developer, LLC (the “Developer”), P3Works, LLC (the “Administrator”) and HTS Continuing
Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”).

Dated: _____

P3Works, LLC
on behalf of the [Developer] [Significant
Landowner]
(as Administrator)

By: _____

Title: _____

EXHIBIT D
CERTIFICATION LETTER

[DATE]

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm
Public Improvement District Improvement Area #1 Project)
CUSIP Nos. [insert CUSIP Nos.]
Quarterly Ending Date: _____, 20__

Re: Quarterly Report for Haggard Farm Public Improvement District Improvement Area #1 Project

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of the Developer dated as of November 1, 2023, by and among SW Haggard Master Developer, LLC (the “Developer”), P3Works, LLC (the “Administrator”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”), this letter constitutes the certificate stating that the Quarterly Information, provided by [Developer] [_____, as a “Significant Landowner”], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Developer] [Significant Landowner], constitutes the [portion of the] Quarterly Report required to be furnished by [Developer] [Significant Landowner]. Any and all Quarterly Information, provided by the [Developer] [Significant Landowner], 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.

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company
(as Developer)

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

OR

[SIGNIFICANT LANDOWNER
(as Significant Landowner)

By: _____
Title: _____]

EXHIBIT E

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT
OF SIGNIFICANT LANDOWNER REPORTING OBLIGATIONS**

[DATE]

City of Plano, Texas
P.O. Box 860358
Plano, Texas 75086

P3Works, LLC
9284 Huntington Sq, Suite 100
North Richland Hills, Texas 76182

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.
777 Main Street, Suite 1525
Fort Worth, Texas 76102

Re: Haggard Farm Public Improvement District Improvement Area #1 Project – Continuing Disclosure Obligation

Dear _____,

As of _____, 202_, you own _____ acres of Non-SF Parcels within Improvement Area #1 of the Haggard Farm Public Improvement District (the “District”), which property represents _____ percent (____%) of the total Annual Installments of the Assessments. Pursuant to Section 2 of the Continuing Disclosure Agreement of the Developer (the “Disclosure Agreement”) dated as of November 1, 2023, by and among, SW Haggard Master Developer, LLC (the “Developer”), P3Works, LLC (the “Administrator”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”), with respect to the “City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)” any entity that owns Non-SF Parcels within Improvement Area #1 representing at least ten percent (10%) of the total Annual Installments of the Assessments is defined as a Significant Landowner.

As a Significant Landowner, pursuant to Section 5 of the Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3(d)[(i)-(iv)] and (vi) and Section 4(b) of the Disclosure Agreement for the property which is owned as detailed in the Disclosure Agreement, which is included herewith.

Sincerely,

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company
(as Developer)

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

Acknowledged by:

[INSERT SIGNIFICANT LANDOWNER NAME]

By: _____

Title: _____

Address: _____

Phone Number: _____

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APPENDIX E-3

FORM OF DISCLOSURE AGREEMENT OF LANDOWNER

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**CITY OF PLANO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023
(HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE LANDOWNER

This Continuing Disclosure Agreement of the Landowner dated as of November 1, 2023 (this “Disclosure Agreement”) is executed and delivered by and between Acres of Sunshine, Ltd., a Texas limited partnership (as more fully defined herein, the “Landowner”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent (as more fully defined herein, the “Dissemination Agent”), with respect to the “City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)” (the “Bonds”). The Landowner 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 Landowner 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 November 1, 2023, 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 Issuer or independent firm designated by the Issuer who shall have the responsibilities provided in the Indenture, the Service and Assessment Plan, or any other agreement or document approved by 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 Report” shall mean the annual financial statements for the prior fiscal year of the Obligated Person.

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

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

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

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

“Developer” shall mean SW Haggard Master Developer, LLC, a Texas limited liability company, including its affiliates, successors and assigns.

“Disclosure Agreement of Issuer” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of the Issuer dated as of November 1, 2023 executed and delivered by the Issuer, the Administrator and the Dissemination Agent.

“Disclosure Agreement of Developer” shall mean the City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) Continuing Disclosure Agreement of the Developer dated as of November 1, 2023 executed and delivered by the Developer, the Administrator and the Dissemination Agent.

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

“District” shall mean Haggard Farm Public Improvement District.

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

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

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

“Landowner” shall mean Acres of Sunshine, Ltd., a Texas limited partnership, including its affiliates, successors and assigns.

“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.

“Obligated Person” shall mean any person who is obligated or committed by contract or other arrangement to pay or support the payment of, at least twenty percent (20%) of the Annual Installments of the Assessments securing Outstanding Bonds. Initially, the Landowner is an Obligated Person; provided however, during the term of the Bonds, other persons may qualify or disqualify as an Obligated Person.

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

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

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

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

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

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

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

SECTION 3. Annual Financial Reports.

(a) Each Obligated Person shall provide or cause to be provided the Annual Financial Report for such Obligated Person, so long as it qualifies as an Obligated Person, to the Dissemination Agent and the Issuer, at its cost and expense, at least ten (10) Business Days prior to the date that is three months after the end of the fiscal year of the Obligated Person, commencing with the fiscal year ending in 2023. The Landowner’s fiscal year currently ends on December 31; therefore, the Landowner must provide its Annual Financial Report to the Dissemination Agent and Issuer at least ten (10) Business Days prior to each March 31, commencing March 31, 2024. Each additional Obligated Person shall provide its fiscal year to the Dissemination Agent as part of the Obligated Person Acknowledgment (as defined herein). If an Obligated Person changes its fiscal year, it will notify the Dissemination Agent in writing of the change (and of the date of the new fiscal year end) at least ten (10) Business Days prior to the next date by which the Obligated Person otherwise would be required to provide the Annual Financial Report pursuant to this Section. The Dissemination Agent shall provide such notice from the Obligated Person to the MSRB within five (5) Business Days of receipt thereof.

(b) The Annual Financial Report shall be audited, if the Obligated Person commissions an audit and it is completed by the time required in subsection 3(a) above, in each case prepared in accordance with generally accounting principles consistently applied, as in effect from time to time; provided if annual audited financial statements are not available by the time required in subsection 3(a), the Obligated Person shall provide unaudited annual financial statements by the time required, and audited financial statements, if and when such audited financial statements are available.

(c) The Dissemination Agent shall provide each Annual Financial Report to the MSRB within five (5) Business Days of the Dissemination Agent’s receipt thereof pursuant to subsection 3(a).

(d) If the Dissemination Agent has not received an Annual Financial Report from the applicable Obligated Person by 12:00 noon on the first Business Day following the date that is three months after the end of the applicable Obligated Person’s fiscal year, the Dissemination Agent shall promptly, and no later than the second Business Day following the date that is three months after the end of the applicable Obligated Person’s fiscal year, file a notice of failure to provide Annual Financial Report with the MSRB in substantially the form attached as Exhibit A.

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 an Assessed Property owned by the Obligated Person; provided, however, that the exercise of any right of the Obligated Person 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;

(ii) Bankruptcy, insolvency, receivership or similar event of the Obligated Person or any determination that the Obligated Person is unable to pay its debts as they become due.

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

(iv) The filing of any lawsuit with a claim for damages, in excess of \$1,000,000 against the Obligated Person that may materially adversely affect the financial condition of the Obligated Person;

(v) Any material change in the legal structure, chief executive officer or controlling ownership of the Obligated Person;

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein.

(b) Upon the occurrence of a Listed Event, the applicable Obligated Person shall promptly notify the Dissemination Agent in writing and the Obligated Person shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Obligated Person, provided such notice is delivered to the Dissemination Agent by noon central standard time on any such day. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

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

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

(c) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Obligated Person 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 Obligated Person to do so. If the Dissemination Agent has been instructed by the Obligated Person to report the occurrence of a Listed Event under this subsection (c), the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB. It is agreed and understood that the duty to make the disclosures herein is that of the Obligated Person 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 Obligated Person 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 Obligated Person 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 in response to a notice from the Dissemination Agent under subsection (c), the Obligated Person determines that the Listed Event under subsection (a)(iii) above is not material under applicable federal securities laws, the Obligated Person shall promptly 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 (c) above.

SECTION 5. Assumption of Reporting Obligations.

(a) If a person, other than the Landowner, acquires ownership of real property in Improvement Area #1 or commits by contract or other arrangement to pay or support the payment of the Annual Installments resulting in such person becoming an Obligated Person, the Landowner shall cause such Obligated Person to comply with continuing disclosure obligations under Section 3 and Section 4 hereof, until such person’s disclosure obligations terminate pursuant to Section 6 of this Disclosure Agreement.

(b) The Landowner shall deliver to the Dissemination Agent and the Issuer a written acknowledgement from each Obligated Person, in substantially the form attached as Exhibit C (the “Obligated Person Acknowledgment”), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(vi) above, the Landowner shall direct the Dissemination Agent to file a copy of the Obligated Person Acknowledgment with the MSRB, in accordance with Section 4(b) above.

(c) Notwithstanding anything to the contrary elsewhere herein, the Landowner shall not be liable for the acts or omissions of such Obligated Person arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, the Landowner shall use commercially reasonable efforts to require that any Obligated Person comply with obligations of this Section 5 with respect to any subsequent transfers or assignments by such Obligated Person to any person meeting the definition of an “Obligated Person” in the future, including the requirement, pursuant to Section 4(a)(vi) above, to direct the Dissemination Agent to file a copy of the Obligated Person Acknowledgment with the MSRB, in accordance with Section 4(b) above.

SECTION 6. Termination of Reporting Obligations.

(a) The reporting obligations of the Landowner and each other Obligated Person shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding or (ii) when such Obligated Person no longer qualifies as an Obligated Person.

(b) Upon receipt of written notice from an Obligated Person that the reporting obligations of such Obligated Person have terminated in accordance with subsection (a) of this Section 6, the Dissemination Agent shall provide written notice to the applicable Obligated Person, the Participating Underwriter and the Issuer in substantially the form attached as Exhibit B, thereby terminating such Obligated Person's reporting obligations under this Disclosure Agreement (the "Termination Notice"). If such Termination Notice with respect to an Obligated Person occurs while any of the Bonds remain Outstanding, the Dissemination Agent shall provide such Termination Notice to the MSRB, the Issuer, the Trustee, the applicable Obligated Person and the Participating Underwriter within fifteen (15) Business Days upon receipt of written notice from the Obligated Person, but in no event later than the date on which such Obligated Person would be required to file the next Annual Financial Report.

(c) The obligations of 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 Obligated Person's 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 Obligated Persons, and the Participating Underwriter, as applicable.

SECTION 7. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Obligated Persons in carrying out their 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. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each then-existing Obligated Persons of any change in the identity of the Dissemination Agent. The Dissemination Agent may resign at any time with thirty (30) days' written notice to the Issuer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Landowner, each Obligated Person 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 in writing by the Landowner and each Obligated Person), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of any Obligated Person, 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) The Obligated Person 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 Dissemination Agent and the Participating Underwriter.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent any Obligated Person 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 any Obligated Person chooses to include any information in any Annual Financial Reports or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, no Obligated Person shall have an obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Report or notice of occurrence of a Listed Event.

SECTION 10. Content of Disclosures. In all cases, the applicable Obligated Person 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 an Obligated Person or Dissemination Agent 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 Obligated Person and/or Dissemination Agent 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 a Obligated Person or the Dissemination Agent 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 Developer, and a default under the Disclosure Agreement of Issuer or the Disclosure Agreement of Developer shall not be deemed a default under this Disclosure Agreement. Furthermore, a default under this Disclosure Agreement by any Obligated Person shall not be deemed a default under this Disclosure Agreement by any other Obligated Person, and no Obligated Person shall have any obligation to take any action to mitigate or cure the default of any other Obligated Person.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall not have any duty with respect to the content of any disclosures made by a Obligated Person 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. The Landowner 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 Landowner 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. If any Obligated Person does not provide the information required by Sections 3 in a timely manner, the Dissemination Agent shall not be responsible for the failure to submit the Annual Financial Information to the MSRB. 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 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.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE LANDOWNER OR ANY OTHER OBLIGATED PERSON 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 PARTY TO THIS DISCLOSURE AGREEMENT OR A OBLIGATED PERSON, 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 IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of a Obligated Person 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 Obligated Person 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 Obligated Persons, 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 Service Plan Update. 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. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 18. 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.]

HTS Continuing Disclosure Services, a division
of Hilltop Securities Inc.
(as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF LANDOWNER

ACRES OF SUNSHINE, LTD.,
a Texas limited partnership
(as Landowner)

By: RH GPCO, LLC,
a Texas limited liability company
its General Partner

By: _____
Name: Rutledge Haggard
Title: Manager

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF LANDOWNER

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO
[FILE ANNUAL FINANCIAL REPORT]**

[DATE]

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm
Public Improvement District Improvement Area #1 Project) (the
“Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that _____, a
_____ (the [“Landowner”] [“Obligated Person”]) has not provided its Annual
Financial Report for the fiscal year ending on 20[___] with respect to the Bonds as required by the
Continuing Disclosure Agreement of the Landowner dated as of November 1, 2023, by and
between Acres of Sunshine, Ltd., a Texas limited partnership (the “Landowner”) and HTS
Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”).
[Landowner] [Obligated Person] anticipates that the Annual Financial Report will be filed by
_____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the [Landowner] [Obligated Person]
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Plano, Texas

EXHIBIT B

TERMINATION NOTICE

[DATE]

Name of Issuer: City of Plano, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project) (the “Bonds”)

CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

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

Acres of Sunshine, Ltd.
800 Central Pkwy E #100
Plano, Texas 75074

City of Plano, Texas
P.O. Box 860358
Plano, Texas 75086

[Insert Obligated Person
Contact Information]

NOTICE IS HEREBY GIVEN that _____, a _____ (the [“Landowner”] [“Obligated Person”]) is no longer responsible for providing its Annual Financial Report with respect to the Bonds, thereby, terminating such party’s reporting obligations under the Continuing Disclosure Agreement of the Landowner dated as of November 1, 2023, by and between Acres of Sunshine, Ltd., a Texas limited partnership (the “Landowner”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”).

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the [Landowner] [Obligated Person]
(as Dissemination Agent)

By: _____

Title: _____

EXHIBIT C

FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT OF OBLIGATED PERSON REPORTING OBLIGATIONS

[DATE]

City of Plano, Texas
P.O. Box 860358
Plano, Texas 75086

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.
777 Main Street, Suite 1525
Fort Worth, Texas 76102

**Re: Haggard Farm Public Improvement District Improvement Area #1 Project – Landowner
Continuing Disclosure Obligation**

Dear _____,

As of _____, 202_, you [own _____ acres within Improvement Area #1 of the Haggard Farm Public Improvement District (the “District”), which property represents _____ percent (____%) of the Annual Installments of the Assessments securing the Outstanding Bonds][are committed by contract or other arrangement to pay, or support the payment of, at least twenty percent (20%) of the Annual Installments of the Assessments securing Outstanding Bonds]. Pursuant to the Rule, as an “Obligated Person” you are required to comply with the reporting requirements contained in the Continuing Disclosure Agreement of the Landowner (the “Disclosure Agreement”) dated as of November 1, 2023, by and between Acres of Sunshine, Ltd., a Texas limited partnership (the “Landowner”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”), with respect to the “City of Plano, Texas Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)”.

As a Obligated Person, pursuant to Section 5 of the Disclosure Agreement, you acknowledge and assume the reporting obligations under Section 3 and Section 4(a) of the Disclosure Agreement.

Sincerely,

ACRES OF SUNSHINE, LTD.,
a Texas limited partnership
(as Landowner)

By: RH GPCO, LLC,
its general partner

By: _____
Name: Rutledge Haggard
Title: Manager

Acknowledged by:

[INSERT OBLIGATED PERSON NAME]

By: _____

Title: _____

Address: _____

Phone Number: _____

Obligated Person Fiscal Year: _____

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APPENDIX F

FORM OF CONSTRUCTION FUNDING AGREEMENT

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**HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1
PROJECTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT**

This **HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT** (this “Agreement”), dated as of October 23, 2023 is by and between the **CITY OF PLANO, TEXAS**, a home-rule city and municipal corporation (the “City”), and **SW HAGGARD MASTER DEVELOPER, LLC**, a Texas limited liability company, (the “Developer”). The Developer and the City are sometimes individually referred to as a “Party” and collectively as the “Parties.”

**ARTICLE I
DEFINITIONS**

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

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

“**Actual Costs**” mean, with respect to an Improvement Area #1 Project, the actual costs paid or incurred by or on behalf of the Developer, (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Improvement Area #1 Project; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Improvement Area #1 Project; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Improvement Area #1 Project; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to 4% of construction costs if managed by or on behalf of the Developer.

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

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

“Authorized Improvements” means improvements authorized by Section 372.003 of the Act, including, but not limited to the Improvement Area #1 Projects, as described and listed in Section III of the Service and Assessment Plan or an Annual Service Plan Update.

“Bond Ordinance” means the ordinance adopted by the City Council on October 23, 2023 authorizing the issuance of the Bonds pursuant to the Indenture.

“Bonds” means the City’s bonds designated “City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023 (Haggard Farm Public Improvement District Improvement Area #1 Project)”.

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

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

“City Inspector” means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

“City Manager” means the City Manager of the City, or its designee.

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

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

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

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

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

“Costs of Issuance Account” means the account of such name in the Project Fund created under Section 6.1 of the Indenture.

“Developer Improvement Account” means the account of such name established pursuant to Section 6.1 of the Indenture.

“Development Agreement” means that certain Development Agreement executed by and between the City, Haggard Enterprises Limited, Ltd., a Texas limited partnership, Acres of Sunshine, Ltd., a Texas limited partnership, and the Developer, dated as of August 28, 2023, and as may be amended.

“District” shall mean Haggard Farm Public Improvement District.

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

“Force Majeure” means any act that (i) materially and adversely affects the affected Party’s ability to perform the relevant obligations under this Agreement or delays such affected Party’s ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party’s fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. “Force Majeure” shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) epidemic or pandemic; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with Development Regulations (as defined in the Development Agreement); provided, however, that under no circumstances shall Force Majeure include any of the following events: (h) economic hardship; (i) changes in market condition; (j) any strike or labor dispute involving the employees of the Developer or any Developer affiliate, other than industry or nationwide strikes or labor disputes; (k) weather conditions which could reasonably be anticipated by experienced contractors operating the relevant location; (l) the occurrence of any manpower, material or equipment shortages; or (m) any delay, default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the Developer, or any construction contracts for the Improvement Area #1 Projects.

“Improvement Area #1” means the initial phase to be developed within the District and further identified and depicted in Exhibit A-2 in the Service and Assessment Plan.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit property within Improvement Area #1 of the District, as described in Section III.B of the Service and Assessment Plan.

“Improvement Area #1 Improvements Account” means the account of such name established pursuant to Section 6.1 of the Indenture.

“Improvement Area #1 Major Improvements” means the pro rata portion of the Major Improvements allocable to Improvement Area #1, as described in Section III.A of the Service and Assessment Plan.

“Improvement Area #1 Major Improvements Account” means the account of such name established pursuant to Section 6.1 of the Indenture.

“Improvement Area #1 Projects” means, collectively (i) Improvement Area #1 Major Improvements and (ii) the Improvement Area #1 Improvements.

“Indenture” means that certain Indenture of Trust between the City and Wilmington Trust, National Association, as trustee, dated as of November 1, 2023 relating to the Bonds.

“Major Improvements” means the Authorized Improvements which benefit all of the property within the District.

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

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

“Service and Assessment Plan” means the Haggard Farm Public Improvement District Service and Assessment Plan adopted on October 23, 2023 by the City Council, prepared pursuant to the Act, as amended and updated from time to time.

ARTICLE II RECITALS

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

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

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

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

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

(e) The Developer will undertake, oversee, or ensure the construction and development of the Improvement Area #1 Projects for acquisition and acceptance by the City, in accordance with the terms and conditions contained in the Development Agreement and this Agreement.

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

ARTICLE III FUNDING

Section 3.01. Bonds.

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

(b) Subject to the Cost Overrun provisions set forth in the Development Agreement and Section 4.04 of this Agreement, proceeds of the Bonds will be used to finance all or a portion of the Actual Costs of the Improvement Area #1 Projects as provided for in the Service and Assessment Plan, as may be updated or amended. The payment of costs from the proceeds of the Bonds for such Improvement Area #1 Projects shall be made from the Improvement Area #1 Improvements Account of the Project Fund and the Improvement Area #1 Major Improvements Account of the Project Fund established under and as provided in the Indenture. The payment of costs of the Improvement Area #1 Projects from the Developer Improvement Account of the Project Fund established under the Indenture shall be made in accordance with the provisions of Section 5.03 hereof and the terms of the Indenture.

(c) The City's obligation with respect to the payment of the Improvement Area #1 Projects shall be limited to the lesser of the Actual Costs of the Improvement Area #1 Projects and the Budgeted Costs and shall be payable solely from amounts on deposit for the payment of such costs as provided herein and in the Indenture. The Developer agrees and acknowledges that it is

responsible for all Cost Overruns, Actual Costs and all expenses related to the Improvement Area #1 Projects, qualified, however, by the distribution of Cost Underrun (as defined in Section 4.04 hereof) monies, as detailed in Section 4.04.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment.

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

(f) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Improvement Area #1 Projects submitted and approved with an approved Certification for Payment. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to construct or ensure the construction of the Improvement Area #1 Projects in accordance with the Development Agreement, the Service and Assessment Plan, and this Agreement.

Section 3.02. Disbursements and Transfers at Bond Closing. The City and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the Administrator, the City will cause the Trustee to pay at closing of the Bonds from the Costs of Issuance Account of the Project Fund and/or the Improvement Area #1 Major Improvements Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District as of the delivery of the Bonds, as described in the Service and Assessment Plan, as may be updated and amended.

Section 3.03 Accounts. All disbursements from the Improvement Area #1 Improvements Account of the Project Fund, the Improvement Area #1 Major Improvements Account of the Project Fund, and the Developer Improvement Account of the Project Fund shall be made by the City in accordance with provisions of the Development Agreement, the Service and Assessment Plan, this Agreement, and the Indenture.

ARTICLE IV

DEDICATION OF LAND AND CONSTRUCTION OF IMPROVEMENT AREA #1 PROJECTS

Section 4.01. Duty of Developer to Construct.

(a) All Improvement Area #1 Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Improvement Area #1 Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Improvement Area #1 Projects, to be acquired and accepted by the City from the Developer as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Improvement Area #1 Project and, upon completion, inspection, and acceptance, convey each such Improvement Area #1 Project to the City in accordance with the terms hereof, even if there are insufficient funds in the Project Fund to pay the Actual Costs thereof.

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

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

Section 4.04. Remaining Funds After Completion of an Improvement Area #1 Project. Upon the Final Completion of an Improvement Area #1 Project (or its completed segment or phase thereof) and payment of all outstanding invoices for such Improvement Area #1 Project (or its completed segment or phase thereof), if the Actual Cost of such Improvement Area #1 Project is less than the Budgeted Cost (a “Cost Underrun”), any remaining Budgeted Cost allocated to such Improvement Area #1 Project may be made available to pay Cost Overruns on any other Improvement Area #1 Project (or its completed segment or phase thereof) with the approval of the City Representative and provided that all Improvement Area #1 Projects as set forth in the Service and Assessment Plan are undertaken at least in part. The elimination of a category of Improvement Area #1 Projects in the Service and Assessment Plan will require an amendment to the Service and Assessment Plan. Prior to completion of all of the Improvement Area #1 Projects within an improvement category, as listed in the Service and Assessment Plan, ten percent (10%) of funds allocated to an improvement category may be used as Cost Underruns and applied to another improvement category, as approved by the City. Upon completion of the Improvement Area #1 Projects, if there are funds remaining allocated to any improvement categories, those funds can then be used to reimburse the Developer for qualifying costs of the Improvement Area #1 Projects

that have not been previously paid, as approved by the City and in accordance with the provisions of the Indenture. Such adjustments of improvement category costs due to Cost Underruns and Cost Overruns shall be reallocated on an annual basis when the City approves its Annual Service Plan Update.

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

ARTICLE V

ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Costs of Issuance Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund at closing of the Bonds related to costs of issuance of the Bonds or costs incurred in the creation of the District, the Developer shall execute a Closing Disbursement Request, substantially in the form of **Exhibit A** hereto or otherwise acceptable and agreed to by the City, to be delivered to the City no less than five (5) business days prior to the scheduled closing date for the Bonds for payment in accordance with the provisions of the Indenture. Upon approval by the City, the City shall submit a Closing Disbursement Request to the Trustee for disbursement to be made from the Costs of Issuance Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund, as applicable

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

(a) No payment hereunder shall be made from the Project Fund to the Developer for work on an Improvement Area #1 Project until a monthly Certification for Payment is received from the Developer for work with respect to an Improvement Area #1 Project (or its completed segment or phase thereof). Upon receipt of a Certification for Payment substantially in the form of **Exhibit B** hereto (and all accompanying documentation executed by the City) from the Developer, the City Inspector shall conduct a review in order to confirm that such request is complete, that the work with respect to such Improvement Area #1 Project identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in

such Certification for Payment (collectively, the “Developer Compliance Requirements”), and shall promptly forward the request to the City Representative. The approval of the Certification for Payment by the City Inspector shall constitute a representation by the City Inspector to the City and the Trustee that the Developer Compliance Requirements have been satisfied with respect to the Improvement Area #1 Projects identified therein; provided, however, that the approval of the Certification for Payment shall not have the effect of estopping or preventing the City from asserting claims under this Agreement, the Indenture, the Service and Assessment Plan, or any other agreement between the parties or that there is a defect in an Improvement Area #1 Project. The City Inspector shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City Inspector in conducting each such review and to provide the City Inspector with such additional information and documentation as is reasonably necessary for the City Inspector to conclude each such review.

(b) Within ten (10) business days of receipt of any Certification for Payment, the City Inspector shall either (i) approve and execute the Certification for Payment and forward the same to the City Representative for approval and delivery to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the City Inspector disapproves the Certification for Payment, give written notification to the Developer of the City Inspector’s disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Inspector shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the City Representative for approval in accordance with Section 5.03 hereof and delivery to the Trustee for payment to the Developer in accordance with Section 5.02(d) hereof, and any such partial work shall be processed for payment under Section 5.03 notwithstanding such partial denial.

(c) If the City Inspector fails to act with respect to a Certification for Payment within the time period therein provided, the Developer shall submit the Certification for Payment directly to the City Representative for approval. In such event, within five (5) business days of receipt of any Certification for Payment, the City Representative shall approve or deny the Certification for Payment and provide notice to the Administrator and the Developer. Upon approval of a Certification for Payment, the approval shall be forwarded to the Trustee for payment, and delivery to the Developer in accordance with Section 5.03 hereof. The approval of the Certification for Payment by the City Representative shall constitute a representation by the City Representative to the Trustee of the Developer’s compliance therein. Pursuant to the terms of Section 5.03 and the Indenture, the Trustee shall make a payment to the Developer, or pursuant to the Developer’s directions, of an approved Certification for Payment.

(d) If the City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Certification for Payment, the City shall deliver a detailed notice to the Developer within ten (10) business days of receipt thereof, then payment with respect to disputed portion(s) of the Certification for Payment shall not be made until the Developer and the City have jointly settled such dispute or additional information has been provided to the City's reasonable satisfaction. The denial may be appealed to the City Council by the Developer in writing within thirty (30) days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the Parties in the event an agreement is not otherwise reached by the Parties, with the mediator's fee being paid by Developer. The portion of the Certification for Payment in dispute shall not be forwarded to the Trustee for payment until the dispute is resolved by the City and the Developer.

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

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

(a) Upon receipt of a reviewed and approved Certification for Payment, the Trustee shall make payment for the Actual Costs of Improvement Area #1 Projects from the following funds: (1) first, from the Improvement Area #1 Improvements Account of the Project Fund or the Improvement Area #1 Major Improvements Account of the Project Fund, as applicable; and then (2) second, from the Developer Improvement Account of the Project Fund. Such payments shall be as further designated in the Certification for Payment pursuant to the terms of the Certification for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular Improvement Area #1 Project (or its completed segment), unless a Cost Overrun amount has been approved for a particular Improvement Area #1 Project. If a Cost Overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved Cost Overrun amount.

(b) Approved Certifications for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, when payment is made, the Trustee shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to the Developer (or any permitted assignee of the Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release related to the items referenced in the Certification for Payment is attached to such Certification for Payment; and (3) to the Developer, or to the third party contractor directly, at Developer's request

as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by a Developer or any assignee of the Developer to the extent of such lien release. Neither the Trustee, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(d) In addition to submission of a Certification for Payment, the Developer shall submit AIA document G-702 and AIA continuation sheet G-703 relating to construction costs and shall be paid pursuant to such forms.

(e) Withholding Payments. Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of such remedy, so long as such delay in performance shall not subject the Improvement Area #1 Project to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Improvement Area #1 Project is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Improvement Area #1 Projects until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI

OWNERSHIP AND TRANSFER OF IMPROVEMENT AREA #1 PROJECTS

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

Section 6.02. Improvement Area #1 Project Constructed on City Land or Developer Land. If an Improvement Area #1 Project is on land owned by the City, the City hereby grants to the Developer, where applicable, a temporary easement to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Improvement Area

#1 Project. The provisions for inspection and acceptance of such Improvement Area #1 Project otherwise provided herein shall apply. If the Improvement Area #1 Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Improvement Area #1 Project. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Improvement Area #1 Project as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Improvement Area #1 Project. The provisions for inspection and acceptance of such Improvement Area #1 Project otherwise provided herein and in the Development Agreement shall apply.

ARTICLE VII

REPRESENTATIONS, WARRANTIES AND COVENANTS

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

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

(b) Developer Authority; Representations. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer. The Developer has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement. The person executing this Agreement on behalf of the Developer has been duly authorized to do so. This Agreement is binding upon the Developer in accordance with its terms. The execution of this Agreement and the performance by the Developer of its obligations under this Agreement do not constitute a breach or event of default by the Developer under any other agreement, instrument, or order to which the Developer is a party or by which the Developer is bound.

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

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

or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Improvement Area #1 Projects.

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

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

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

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

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent, dated as November 1, 2023 in connection with the Bonds.

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

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

(k) City Authority; Representations. The City represents and warrants to the Developer that (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

Section 7.02. Indemnification and Hold Harmless.

(a) THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE CITY INSPECTOR, THE CITY, EMPLOYEES, OFFICIALS, OFFICERS, REPRESENTATIVES AND AGENTS OF THE CITY, AND EACH OF THEM (EACH AN “INDEMNIFIED PARTY”), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER, (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE IMPROVEMENT AREA #1 PROJECTS CONSTRUCTED BY THE DEVELOPER HEREUNDER, (III) THE DEVELOPER’S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE IMPROVEMENT AREA #1 PROJECTS CONSTRUCTED BY DEVELOPER, OR (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT SUCH PROJECTS, OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER’S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE IMPROVEMENT

AREA #1 PROJECTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE IMPROVEMENT AREA #1 PROJECTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY. NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

(b) IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

(c) THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

(d) THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 7.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Improvement Area #1

Projects, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Improvement Area #1 Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

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

ARTICLE VIII TERMINATION

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

Section 8.02. City's Election for Cause.

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

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Improvement Area #1 Projects. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of forty-five (45) days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if

the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to an Improvement Area #1 Project only as provided for under the terms of the Indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Improvement Area #1 Projects, provided that the Developer shall receive payment of the Actual Costs of any Improvement Area #1 Projects that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement, the Indenture, and of the Development Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Improvement Area #1 Projects not accepted by the City and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Improvement Area #1 Projects hereunder, except as otherwise may be provided upon the mutual written consent of the City and the Developer or as provided for in the Indenture. The City shall have no obligation to perform any work related to an Improvement Area #1 Project or to incur any expense or cost in excess of the remaining balance of the Project Fund.

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

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

Section 8.05. Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance,

shall give notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time.

ARTICLE IX MISCELLANEOUS

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

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

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

To the City:	Attn: Mark D. Israelson City Manager 1520 Avenue K Plano, TX 75074
With a copy to:	Attn: City Attorney City of Plano 1520 Avenue K Plano, TX 75074
To the Developer:	Attn: Aaron Sherman SW Haggard Master Developer, LLC 4145 Travis, Suite 300 Dallas, Texas 75204

With a copy to: Attn: Ross Martin
 Winstead PC
 2728 N. Harwood St., Suite 500
 Dallas, Texas 75201

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

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

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

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

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

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

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

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

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

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

Section 9.12. Effective Date. This Agreement has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery, on the Closing Date of the Bonds, by the parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Closing Date of the Bonds.

Section 9.13 Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or upon redemption or defeasance of the Bonds issued under the Indenture. If the Developer defaults under this Agreement or the Development Agreement, this Agreement and the Development Agreement shall not terminate with respect to the costs of the Improvement Area #1 Projects that have been approved by the City pursuant to a Certification for Payment prior to the date of default.

Section 9.14 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. No Boycott Israel. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable

Federal law. As used in the foregoing verification, ‘boycott Israel,’ a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, 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 Developer understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 9.16. Not a Listed Company. The 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 enable the City to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section, the Developer understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

Section 9.17. Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2276.002, Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies,” a term defined in Section 2276.001(1), Texas Government Code by reference to Section 809.001, Texas Government Code, 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. As used in this Section,

the Developer understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

Section 9.18. Verification Regarding Discrimination Against Firearm Entity or Trade Association.

To the extent this Agreement constitutes a contract for goods or services for which a written verification 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 Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions:

(i) ‘discriminate against a firearm entity or firearm trade association,’ a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (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;

(ii) ‘firearm entity,’ a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as 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 (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(iii) ‘firearm trade association,’ a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any 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.

As used in this Section, the Developer understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

[Execution pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of October 23, 2023.

CITY OF PLANO

By:

Name: Mark D. Israelson

Title: City Manager

ATTEST:

Lisa C. Henderson
City Secretary

(City Seal)

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

Exhibit A

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for SW Haggard Master Developer, LLC, a Texas limited liability company (the “Developer”) and requests payment from:

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

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Haggard Farm Public Improvement District Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement between the Developer and the City of Plano, Texas, dated as of October 23, 2023 (the “CFA Agreement”).

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

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

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

Payments requested hereunder shall be made as directed below:

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

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

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

APPROVAL OF REQUEST

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and authorizes and directs payment of such amounts by Trustee from the Costs of Issuance Account of the Project Fund and/ or the Improvement Area #1 Major Improvements Account of the Project Fund, as applicable, upon delivery of the Bonds. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the CFA Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in an Improvement Area #1 Project (as defined in the Indenture).

CITY OF PLANO, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit B

CERTIFICATION FOR PAYMENT FORM – IMPROVEMENT AREA #1 PROJECT

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Haggard Farm Public Improvement District Improvement Area #1 Projects Construction, Funding, and Acquisition Agreement between the Developer and the City of Plano, Texas, dated as of October 23, 2023 (the “CFA Agreement”).

The undersigned is an agent for SW Haggard Master Developer, LLC, a Texas limited liability company (the “Developer”) and requests payment to the Developer (or to the person designated by the Developer) from the [Improvement Area #1 Improvements Account of the Project Fund] [Improvement Area #1 Major Improvements Account of the Project Fund] [Developer Improvement Account of the Project Fund] held by Wilmington Trust, National Association, (the “Trustee”), in the amount of _____ (\$_____) for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Improvement Area #1 Projects providing a special benefit to property within the Haggard Farm Public Improvement District.

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

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

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

Payments requested are as follows:

Payee / Description of Improvement Area #1 Projects	Total Cost of Improvement Area #1 Projects	Budgeted Cost of Improvement Area #1 Projects	Amount requested to be paid from the Project Fund	Total amount disbursed from the Project Fund upon payment of sums under this Certification for Payment

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are **“bills paid” affidavits and supporting documentation** in the standard form for City construction projects.

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

Payments requested hereunder shall be made as directed below:

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

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

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: Aaron Sherman
Its: Manager

APPROVAL OF REQUEST

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

CITY OF PLANO, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

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APPENDIX G

FORM OF DEVELOPMENT AGREEMENT

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DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (this “**Agreement**”), dated as of August 28, 2023 (the “**Effective Date**”), is entered into by and among HAGGARD ENTERPRISES LIMITED, LTD, a Texas limited partnership and ACRES OF SUNSHINE, LTD, a Texas limited partnership (collectively, the “**Owner**”) and SW HAGGARD MASTER DEVELOPER, LLC, a Texas limited liability company (the “**Developer**”), and the CITY OF PLANO, TEXAS (the “**City**”), a home-rule city and municipal corporation, acting by and through its duly authorized representative. The Owner, the Developer and the City are sometimes individually referred to herein as, “**Party**” and collectively as, the “**Parties**”.

WHEREAS, the Developer shall purchase from the Owner and own that certain tract of land consisting of approximately 142.49 acres located in Collin County, Texas being more particularly described by metes and bounds in **Exhibit A** attached hereto and incorporated herein for all purposes (the “**Property**”) and intends to develop (or cause to be developed by future owners) a mixed-use development at the Property consisting of hotel, retail, office, multifamily, townhome, assisted living uses and parks (collectively, the “**Project**”); and

WHEREAS, the City desires to ensure that the Project is designed, constructed and operated in a manner that will provide a public benefit while not unduly impacting existing and future local City systems, including the City’s ecological, public works, fire, police, and recreational resources; and

WHEREAS, coordination and collaboration between the City, the Owner, the Developer and other local partners is necessary for the success of the Project and achievement of specific economic development goals of the City, and as such, the City intends to assist and coordinate with the Owner and the Developer as the Parties seek to gather information, establish goals and objectives and formalize plans for the Project including, using its best efforts to ensure City Council considers approval of the bond purchase agreement and sets the Bond Pricing related to the issuance of the PID Bonds by the Developer’s target date of December 31, 2023; and

WHEREAS, the Owner and the Developer are committed to educating the City, its citizens and communities on the economic impact benefits the Project affords, and are therefore committed to participating in community outreach and engagement meetings and public hearings in areas of the City affected by the Project to ensure the concerns of the community-at-large are addressed; and

WHEREAS, in connection with the Project, the Developer plans to construct and install certain public infrastructure and improvements consisting of public streets, sanitary sewer mains, storm drainage facilities, sidewalks along public streets, water mains, and other Developer Project Improvements and City Subdivision Improvements which fall into the category of: (i) public infrastructure and improvements that specifically serve the Project (the “**Developer Project Improvements**”); and (ii) public infrastructure and improvements that not only serve the Project but also benefit other properties and developments within the City that are authorized to be funded by the City pursuant to the City’s Subdivision Ordinance (the “**City Subdivision Improvements**”); and

WHEREAS, the Developer represents and warrants to the City that it has the capacity, ability, expertise, knowledge, and experience necessary to design and construct the Developer Project Improvements and the City Subdivision Improvements pursuant to the terms and conditions of this Agreement; and

WHEREAS, in addition to the Developer’s design and construction of the Developer Project Improvements and the City Subdivision Improvements, the Developer intends to dedicate to the City four tracts of land consisting of approximately 34.0146 acres (the “**Park Land**”), as depicted in **Exhibit B**, attached hereto, to be used for linear public park purposes (the “**Linear Park Improvements**”) and neighborhood public park purposes (the “**Neighborhood Park Improvements**”) and shall design and construct the Linear Park Improvements and the Neighborhood Park Improvements (collectively referred to herein as the, “**Park Improvements**”) on the Park Land all in accordance with that certain Park Reimbursement Agreement by and among the Parties of event date herewith, attached hereto as **Exhibit C**; and

WHEREAS, the Parties hereby acknowledge and agree that the Linear Park Improvements shall be funded with PID Bond Proceeds and the Neighborhood Park Improvements shall be funded in accordance with the Park Reimbursement Agreement; and

WHEREAS, in order to facilitate construction of the Developer Project Improvements, the City created the Haggard Farm Public Improvement District (the “**PID**”), in accordance with Chapter 372 Texas Local Government Code, as amended (the “**PID Act**”) and pursuant to Resolution No. 2023-1-7(R) adopted by the City (the “**PID Resolution**”), that encompasses the Property; and

WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with terms set forth in this Agreement) adopt an Assessment Ordinance and approve a Service and Assessment Plan (“**SAP**”) which shall provide for the construction and financing of the Developer Project Improvements; and

WHEREAS, the payment and reimbursement of the Developer’s costs related to the Developer Project Improvements shall be paid solely from: (i) installment payments from certain assessments levied against property located within the PID, including the Property; and/or (ii) PID Bond Proceeds; and

WHEREAS, the City shall never be responsible for the payment of the Developer Project Improvements nor the debt service on the PID Bonds from the City’s general fund or the City’s ad valorem tax collections, past or future, or any other revenue sources of the City or any assets of the City of any nature whatsoever; and

WHEREAS, the Parties recognize that the City will incur expenses throughout the entire PID review process including, but not limited to, expenses related to professional services, legal publications, notices, reproduction of materials, public hearings, recording of documents, engineering fees, attorney fees, and special consultant fees (collectively, the “**City Expenses**”), and

WHEREAS, pursuant to that certain Professional Services Reimbursement Agreement by and between the City and Stillwater Capital Investments, LLC, a Texas limited liability company

(the “Professional Services Agreement”) attached hereto as Exhibit D, the Developer has agreed to pay for reasonable and necessary: (i) City Expenses; and (ii) any additional consultant services necessary for the construction of the Developer Project Improvements and City Subdivision Improvements, as determined by the City in its reasonable discretion, whether such City Expenses and consultant services, as applicable, are incurred prior to or after the issuance of the PID Bonds, and if incurred after the issuance of the PID Bonds shall be paid from PID Bond Proceeds; and

WHEREAS, Texas Local Government Code Section 252.022(a)(9) provides an exemption to the competitive bidding requirements when at least one-third of the cost of the public infrastructure, here the Developer Project Improvements and City Subdivision Improvements, is to be paid by or through special assessments levied on property that will benefit from the improvements; and

WHEREAS, the City’s Subdivision Ordinance requires the City participation in the cost of public infrastructure and improvements, such as the City Subdivision Improvements, that are not for the primary benefit of a development or infrastructure and improvements, such as the Project, which have been oversized to serve other properties or developments within the City; and

WHEREAS, the City will pay the costs of the City Subdivision Improvements (the “City Participation”) that are allocated to the City as the financial party responsible for the costs of such improvements under the Subdivision Ordinance as specified in Financial Party Responsibility and Reimbursement, attached hereto as Exhibit E; and

WHEREAS the funds to pay the City Participation amount for the City Subdivision Improvements will not be paid from PID assessments and shall be limited to an amount not to exceed the estimated City Subdivision Improvement Costs unless otherwise approved by the City; and

WHEREAS, the Owner and the Developer are committed to recruiting construction contractors, subcontractors, and employees from the Plano-area job market for the operation, maintenance and construction of the Project, the Developer Project Improvements and City Subdivision Improvements and the Park Improvements; and

WHEREAS, the City ultimately recognizes the positive impact the Project, the Developer Project Improvements and City Subdivision Improvements and the Park Improvements will bring to the City, and after due and careful consideration, has concluded that the Project, will further the growth of the City, provide desirable public recreational space, increase the assessed valuation of real property within the PID, upgrade public infrastructure within the City, and otherwise be in the best interests of the City by promoting the health, safety, and welfare of the residents and taxpayers of the City; and

WHEREAS, the City, the Owner and the Developer have entered into this Agreement to set forth the terms and conditions for reimbursement of certain costs to the Developer related to the construction of the Developer Project Improvements and the City Subdivision Improvements.

NOW, THEREFORE for and in consideration of the mutual covenants and conditions contained herein, and other good and valuable consideration the Parties agree as follows:

ARTICLE I

DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires the terms defined in this Article have the meanings assigned to them in the Recitals or this Article, and all such terms include the plural as well as the singular.

“Actual Developer Project Improvement Costs” means the actual Developer Project Improvement Costs, as further defined in the Service and Assessment Plan, as updated or amended from time to time and Section 5.09, not exceed the Developer Project Improvement Reimbursement Cap.

“Actual City Subdivision Improvement Costs” means the actual City Subdivision Improvement Costs as updated or amended from time to time and Section 5.09, not to exceed the City Subdivision Improvement Reimbursement Cap.

“Agreement” has the meaning stated in the first paragraph of this Agreement.

“Annual Installments” means with respect to the benefitted Property within the PID subject to Assessments, each annual payment of the Assessments, including any applicable interest, additional interest, and administrative expenses authorized by the PID Act, as set forth and calculated in the SAP.

“Applicable Law means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate, or order of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order, or other action of any court, arbitrator or other Governmental Authority governing the development, approval, construction, use or occupancy of the Property, the Developer Project Improvements and City Subdivision Improvements and the Park Improvements or any portion thereof. Applicable Law shall include, but not be limited to, Development Regulations.

“Appraisal” means an appraisal of the benefitted Property to be assessed in the PID by a licensed MAI Appraiser, such Appraisal to include as-complete improvements, including the Developer Project Improvements to be financed in part with PID Bonds and/or Annual Installments (i.e., “as-complete”) and the construction and installation of the Developer Project Improvements, necessary to get a final developed lot value.

“Approved City Subdivision Improvement Costs” means the total Actual City Subdivision Improvement Costs and Eligible Expenses verified and approved by the City.

“Approved Costs” means the Approved Developer Project Improvement Costs and Approved City Subdivision Improvement Costs and Eligible Expenses.

“Approved Developer Project Improvement Costs” means the total Actual Developer Project Improvement Costs and Eligible Expenses verified and approved by the City.

“Approved Plans” means the plans and specifications relating to the design and construction of the Developer Project Improvements and the City Subdivision Improvements or portion thereof, inclusive of any change orders thereto, as approved by the appropriate City Director.

“Assessment Ordinance” means the City’s ordinances approving the SAP and levying Assessments on the benefitted Property within the PID.

“Assessments” means the assessments levied by the City pursuant to the PID Act and on benefitted Property within the PID for the purpose of paying the costs of the Developer Project Improvements, which Assessments shall be structured to be amortized over 30 years, including interest, all as set forth in or modified by the Service and Assessment Plan.

“Bankruptcy or Insolvency” shall mean the insolvency, appointment of receiver for any part of Developer’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Developer and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“Bond Pricing Date” means the date the City approves the bond purchase agreement and sells the PID Bonds, which date may be extended by written agreement of the Parties.

“City Participation” means the amount of funding the City will provide to fund or reimburse the Developer for the City Subdivision Improvement Costs, that will be deposited with the Trustee in order to provide for the funding of the City Subdivision Improvements.

“City Representative” means the City Manager or designee which may include a third-party inspector or representative.

“City” means the City of Plano, Texas.

“City Director” shall mean the City’s Director of Economic Development, Engineering, Parks & Recreation, Planning, Public Works, Special Projects, or designee or other persons who may be authorized by the City to act in that capacity or other City employee designated by the City Manager to perform the duties of Director of a City department.

“City Reimbursement” shall mean City reimbursement to the Developer for the Developer Project Improvement Costs and the City Subdivision Improvement Costs (including the Approved Costs and Eligible Expenses) paid by the Developer in accordance with the City’s Subdivision Ordinance, PID Resolution, City community investment program, or other City funding sources contemplated by this Agreement, not to exceed the Developer Project Improvement Reimbursement Cap and the City Subdivision Improvement Reimbursement Cap, as applicable.

“City Subdivision Improvements” shall have the meaning set forth in the Recitals, as more specifically described and depicted in Exhibit F, attached hereto and incorporated herein.

“City Subdivision Improvement Costs” means the estimated cost of the City Subdivision Improvements to be constructed to the benefitted Property within the PID and other property within the City as set forth in Exhibit G, as may be amended pursuant to this Agreement.

“City Subdivision Improvement Reimbursement Cap” means the total amount of reimbursement and/or payments the Developer shall receive from the City for the City Subdivision Improvement Costs from authorized City sources; such amount shall be no more than the Approved Costs of the City Subdivision Improvements, up to the amount set forth in Exhibit G.

“Closing Disbursement Request” means the Closing Disbursement Request described in the form of which is attached as Exhibit H.

“Commencement Date” shall mean the date on which (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Developer Project Improvements and City Subdivision Improvements, or portion thereof, as the case may be; (ii) all necessary permits for the initiation of construction of the Developer Project Improvements and City Subdivision Improvements, or portion thereof, as the case may be, pursuant to the Approved Plans; and (iii) grading of the Property for the construction of the Developer Project Improvements and City Subdivision Improvements, or portion thereof, as the case may be, has commenced.

“Completion Date” shall mean the date on which (i) the construction of the Developer Project Improvements and City Subdivision Improvements, or portion or segment thereof has been substantially completed pursuant to the City’s determination; and (ii) the City has with respect to the applicable Developer Project Improvements and City Subdivision Improvements accepted the same, but in no event later than thirty-six (36) months after the Commencement Date.

“Construction Agreements” mean the contracts for the construction of the Developer Project Improvements and City Subdivision Improvements.

“Construction Cost” means solely the contracted price between Developer and its Contractor for construction of the Developer Project Improvements and City Subdivision Improvements.

“Construction Funding Agreement” means that certain agreement by and between the Developer and the City relating to the Developer’s construction of the Developer Improvement Projects and the City Subdivision Improvements and the City’s acceptance, to be negotiated by the Parties.

“Contractor(s)” shall mean the person or firm engaged by the Developer to construct the Developer Project Improvements and the City Subdivision Improvements or portion thereof approved by the City.

“Cost Overruns” means those Developer Project Improvement Costs that exceed the budgeted cost set forth in the SAP(s).

“Cost Underruns” means Developer Project Improvement Costs that are less than the budgeted cost set forth in the SAP(s).

“Developer” means SW Haggard Master Developer, LLC, a Texas limited liability company, its successors and permitted assigns.

“Developer Affiliate” shall mean any entity that is directly or indirectly controlled by or is under common control with the Developer.

“Developer Cash Contribution” means that portion of the Developer Project Improvement Costs, that the Developer is contributing to fund the cost of the Developer Project Improvements that have not already been constructed, as set forth in the SAP(s) that exceeds the amount of the PID Bond Proceeds. The Parties hereby acknowledge and agree that the Developer Cash Contribution shall not be reimbursed from PID Assessments or PID Bond Proceeds.

“Developer Project Improvements” shall have the meaning set forth in the Recitals, as more specifically described and depicted in Exhibit I, attached hereto and incorporated herein.

“Developer Project Improvement Costs” means the estimated cost of the Developer Project Improvements to be constructed to the benefitted Property within the PID as set forth in Exhibit J, as may be amended pursuant to this Agreement, such costs to be eligible “project costs,” as defined in the PID Act.

“Developer Project Improvement Reimbursement Cap” means the total amount of reimbursement and/or payments the Developer shall receive from the City for the Developer Project Improvement Costs from any source, up to the amount set forth in the SAP, including the proceeds of the PID Bonds, or Assessment revenues and such amount shall be no more than the Approved Costs of the Developer Project Improvements. For the avoidance of doubt, the Developer Project Improvement Reimbursement Cap shall not take into account the costs related to the Neighborhood Park Improvements. The Neighborhood Park Improvements are not funded with PID Bond Proceeds and therefore, the costs related to such improvements shall not be calculated in the Developer Project Improvement Costs and are not capped. The Linear Park Improvements are funded by PID Bond Proceeds and therefore, the costs related to such improvements shall be calculated in the Developer Project Improvement Costs and capped as provided herein.

“Development Regulations” shall collectively mean the City of Plano Code of Ordinances, the City of Plano Subdivision Ordinance, the City of Plano Thoroughfare Design Standards, City of Plano Design Manual, the City of Plano Zoning Ordinance, Planned Development Ordinance No. 2021-12-2, and the ordinances, regulations, and policies adopted by the City as presently in effect and as may be amended after the Effective Date, which are applicable to the development and use of the Property, the Park Land and the construction of the Developer Project Improvements and City Subdivision Improvements and the Park Improvements.

“Eligible Expenses” shall mean the costs incurred and paid by the Developer for the design and construction of the Developer Project Improvements and the City Subdivision Improvements, not including costs for permit fees, the Developer’s acquisition of land or interest costs, financing, and rights-of-way or easements (if applicable), which are not eligible for City Reimbursement.

“Effective Date” means the date set forth in the first paragraph of this Agreement.

“Estimated Build Out Value” means the estimated value of an assessed Lot with fully constructed buildings, as provided by the Developer and confirmed by the City by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors, may impact value.

“Expiration Date” shall mean the thirtieth (30th) anniversary of the Effective Date unless the City agrees in writing to extend the Term for an additional period as determined at the City’s sole discretion.

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

“Governmental Authority” means any Federal, state, or local governmental entity (including any taxing authority) or agency, court, tribunal, regulatory commission, or other body, whether legislative, judicial, or executive (or a combination or permutation thereof) and any arbitrator to whom a dispute has been presented under Applicable Law, pursuant to the terms of this Agreement or by agreement of the Parties.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, sales taxes, charges, excises, license and permit fees, and other charges by public or Governmental Authority, which are or may be assessed, charged, levied, or imposed by any public or Governmental Authority on the Developer, or any property or any business owned by the Developer within the City.

“Indenture(s)” means the applicable trust indenture pursuant to which PID Bonds are issued.

“Landowner Consent” means a consent by the applicable owner(s) of the Property consenting to the formation of the PID and the levy of Assessments in substantially the form attached hereto as Exhibit K.

“Lot” means (1) for any portion of the PID for which a final Subdivision Plat has been recorded in the Official Public Records of the County, a tract of land described by “lot” in such Subdivision Plat, and (2) for any portion of the PID 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 as shown on a concept plan or a preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded Subdivision Plat.

“Payment Certificate” means a Payment Certificate the form of which is attached hereto as Exhibit L.

“Payment Request” means a written request for payment prepared by or at the direction of the Developer which sets forth the amount of the Actual Developer Project Improvement Costs or the Actual City Subdivision Improvement Costs, or portion thereof, inclusive of details of the types and quantities of materials installed and the costs related thereto, labor costs, and other details and costs customarily related to construction thereof, which request is accompanied by an affidavit of bills paid by all material suppliers and Contractors and Subcontractors providing work and/or materials in relation to the portion of construction of the Developer Project Improvements or the City Subdivision Improvements evidenced by a Payment Certificate.

“PID” means the Haggard Farm Public Improvement District created by the City to facilitate construction of the Developer Project Improvements, in accordance with the PID Act and pursuant to the PID Resolution, that encompasses the Property.

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

“PID Bond Proceeds” means the proceeds of the PID Bonds, net of costs of issuance, capitalized interest, reserve funds and other financing costs, that are deposited to the Project Fund.

“PID Bonds” means the assessment revenue bonds issued by the City pursuant to the PID Act for the payment and/or reimbursement of the Approved Developer Project Improvement Costs, including bonds issued to fund construction of the Developer Project Improvements, and, if any,

issued to reimburse the Developer for the costs of the Developer Project Improvements, not previously funded with bond proceeds.

“Project Fund” means the fund by that name created under each Indenture into which PID Bond Proceeds shall be deposited.

“Property” means approximately 142.49 acres of real property located within the City as described in Exhibit A.

“Service and Assessment Plan” or “SAP” means the service and assessment plan(s) drafted pursuant to the PID Act for the PID and any amendments or updates thereto, adopted and approved by the City that identifies and allocates the Assessments on the benefitted Property within the PID and sets forth the method of assessment, the parcels assessed, the amount of the Assessments, the Developer Project Improvements, and the method of collection of the Assessment.

“Subcontractor(s)” shall mean any person(s), firm(s) or corporation(s), other than employees of Contractor, who or which contracts with Contractor to provide work labor or material to fulfill an obligation to Contractor, for the performance and installation of any of the work provided for under this Agreement for the Developer Project Improvements and the City Subdivision Improvements.

“Trustee” means the trustee under the Indenture.

ARTICLE II

SCOPE OF AGREEMENT; PROJECT OVERVIEW

Section 2.01. Scope of Agreement. This Agreement establishes provisions for: (i) the creation of the PID including, the apportionment, levying, and collection of Assessments on the Property within the PID; (ii) the construction of the Developer Project Improvements and City Subdivision Improvements including, the reimbursement, acquisition, ownership and maintenance of the Developer Project Improvements and the City Subdivision Improvements; (iii) the issuance of PID Bonds for the financing of the Developer Project Improvements benefitting the Property within the PID; (iv) the City Participation related to the financing of the City Subdivision Improvements; and (v) the acquisition of the Park Land, including the reimbursement, acquisition, ownership and maintenance of the Park Improvements, pursuant to Article VIII.

Section 2.02. Project Overview.

(a) Subject to the terms and conditions set forth in this Agreement, the Developer shall plan, design, construct, and complete or cause the planning, designing, construction and completion of: (i) the Developer Project Improvements, and (ii) the City Subdivision Improvements to the City’s standards and specifications and subject to the City’s approval as

provided herein and in accordance with Development Regulations, Applicable Law and Approved Plans.

(b) Upon completion and acceptance by the City, the City shall own and maintain all of the Developer Project Improvements and the City Subdivision Improvements.

ARTICLE III

PUBLIC IMPROVEMENT DISTRICT

Section 3.01. Creation of PID. The Developer requested the creation of the PID that encompasses the Property, by submitting a petition to the City that contained a list of the Developer Project Improvements to be funded or acquired with the PID Bond Proceeds and the estimated or actual costs of such Developer Project Improvements. The petition allowed for the City's levy of Assessments for the construction, acquisition, and reimbursement of the Developer Project Improvements and for administration of the PID. Upon receipt and acceptance of the petition, the City held a public hearing to consider the creation of the PID and created the PID in accordance with the PID Act. The Developer agreed to fund the City Expenses of the City's professionals relating to the preparation for and issuance of PID Bonds pursuant to the Professional Services Agreement, which City Expenses shall be determined by the City and considered a Developer Project Improvement Cost and/or Eligible Expense, to the extent permitted by the PID Act.

Section 3.02. Issuance of PID Bonds.

(a) Subject to the terms and conditions set forth in this Article III, the City intends to authorize the issuance of PID Bonds to construct, reimburse, or acquire the Developer Project Improvements benefitting the Property. The Developer Project Improvements to be constructed and funded in connection with the PID Bonds are detailed in Exhibit I and Exhibit J, which may be amended from time to time, and will be further defined in the Service and Assessment Plan for the PID or any updates thereto. The PID Bond Proceeds will be used to pay for, construct or acquire the Developer Project Improvements. Notwithstanding the foregoing, the issuance of PID Bonds is a discretionary action by the City and is further conditioned upon the adequacy of the bond security and a determination by the City that the Developer is not then in default with respect to its obligations hereunder.

(b) The Developer shall complete, or cause to be completed, all Developer Project Improvements within the PID and such Developer Project Improvements shall be completed by the Completion Date.

(c) The issuance of PID Bonds is subject to the discretion of the City and PID Bonds shall be issued with the terms deemed appropriate by the City at the time of issuance, if at all.

(d) The following conditions must be satisfied prior to the City's consideration of the sale of PID Bonds:

(i) The maximum aggregate par amount of the PID Bonds to be issued by the City shall not exceed \$115,000,000.

(ii) The maximum "tax rate" for the projected annual assessment shall be no greater than \$1.00 per \$100 of assessed value at the time of the Assessment, based on the Estimated Build Out Value of each Lot; such rate limit to be determined at the time of the levy of the Assessments applies on an individual Lot basis by lot type based on Estimated Build Out Value and will be set forth in more detail in the Service and Assessment Plan.

(iii) The total value to lien ratio is at least 3:1 for each Lot (with the exception of the Lots identified as Office Lot Type – Improvement Area #1 in the Service and Assessment Plan, for which Lots the required value to lien ratio shall be no less than 2.5:1), including all assessments levied against the Property, such values shall be confirmed by appraisal from a licensed MAI appraiser.

(iv) The Developer or Developer Affiliate, or the Owner shall own all property within the PID prior to the levy of Assessments, or provide a written consent of each landowner, subject to the levy of Assessments, consenting to the creation of the PID and the levy of Assessments.

(v) There is no Event of Default by the Developer, or no event has occurred which but for notice, the lapse of time or both, would constitute an Event of Default by the Developer pursuant to this Agreement.

(vi) PID Bonds secured by Assessments will be approved by the Texas Attorney General.

(vii) The Developer Cash Contribution, if any, has been or will by closing be delivered to the City, or the Trustee on behalf of the City pursuant to the Indenture and the Construction Funding Agreement.

Section 3.03. Apportionment and Levy of Assessments.

(a) The City intends to levy Assessments on property located within the PID in accordance herewith and with the Service and Assessment Plan (as such plan is amended supplemented or updated from time to time) and the Assessment Ordinance on or before such time PID Bonds are issued. The City's apportionment and levy of Assessments shall be made in accordance with the PID Act.

(b) Concurrently with the levy of the Assessments, the Owner, the Developer or Developer Affiliate shall execute and deliver a Landowner Consent substantially in the form attached as Exhibit K for all land owned or controlled by the Owner, the Developer or Developer Affiliate, or otherwise evidence consent to the creation of the PID and the levy of Assessments therein and shall record evidence and notice of the Assessments in the real property records of Collin County. The City shall not levy Assessments on property within the PID without an executed Landowner Consent from each landowner within the PID whose property is being assessed. The Landowner Consent shall include the notice as required by Section 5.014 of the Texas Property Code (the

“Section 5.014 Notice”) and contain a representation that the landowner will provide the 5.014 Notice in any purchase and sale contract to a subsequent owner.

Section 3.04. Transfer of Property. Other than the sale of the Property to the Developer, or Developer Affiliate, notwithstanding anything to the contrary contained herein, no sale of property within the PID shall occur prior to the City’s levy of Assessments in the PID unless the Developer provides the City with an executed consent to the creation of the PID and the levy of Assessments, in a form acceptable to the City with respect to the purchased property. In addition, evidence of any transfer of property in the PID prior to the levy of Assessments on such property shall be provided to the City prior to the levy of Assessments on such property. The City shall require the consent of each owner of assessed property in the PID to the levy of Assessments on each property and to the creation of the PID prior to Assessments being levied on such property. The Developer understands and acknowledges that evidence of land transfer, the execution of the Landowner Consent, and property record recording will be required from each owner of Assessed Property to levy the Assessments and issue PID Bonds. The Landowner Consent listed above shall include the notice as required by Section 5.014 of the Texas Property Code (the “Section 5.014 Notice”) and contain a representation that the landowner will provide the 5.014 Notice in any purchase and sale contract to a subsequent owner. The Developer shall provide all necessary documentation to the City with respect to any land transfers.

ARTICLE IV

ZONING, PHASING AND PLATTING OF THE PROPERTY

Section 4.01. Full Compliance with City Standards. Development and use of the Property by the Owner, the Developer or Developer Affiliate, including, without limitation, the construction, installation, maintenance, repair, and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the Property contemplated by the Project, shall be in compliance with current and applicable Development Regulations and Applicable Law. Failure to comply with the zoning stipulations adopted in Ordinance No. 2021-12-2 for PD-51, as may be amended, is a breach of this Agreement.

Section 4.02. Zoning of Property. The Developer consents and agrees to the zoning of the Property pursuant to the City’s established zoning process and consistent with State law as provided in Chapter 211 the Texas Local Government Code as amended.

- a. Phase 1: A certificate of occupancy will not be issued for the first phase of multifamily, not to exceed 350 units and located in Tract 1, until the following are completed:
 - i. A certificate of occupancy has been issued for a minimum of 100,000 square feet of nonresidential use(s) in Tract 1, including 10,000 square feet of Village Retail; for the purposes of this standard, retirement housing will not be considered a nonresidential use; and

- ii. The trail along the full extent of the creek in Tract 2 is connected to development in Tract 1 via a pedestrian bridge within the creek.

- b. Phase 2: A certificate of occupancy will not be issued for the second phase of multifamily, not to exceed 350 units and located in Tract 2, until the following are completed:

- i. A certificate of occupancy has been issued for a minimum of a cumulative 300,000 square feet of nonresidential uses in Tract 1 and Tract 2, which includes the 100,000 square feet required within Phase 1; for the purposes of this standards, retirement housing will not be considered a nonresidential use; and
 - ii. The completion of all open spaces located in Tract 1 and Tract 2.

Section 4.03. Phasing.

No certificate of occupancy or temporary certificate of occupancy may be issued by the City or requested by the Developer for Phase 1, as described in attached Exhibit M until:

- a. the Linear Parks as defined in the Park Reimbursement Agreement are final accepted by the City as described in the Subdivision Ordinance;
- b. the traffic signal at Pinehaven and Parkwood is operational; and
- c. Pinehaven is fully constructed between Spring Creek and Parkwood, including a Z crossing, and has been accepted by the Director of Engineering as described in the Subdivision Ordinance.

All parks on the Property must be final accepted as described in the Subdivision Ordinance before final plat of Phase 2.

Section 4.03. Plat Review Fees. Development of the Property shall be subject to payment to the City of reasonable fees and charges applicable to the City’s preliminary and final plat review and other applicable approval processes according to the fee schedule adopted by the City Council and in effect at the time of platting.

Section 4.04. Plan Review and Permit Fees. Development of the Property shall be subject to payment to the City of the reasonable fees and charges applicable to the City’s review of Approved Plans and issuance of permits (including building permits) for construction of the Developer Project Improvements and City Subdivision Improvements and the Park Improvements according to the fee schedule adopted by the City at the time of plan review and permit issuance.

Section 4.05. Inspection Fees. Development of the Property shall be subject to the payment to the City of inspection fees according to the fee schedule adopted by the City at the time of inspection.

Section 4.06. Conflicts. In the event of any conflict between this Agreement and any Development Regulations, the Development Regulations control.

ARTICLE V

DESIGN AND CONSTRUCTION OF DEVELOPER PROJECT IMPROVEMENTS AND CITY SUBDIVISION IMPROVEMENTS

Section 5.01 Developer Project Improvements and City Subdivision Improvements to be Constructed.

(a) Subject to the terms and conditions of this Agreement, the Developer agrees to commence construction of the Developer Project Improvements and the City Subdivision Improvements by the applicable Commencement Date in substantial compliance with the Approved Plans and the Development Regulations.

(b) Subject to delays resulting from one or more events of Force Majeure, the Developer shall complete construction of the Developer Project Improvements and City Subdivision Improvements by the applicable Completion Date.

Section 5.02 Project Engineer. Not later than ninety (90) days after the Effective Date, the Developer shall contract with one or more certified and licensed professional engineers (or firm) to prepare plans and specifications for the design and construction of the Developer Project Improvements and the City Subdivision Improvements for the benefit of the City. The professional engineer (or firm) selected by the Developer shall be Kimley Horn (the "Project Engineer"), and the City hereby approves the Project Engineer. Any change to the professional engineer (or firm) other than the Project Engineer shall be approved in writing by the City prior to any engineering services being provided by the newly selected engineer. The Developer's contract with the Project Engineer shall provide that the plans and specifications for the Developer Project Improvements and City Subdivision Improvements are being prepared for the benefit of the City and that City (its agents and contractors) may publish, reproduce, and use the plans and specifications for the Developer Project Improvements and City Subdivision Improvements. The City shall have the sole right to approve or reject the Developer's selection of a project engineer other than the Project Engineer and the cost of such services; provided, however, that in the event of a rejection, the City shall provide written notice to the Developer detailing the reasons for such rejection and allow the Developer the opportunity to address the City's concerns. In the event the Developer ceases to use Kimley Horn, the Project Engineer as contemplated herein, this Agreement shall automatically terminate without further notice if the City does not provide written approval of an engineer selected by the Developer for the design and construction of the Developer Project Improvements and City Subdivision Improvements.

Section 5.03 Plans and Specifications Approval.

(a) Approved Plans. The Developer shall cause the Project Engineer to submit the proposed plans and specifications for the Developer Project Improvements and City Subdivision

Improvements to the City for review and approval. The City may require the Developer to cause the revision and/or modification of the proposed plans and specifications for the Developer Project Improvements and City Subdivision Improvements as often as is reasonably necessary. The Developer shall cause the Project Engineer to revise and/or modify and submit revised or modified plans and specifications for the Developer Project Improvements and City Subdivision Improvements to the City, as often as may be reasonably required by the City. The City shall have fifteen (15) business days following receipt of the submittal of proposed plans and specifications for the Developer Project Improvements and City Subdivision Improvements (including any revised or modified plans and specifications) to review and approve the proposed plans and specifications for the Developer Project Improvements and City Subdivision Improvements. If the City does not approve the proposed plans and specifications for the Developer Project Improvements and City Subdivision Improvements (or revised or modified plans and specifications) within such fifteen (15) business day period, the proposed plans and specifications shall be deemed disapproved. This process shall be followed until the proposed plans and specifications for the Developer Project Improvements and City Subdivision Improvements or portion thereof are approved and become the "**Approved Plans**". The City shall have no liability for delay resulting from the City review and approval of the plans and specifications.

(b) Submission of Permit Applications. Prior to the Public Improvement Commencement Date, the Developer shall make, or cause to be made, application for any necessary permits and approvals that are customarily required by the City and any applicable governmental authorities to be issued for the construction of the Developer Project Improvements and City Subdivision Improvements.

(c) Compliance. The Developer shall comply, and cause its Contractor to comply, with the Development Regulations and all local and state laws and regulations regarding the design and construction of the Developer Project Improvements and City Subdivision Improvements in accordance with the Approved Plans, including, but not limited to, any applicable requirement relating to payment, performance, and maintenance bonds.

(d) Project Inspection. City Engineer shall have the right to inspect the Developer Project Improvements and City Subdivision Improvements to determine whether the construction of the Developer Project Improvements and City Subdivision Improvements is in accordance with the Approved Plans.

(e) Contractor Approval. The Developer shall select one or more Contractors for the construction of the Developer Project Improvements and City Subdivision Improvements. The City hereby approves Talley Riggins Construction Group as a Contractor. The City shall have the right to approve the Developer's selection of the Developer's other Contractor(s), which approval shall not be unreasonably denied, delayed, or withheld; provided, however, a Developer Affiliate is not eligible to be a Contractor. Notwithstanding such approval by the City; the Developer shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the contracts with Contractors and the City shall not be liable for the same in any manner whatsoever. In the event of a Contractor disapproval by the City, the City shall provide written notice to the Developer detailing the reasons for such disapproval and allow the Developer the opportunity to address the City's concerns.

Section 5.04 Inspection and Acceptance of the Developer Project Improvements and City Subdivision Improvements.

(a) Acceptance. The inspection and approval of the Developer Project Improvements and City Subdivision Improvements by the City shall be conducted in the same manner as inspection and acceptance of other Developer Project Improvements and City Subdivision Improvements constructed and/or installed in association with the development of property in the City pursuant to the Development Regulations, as amended, and the current policies and procedures of City's Engineering Department. The Developer shall dedicate to the City on behalf of the public the easement(s) required for the construction and permanent operation of the Developer Project Improvements and City Subdivision Improvements pursuant to a final plat of the Property, or portion thereof, approved and recorded in accordance with applicable provisions of the Development Regulations or by separate instrument reasonably approved by the City.

(b) Utility Easements. The Developer shall be responsible, at the Developer's sole cost, for providing the necessary utility easements in the locations and widths required by the Approved Plans on and under the Property which the Developer Project Improvements and City Subdivision Improvements will be located. Such utility easements are to be dedicated to the City for the benefit of the public on a final plat of the Property and/or pursuant to one or more instruments approved by City. The City shall not be required to accept the Developer Project Improvements and the City Subdivision Improvements, and Public Improvement Completion Date shall not be deemed to have occurred, unless all required easements have been conveyed to the City and recorded in the Official Public Records of Collin County, Texas.

Section 5.05 Approval of Construction Documents. No approval of designs, plans, and specifications by the City shall be construed as representing or implying that the Developer Project Improvements and the City Subdivision Improvements built in accordance therewith shall be free of defects, and any such approvals shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be designed or built in a good and workmanlike manner. Neither the City nor its elected officials, officers, employees, contractors, and/or agents shall be responsible or liable in damages or otherwise to anyone submitting plans and specifications for approval by the City for any defects in any plans or specifications submitted, revised, or approved, any loss or damages to any person arising out of approval or disapproval or failure to approve or disapprove any plans or specifications, nor any defects in construction undertaken pursuant to such plans and specifications.

Section 5.06 Design Defects. Approval of the appropriate City Director or other City employee, officer, or consultant of any plans, designs or specifications submitted by the Developer under this Agreement shall not constitute or be deemed to be a release of the responsibility and liability of the Developer, its engineers, contractors, employees, officers, or agents for the accuracy and competency of their design and specifications. Such approval shall not be deemed to be an assumption of such responsibility or liability by the City for any defect in the design and specifications prepared by the Developer's consulting engineer, its officers, agents, servants, or employees, it being the intent of the Parties that approval by the appropriate City Director, the City Representative or other City employee, officer or consultant signifies the City's approval of only

the general design concept of the Developer Project Improvements and City Subdivision Improvements to be constructed.

Section 5.07 Completion of Construction; Withholding Certificates of Occupancy. The Developer acknowledges and agrees that the Developer Project Improvements and the City Subdivision Improvements are to be constructed in association with the development of the Property concurrently with the construction of other Developer Project Improvements and City Subdivision Improvements required to be constructed pursuant to the provisions of the Development Regulations. The Developer further acknowledges and agrees that, to the extent the provisions of the Development Regulations authorize the appropriate City Director, the City Representative or other City employee to withhold the issuance of certificates of occupancy for buildings constructed on the Property pending the completion of construction and acceptance by the appropriate City Director, the City Representative (on behalf of the City) of the Developer Project Improvements and City Subdivision Improvements constructed in relation to development of the Property, such authority shall extend to completion and acceptance by the appropriate City Director, City Representative of the Developer Project Improvements and City Subdivision Improvements, unless otherwise terminated.

Section 5.08 Changes to Construction Costs.

(a) For the Developer Project Improvements and City Subdivision Improvements, if the costs exceed the amount budgeted for a particular line item in the SAP, then the Developer shall be responsible for such Cost Overruns, subject to the application of Cost Underruns available form costs savings recognized in other line items.

(b) For the City Subdivision Improvements, the City shall pay only approved costs over the cap described in Section XX.

Section 5.09 Financing and Reimbursement.

(a) The City agrees to provide financing and/or reimburse the Developer for the following:

(i) *The Developer Project Improvement Costs.* The Approved Costs related to the Actual Developer Project Improvement Costs prior to or after the Public Improvement Completion Date (or portion thereof if the Director of Engineering or City Representative approves such payment) consistent with Section VII of this Agreement;

(ii) *The City Subdivision Improvement Costs.* The Approved Costs related to the Actual City Subdivision Improvement Costs prior to or after the Public Improvement Completion Date (or portion thereof if the Director of Engineering or City Representative approves such payment) consistent with the City's Subdivision Ordinance; and

(iii) *The Park Improvement Costs.* The Park Improvement Costs as described in the Park Reimbursement Agreement attached as Exhibit C (or portion thereof if the City Director or City Representative approves such payment upon or after final plat of the portion of the Property containing the Park Improvements consistent with Section VII of this Agreement); and

(iv) Upon the closing of the of PID Bonds, the City may deposit with the Trustee the estimated Developer Project Improvement Costs, or portion thereof, pursuant to the Construction Funding Agreement.

(v) Prior to the closing of the PID bonds, the Developer will deposit the Developer Cash Contribution per the terms of the Construction Funding Agreement and the Indenture.

(b) As a condition for City Reimbursement as outlined above, the Developer shall deliver a Payment Certificate pursuant to the terms of the Construction Funding Agreement.

(c) The City and the Developer hereby acknowledge and agree that the City Reimbursement shall in no event exceed the City Subdivision Improvement Reimbursement Cap nor the Developer Project Improvement Reimbursement Cap. Notwithstanding the foregoing, the City Representative may approve a reimbursement amount to be paid by the City in excess of the City Subdivision Improvement Reimbursement Cap; provided such amount is equal to or less than \$100,000, without amending this Agreement.

Section 5.10 Performance Bond. Prior to Commencement of Construction of the Developer Project Improvements and City Subdivision Improvements, the Developer shall execute a performance bond for the construction of the Developer Project Improvements and City Subdivision Improvements to ensure completion of construction of the Developer Project Improvements and City Subdivision Improvements, which bond shall be executed with a corporate surety in accordance with Chapter 2253, Texas Government Code. The amount of such performance bond shall be for 20% of the construction costs related to the construction of the Developer Project Improvements and City Subdivision Improvements and shall be on a form reasonably approved by the City's City Attorney. The Developer agrees to require the Contractors who construct the Developer Project Improvements and City Subdivision Improvements to provide payment and performance bonds in forms reasonably satisfactory to the City. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that the City has the right to reasonably reject any surety company regardless of such company's authorization to do business in Texas. Evidence of payment and performance bonds shall be delivered to the City prior to Commencement of Construction of any such Developer Project Improvements and City Subdivision Improvements.

Section 5.11 Responsibility for Permits. The Developer shall be solely responsible, at the Developer's cost, to obtain all necessary permits and permissions relating to the construction of the Developer Project Improvements and the City Subdivision Improvements.

Section 5.12 Project Records. The Developer shall keep, and cause each Contractor to keep, a complete and accurate record, including receipts, accounting records and other documentation, relating to the costs of the Developer Project Improvements and the City Subdivision Improvements pursuant to this Agreement for a period of four (4) years from the latest of the Completion Date, or until any pending litigation or claims are resolved, whichever is later; and to expedite any audit that might be conducted by the City and/or its representatives relating to the

City Reimbursement. All of the Developer's (and its Contractor's) books and other records related to the Developer Project Improvements and the City Subdivision Improvements shall be made available in Collin County, Texas, for inspection by the City or City Representative during normal business hours upon written request of the City provided the City has provided not less than two (2) business days' prior written notice. The foregoing notwithstanding, all records, books, documents, accounting procedures, practices, or any other items relevant to the performance of this Agreement shall be subject to examination or audit by the City, or City Representative.

ARTICLE VI

CONSTRUCTION MANAGEMENT

Section 6.01. Construction Management Generally.

(a) The Developer shall design and construct or cause the design and construction of the Developer Project Improvements and City Subdivision Improvements and Park Improvements, together with and including the acquisition of all easements or fee simple title to the land necessary to provide for and accommodate the Developer Project Improvements and City Subdivision Improvements and the Park Improvements, including any applicable off-site improvements as set forth above and as further provided for in the Construction Funding Agreement.

(b) The Developer shall comply or shall require its Contractors to comply with all local and state laws and regulations regarding the design and construction of the Developer Project Improvements and the City Subdivision Improvements applicable to similar facilities constructed by the City.

(c) Evidence of payment to the applicable Contractors and Subcontractors shall be submitted to the City as provided in the Construction Funding Agreement.

(d) The Developer shall dedicate or convey by final plat or separate instrument, without cost to the City and in accordance with Applicable Law, all property rights necessary for the construction, operation, and maintenance of the Developer Project Improvements and the City Subdivision Improvements promptly after the Completion Date and acceptance by the City.

Section 6.02. Construction Agreements. The Construction Agreements shall be let in the name of the Developer. The Project Engineer shall prepare, provide, or cause the preparation and provision of all contract specifications and necessary related documents. The Developer shall provide the City with all Construction Agreements and ancillary documents related to the Developer Project Improvements and the City Subdivision Improvements and shall acknowledge in such agreements that the (i) Contractor is an independent contractor, independent of and not an agent of the City; (ii) Contractor is responsible for retaining, and shall retain, the services of necessary and appropriate architects and engineers; and (iii) the City has no obligations, liabilities, or responsibilities thereunder. The Developer shall include a provision in the Construction Agreements that the Contractor will indemnify the City and its officers and employees against any

costs or liabilities thereunder and for the negligent acts or omissions of the Contractor. The Developer shall administer the Construction Agreements.

Section 6.03. Cooperation and Coordination. During the planning, design, development, and construction of the Developer Project Improvements and the City Subdivision Improvements, the Parties agree to cooperate and coordinate with each other and to assign appropriate, qualified personnel to perform the work contemplated by this Agreement. The City will make reasonable efforts to accommodate urgent or emergency requests during construction of the Developer Project Improvements and the City Subdivision Improvements. To facilitate a timely review process, the Developer shall cause the architect, engineer, and other design professionals to attend City meetings if requested by the City.

Section 6.04. Project Verification. The Developer will from time to time, as reasonably requested by the City, verify that the Developer Project Improvements and the City Subdivision Improvements are being constructed substantially in accordance with the Approved Plans. To the extent the City has concerns about such verification that cannot be answered by the Developer, to the City's reasonable satisfaction, the Developer will cause the appropriate architect, engineer, or Contactor to consult with the Developer and the City regarding such concerns.

Section 6.05. No City Responsibility. By performing the functions described in this Article, the City shall not, and shall not be deemed to assume the obligations or responsibilities of the Developer whose obligations under this Agreement and under Applicable Law shall not be affected by the City's exercise of the functions described in this Article. The City's review of the Approved Plans is solely for the City's own purposes, and the City does not make any representation or warranty concerning the appropriateness of the Approved Plans for any purpose. The City's approval of the Approved Plans shall not render the City liable for the same; and the Developer assumes and shall be responsible for all claims arising out of or from the use of the Approved Plans.

Section 6.06. Construction Standards. The Developer Project Improvements and the City Subdivision Improvements will be installed within the public right-of-way or in easements granted to the City. Such easements may be granted at the time of final platting in the final plat or by separate instrument before final platting. The Developer Project Improvements and the City Subdivision Improvements shall be constructed and inspected in accordance with Applicable Law, and the Development Regulations, and all other applicable development requirements, including those imposed by any other Governmental Authority with jurisdiction over the Developer Project Improvements and the City Subdivision Improvements and this Agreement; provided however, that if there is any conflict, the regulations of the Governmental Authority with jurisdiction over the Developer Project Improvements and/or the City Subdivision Improvements being constructed shall control.

Section 6.07. Title to Developer Project Improvements and City Subdivision Improvements. The Developer shall furnish to the City a preliminary title report for land with respect to the Developer Project Improvements and the City Subdivision Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for

review and approval at least 30 calendar days prior to the transfer of title of the Developer Project Improvements and the City Subdivision Improvements to the City. The City Representative shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City Representative does not approve the preliminary title report, the City shall not be obligated to accept title to the Developer Project Improvements or the City Subdivision Improvements until the Developer has cured any City objections to title to the satisfaction of the City Representative.

Section 6.08. Developer Project Improvements and City Subdivision Improvements Constructed on City Land. To the extent the Developer Project Improvements and City Subdivision Improvements are constructed on land owned by the City, the City hereby grants the Developer a temporary easement to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Developer Project Improvements and City Subdivision Improvements. If the Developer Project Improvements and the City Subdivision Improvements are constructed on land owned by the Developer or the Owner, the Developer and/or the Owner shall dedicate easements by plat or shall execute and deliver to the City such access and maintenance easements as the City may reasonably require in recordable form; and the Developer and/or the Owner hereby grants to the City a permanent access and maintenance easement to enter upon such land for purposes related to inspection and maintenance of the Developer Project Improvements and the City Subdivision Improvements. The grant of the permanent easement shall not relieve the Developer or the Owner of any obligation to grant the City title to property and/or easements related to the Developer Project Improvements and the City Subdivision Improvements as required by this Agreement or as should, in the City's reasonable judgment, be granted to provide for convenient access to and routine and emergency maintenance of the Developer Project Improvements and the City Subdivision Improvements. The provisions for inspection and acceptance of the Developer Project Improvements and the City Subdivision Improvements otherwise provided herein shall also apply.

Section 6.9. Additional Requirements. In connection with the design and construction of the Developer Project Improvements and the City Subdivision Improvements, the Developer shall take or cause the following entities or persons to take the following actions and to undertake the following responsibilities:

(a) The Developer shall provide to the City electronic copies of the Approved Plans for the Developer Project Improvements and the City Subdivision Improvements (including revisions) as such Approved Plans are currently in existence and as completed after the date set hereof and shall provide the City one complete set of record drawings (in electronic format), in accordance with Applicable Law.

(b) In accordance with the requirements between the Developer and the City about the development and construction of the Developer Project Improvements and the City Subdivision Improvements, the Developer or such person selected by and contracting with the Developer shall provide the City with a copy of the detailed construction schedule outlining the major items of work of each Contractor, including any revisions to such schedule.

(c) The Developer shall provide the Construction Agreements, construction documents, including the Approved Plans to the City that are signed and sealed by one or more registered professional architects or engineers licensed in the State of Texas at the time the construction documents are submitted to the City for approval.

(d) The Developer shall provide the City with reasonable advance notice of any regularly scheduled construction meetings regarding the Developer Project Improvements and the City Subdivision Improvements and shall permit the City to attend and observe such meetings to monitor the Project; and the Developer shall provide the City with copies of any construction schedules discussed and/or reviewed at any regularly scheduled construction meeting upon a request by the City.

(e) The Developer or any of the Developer's Contractors shall comply with and require that its agents and Subcontractors comply with all Applicable Law regarding the use, removal, storage, transportation, disposal, and remediation of hazardous materials.

(f) The Developer or any of the Developer's Contractors shall notify and obtain the City's approval for all field changes that directly result in material changes to the portion of the Approved Plans for the Developer Project Improvements and the City Subdivision Improvements that describe the connection of such improvements with City streets, storm sewers and utilities.

(g) Following notice from the City, the Developer shall or cause the Developer's Contractor to promptly repair, restore or correct, on a commercially reasonable basis, all damage caused by the Contractor or its Subcontractors to property or facilities of the City during construction of the Developer Project Improvements and the City Subdivision Improvements and to reimburse the City for out-of-pocket costs actually incurred by the City that are directly related to the City's necessary emergency repairs of such damage.

(h) Following notice from the City, the Developer shall promptly cause the correction of defective work and shall cause such work to be corrected in accordance with the Construction Contracts and Development Regulations that govern construction of the Developer Project Improvements and the City Subdivision Improvements.

(i) If the Developer performs any soils, construction, and materials testing during construction of the Developer Project Improvements and the City Subdivision Improvements, the Developer shall make copies of the results of all such tests available to the City.

(j) If any of the entities or persons shall fail in a material respect to perform any of its obligations described in this Article (or elsewhere under this Agreement), the Developer shall use good faith efforts to enforce such obligations against such entities or persons, or the Developer may cure any material failure of performance as provided herein.

(k) The Developer shall provide any other information or documentation, or services required by Development Regulations.

(l) The Developer shall allow the City Representative to conduct a reasonable pre-final and final inspection of the Developer Project Improvements and the City Subdivision Improvements. Upon acceptance by the City of the Developer Project Improvements and the City Subdivision Improvements, the City shall become responsible for the maintenance of the same and for making any bond or warranty claim, if applicable.

Section 6.10. Revisions to Scope and Cost of Developer Project Improvements and City Subdivision Improvements.

(a) The Developer Project Improvement Costs may be modified or amended from time to time upon the approval of the City Representative, provided that such costs shall not exceed the amounts as set forth in the SAP. Should the Developer Project Improvement Costs be amended by the City Council in the SAP pursuant to the PID Act, the City Representative shall be authorized to make corresponding changes to the applicable Exhibits attached hereto and shall keep official record of such amendments.

(b) Should the Developer Project Improvement Costs exceed the amounts set forth in the SAP, the Developer shall be responsible for such excess costs and such excess costs shall not be reimbursed by the City unless a Cost Underrun is available to pay a Cost Overrun. Cost Overruns and Cost Underruns will be further defined in the Construction Funding Agreement.

Section 6.11. City Police Powers. The Developer recognizes the authority of the City pursuant to the Texas Constitution together with the City's charter and ordinances to exercise its police powers in accordance with Applicable Law to protect the public health, safety, and welfare. The City retains its police powers over the Developer or its Contractor's construction activities related to the Developer Project Improvements and the City Subdivision Improvements, and the Developer recognizes the City's authority to take appropriate enforcement action in accordance with Applicable Law to provide such protection. No lawful action taken by the City pursuant to these police powers shall subject the City to any liability under this Agreement, including without limitation, liability for costs incurred by any Contractor or the Developer, and as between the Developer and the City, any such costs shall be the sole responsibility of the Developer and any of its Contractors and shall not constitute an Approved Cost or Eligible Expense.

Section 6.12. Liens.

(a) Title. The Developer agrees that the Developer Project Improvements and the City Subdivision Improvements shall not have a lien or cloud on title upon their dedication to and acceptance by the City.

(b) Mechanic's Liens. The Developer shall not create, allow, or permit any liens, encumbrances, or charges of any kind whatsoever against the Developer Project Improvements and the City Subdivision Improvements arising from any work performed by any Contractors by or on behalf of the Developer. The Developer shall not permit any claim of lien made by any mechanic, materialman, laborer, or other similar liens to stand against the Developer Project Improvements or the City Subdivision Improvements for work or materials furnished to the Developer in connection with any construction, improvements, renovation, maintenance, or repair

thereof made by the Developer or any Contractors, agent, or representative of the Developer. The Developer shall cause any such claim of lien to be fully discharged as soon as reasonably possible after the Developer's receipt of written notice of the filing thereof. The City shall not accept the Developer Project Improvements nor the City Subdivision Improvements with any lien, encumbrance, or charge of any kind whatsoever against the same arising from any work performed by any Contractors by or on behalf of the Developer.

Section 6.13. City Consents. Any consent or approval by or on behalf of the City required in connection with the design and construction of the Developer Project Improvements or the City Subdivision Improvements or otherwise under this Agreement shall not be unreasonably withheld, delayed, or conditioned.

Section 6.14. Right of the City to Make Inspection.

(a) At any time during regular business hours during the construction of the Developer Project Improvements and the City Subdivision Improvements, the City shall have the right to enter the Property for the purpose of inspection of the progress of construction; provided, however, the City Representative shall comply with reasonable restrictions generally applicable to all visitors to the Project that are imposed by the Developer or its Contractor. The Developer shall pay the City's costs for the retention of a third-party inspector.

(b) Inspection of the construction of the Developer Project Improvements and the City Subdivision Improvements shall be by the City Representative or his/her designee. In accordance with Section 4.05 of this Agreement, the Developer shall pay the inspection fee which may be included as an Eligible Expense.

(c) The City may enter the Property in accordance with customary City procedures and Applicable Law to make any repairs or perform any maintenance of the Developer Project Improvements and/or the City Subdivision Improvements which the City has accepted for maintenance. If, during construction of the Developer Project Improvements or the City Subdivision Improvements, a Developer Event of Default has occurred under this Agreement, beyond any applicable cure period, or in the event of an emergency which is not timely addressed, the City may enter the Property to make any repairs to the Developer Project Improvements and/or the City Subdivision Improvements that have not been accepted for maintenance by the City, of every kind or nature, which the Developer is obligated under this Agreement to repair or maintain but which the Developer has failed to perform after reasonable notice (other than in the case of an emergency in which notice is impossible or impractical). The Developer shall be obligated to reimburse the City the reasonable costs incurred by the City for any such repairs. Nothing contained in this paragraph shall be deemed to impose on the City any obligation to make repairs or alterations on behalf of the Developer.

Section 6.15. Competitive Bidding. The construction of the Developer Project Improvements and the City Subdivision Improvements is exempt from the competitive bidding requirements of Texas Local Government Code Section 252.022(a)(9). If the Approved Developer Project Improvement Costs or the Approved City Subdivision Improvement Costs do not meet the parameters for exemption from the competitive bid requirement, then either competitive

bidding or the alternative delivery procurement method may be utilized by the City, as allowed by Applicable Law.

ARTICLE VII

FUNDING OF DEVELOPER PROJECT IMPROVEMENTS
AND CITY SUBDIVISION IMPROVEMENTS

Section 7.01. City Obligation Limited With Respect to Developer Project Improvements.

(a) Upon written acceptance of the Developer Project Improvements and the City Subdivision Improvements by the City, and subject to any applicable maintenance-bond period, the City shall be responsible for all operation and maintenance of the Developer Project Improvements and the City Subdivision Improvements, including all costs thereof and relating thereto.

(b) The City's obligation with respect to the City Reimbursement as set forth in this Agreement and the SAP, shall be limited to and further defined in the Construction Funding Agreement and shall not exceed the Developer Project Improvement Reimbursement Cap and the City Subdivision Improvement Reimbursement Cap, as applicable.

(c) The City shall have no responsibility to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indentures, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay or reimburse the Developer for the Approved Developer Project Improvement Costs.

Section 7.02. Payment Process. The City shall authorize payment or the City Reimbursement as set forth herein and in accordance the Construction Funding Agreement.

Section 7.03. Non-Issuance of PID Bonds and Developer Project Improvements Reimbursement from Assessment Fund. In the event the City does not approve the PID Bonds, reimbursement or payment from Assessment revenues shall be made pursuant to the terms and provisions of this Agreement and in accordance with the provisions of an agreement between the City and the Developer consistent with the requirements under Section 372.023, Texas Local Government Code, as amended (a "PID Reimbursement Agreement") or the Construction Funding Agreement.

Section 7.04. City Obligation Not Limited With Respect to City Subdivision Improvements and Park Land.

(a) The City is obligated to provide funds for the City Subdivision Improvements pursuant to the City's Subdivision Ordinance and from available funds consistent with the City's capital investment program and other City funding sources, as applicable.

(b) The City Reimbursement related to the City Subdivision Improvements shall be made in accordance with Section 5.09 above and shall not exceed the City Subdivision Improvement Reimbursement Cap.

ARTICLE VIII

PARK LAND AND PARK IMPROVEMENTS

Section 8.01 Park Reimbursement Agreement. The City, Owner and Developer obligations related the Park Land and Park Improvements are set forth in the Park Reimbursement Agreement attached here to as Exhibit C.

ARTICLE IX

REPRESENTATIONS AND WARRANTIES

Section 9.01. Representations and Warranties of the City. The City makes the following representation and warranty for the benefit of the Developer:

(a) Due Authority; No Conflict.

The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act). The City has all requisite power and authority to execute this Agreement and to carry out its obligations hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by the City and constitute legal, valid, and binding obligations enforceable against the City in accordance with the terms subject to principles of governmental immunity and the enforcement of equitable rights. The consummation by the City of the transactions contemplated hereby is not in violation of or in conflict with, nor does it constitute a default under, any of the terms of any agreement or instrument to which the City is a party, or by which the City is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

(b) Due Authority; No Litigation. No litigation is pending or, to the best of the City's knowledge, threatened in any court to restrain or enjoin the construction of the Developer Project Improvements or the City Subdivision Improvements, or the City's payment and reimbursement obligations under this Agreement, or otherwise contesting the powers of the City or the authorization of this Agreement or any agreements contemplated herein.

Section 9.02. Representations and Warranties of Developer. The Developer makes the following representations, warranties, and covenants for the benefit of the City:

(a) Due Organization and Ownership. The Developer is a Texas limited liability company validly existing under the laws of the State of Texas and is duly qualified to do business in the

State of Texas; and that the person executing this Agreement on behalf of it is authorized to enter into this Agreement.

(b) Due Authority; No Conflict. The Developer represents that and warrants that they have all requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by the Developer and constitute the Developer's legal, valid, and binding obligations enforceable against the Developer in accordance with their terms. The consummation by the Developer of the transactions contemplated hereby is not in violation of or in conflict with, nor does it constitute a default under, any term or provision of the organizational documents of the Developer, or any of the terms of any agreement or instrument to which the Developer is a party, or by which the Developer is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or Governmental Authority.

(c) Consents. No consent, approval, order, or authorization of or declaration or filing with any Governmental Authority is required on the part of the Developer in connection with the execution and delivery of this Agreement or for the performance of the transactions herein contemplated by the respective Parties hereto.

(d) Litigation/Proceedings. To the best of their knowledge, the Developer, after reasonable inquiry, affirms that there are no pending, threatened, judicial, municipal or administrative proceedings, consent decree or, judgments which might affect the Developer's ability to consummate the transactions contemplated hereby, nor is there a preliminary or permanent injunction or other order, decree, or ruling issued by a Governmental Authority, and there is no statute, rule, regulation, or executive order promulgated or enacted by a Governmental Authority that is in effect which restrains, enjoins, prohibits, or otherwise makes illegal the consummation of the transactions contemplated by this Agreement.

(e) Legal Proceedings. There is no action, proceeding, inquiry, or investigation, at law or in equity, before any court, arbitrator, governmental or other board or official, pending or, to the best knowledge of the Developer, threatened against or affecting the Developer, any of the principals of the Developer, any key person or their respective affiliates and representatives, , or any Developer Affiliate, the outcome of which would (i) materially and adversely affect the validity or enforceability of or the authority or ability of the Developer under, this Agreement to perform its obligations under this Agreement, or (ii) have a material and adverse effect on the consolidated financial condition or results of operations of the Developer or on the ability of the Developer to conduct its business as presently conducted or as proposed or contemplated to be conducted.

ARTICLE X

TERMINATION EVENTS

Section 10.01. Early Termination. This Agreement shall terminate prior to the Public Improvement Completion Date upon any one of the following:

- (a) Upon the written agreement of the Parties; or
- (b) On the date set forth in a written notice by either Party to the other Party if the other Party breaches any of the terms and conditions of this Agreement and such breach is not cured on or before the sixtieth (60th) day after receipt of written notice thereof;
- (c) On the date set forth in a written notice from the City, if the Developer or Developer Affiliate suffers an event of Bankruptcy or Insolvency;
- (d) On the date set forth in a written notice from the City, if any Impositions owed to City or the State of Texas by the Developer becomes delinquent (provided, however, Developer retains the right to timely and properly protest and contest any such Impositions);

Section 10.02. Developer Termination Events. The Developer may terminate this Agreement if the City does not: (i) sell PID Bonds by the Bond Pricing Date; or (ii) levy Assessments for construction of the Developer Project Improvements by the Bond Pricing Date; or (iii) fund the City Participation Amount and reimburse the Developer for the City Subdivision Improvements as set forth in this Agreement.

Section 10.03. City Termination Events.

(a) The City may terminate this Agreement if the City determines: (i) not to issue PID Bonds by the Bond Pricing Date to fund the construction of the Developer Project Improvements; and (ii) not to levy Assessments by the Project Improvement Financing Date.

(b) The City may terminate this Agreement upon an uncured Event of Default by the Developer pursuant to Article XII herein.

(c) The City may terminate this Agreement if the Commencement Date for the first phase has not occurred by January 8, 2025; provided however, the City may not terminate the Agreement if the Public Improvement Commencement Date has not been reached as a result of the City's failure to approve the Approved Plans.

(d) The City may terminate this Agreement, at any time if the Developer Project Improvements or the City Subdivision Improvements are not completed by the Completion Date, unless such date is extended pursuant to the terms of this Agreement.

Section 10.04. Termination Procedure. If either Party determines that it wishes to terminate this Agreement pursuant to this Article, such Party must deliver a written notice to the other Party specifying in reasonable detail the basis for such termination and electing to terminate this Agreement. Upon such a termination, the Parties hereto shall have no duty or obligation one to the other under this Agreement, including the reimbursement of any of the Developer's costs that were previously advanced or incurred. Provided, however, that as of the date of termination, (i) any Developer Project Improvements or City Subdivision Improvements accepted by the City or (ii) Developer Project Improvement Costs or City Subdivision Improvement Costs submitted pursuant to a Payment Certificate and approved by the City, shall still be subject to City Reimbursement.

Section 10.05. City Actions Upon Termination. In the event of termination of this Agreement, the City may (i) use any remaining PID Bond Proceeds to redeem PID Bonds pursuant to the provisions of the applicable Indenture or (ii) construct or cause to be constructed the remaining Developer Project Improvements, payable from PID Bond Proceeds.

ARTICLE XI

TERM

Section 11.01. Term. This Agreement shall terminate upon the earlier of: (i) the Expiration Date; (ii) the date all PID Bond Proceeds have been expended for the construction of all of the Developer Project Improvements and the Developer has been reimbursed for all Approved Costs and Eligible Expenses; (iii) the occurrence of a termination event under Article X; (iv) or an Event of Default under Article XII.

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.01. Developer Default. Each of the following events shall be an "Event of Default" by the Developer under this Agreement:

(a) The Developer shall fail to pay to the City any monetary sum hereby required of it as and when the same shall become due and payable and shall not cure such default within thirty (30) calendar days after the later of the date on which written notice thereof is given by the City to the Developer, as provided in this Agreement.

(b) The Developer shall fail in any material respect to maintain any of the insurance or bonds required by this Agreement; provided, however, that if a Contractor fails to maintain any of the insurance or bonds required by this Agreement, the Developer shall have thirty (30) calendar days to cure.

(c) The Developer shall fail to comply in any material respect with any term, provision, or covenant of this Agreement (other than the payment of money to the City) and shall not cure

such failure within ninety (90) calendar days after written notice thereof is given by the City to the Developer.

(d) The filing by the Developer of a voluntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtor's rights.

(e) The consent by the Developer to an involuntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtor's rights.

(f) The entering of an order for relief against the Developer or the appointment of a receiver, trustee, or custodian for all or a substantial part of the property or assets of the Developer in any involuntary proceeding, and the continuation of such order, judgment, or decree unstayed for any period of ninety (90) consecutive days.

(g) The failure by the Developer or any Developer Affiliate to pay Impositions, and Assessments on property owned by the Developer and/or any Developer Affiliates within the PID if such failure is not cured within thirty (30) calendar days after written notice by the City; provided the Developer or any Developer Affiliate may properly follow legal procedures to protest or contest any such Impositions.

(h) Any representation or warranty confirmed or made in this Agreement by the Developer was untrue in any material respect as of the Effective Date.

Section 12.02. Notice and Cure Period.

(a) Before any Event of Default under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such Event of Default shall notify, in writing, the Party alleged to have failed to perform the alleged Event of Default and shall demand performance (with the exception of Section 12.01(g)). Except with respect to cure periods set forth in Section 12.01 above which shall be controlling, 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) calendar days of the receipt of such notice (or thirty (30) calendar days in the case of a monetary default), with completion of performance within ninety (90) calendar days.

(b) 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 by Force Majeure, 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 and the length of the Force Majeure event is reasonably expected to last not later than fifteen (15) 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. The number of days a Force Majeure event is in effect shall be determined by the City based upon commercially reasonable standards.

Section 12.03. City Remedies. With respect to the occurrence of an Event of Default, the City may pursue the following remedies:

(a) The City may pursue any legal or equitable remedy or remedies, including, without limitation, specific performance, damages (excluding punitive, special, or consequential damages), and termination of this Agreement. The City shall not terminate this Agreement unless it delivers to the Developer a second notice expressly providing that the City will terminate within thirty (30) additional days. Termination or non-termination of this Agreement upon a Developer Event of Default shall not prevent the City from suing the Developer for specific performance, actual damages, damages (excluding punitive, special, and consequential damages), injunctive relief, or other available remedies with respect to obligations that expressly survive termination. In the event the Developer fails to pay any of the expenses or amounts or perform any obligation specified in this Agreement, then to the extent such failure constitutes an Event of Default hereunder, the City may, but shall not be obligated to do so, pay any such amount or perform any such obligations and the amount so paid and the reasonable out of pocket costs incurred by the City in said performance shall be due and payable by the Developer to the City within thirty (30) days after the Developer's receipt of an itemized list of such costs.

(b) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity.

(c) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

Section 12.04. City Default. Each of the following events shall be an Event of Default by the City under this Agreement:

(a) As long as the Developer has complied with the terms and provisions of this Agreement, if the City shall fail to pay to the Developer any monetary sum hereby required of it and shall not cure such default within thirty (30) calendar days after the later of the date on which written notice thereof is given to the City by the Developer.

(b) The City shall fail to comply in any material respect with any term, provision, or covenant of this Agreement, other than the payment of money, and shall not cure such failure within ninety (90) calendar days after written notice thereof is given by the Developer to the City.

Section 12.05. Developer's Remedies.

(a) Upon the occurrence of any Event of Default by the City, the Developer may pursue any legal or equitable remedy or remedies specifically including damages as set forth below (specifically excluding punitive, special, and consequential damages), and termination of this Agreement; provided, however, that the Developer shall have no right to terminate this Agreement unless the Developer delivers to the City a second notice which expressly provides that the Developer will terminate within thirty (30) days if the Event of Default by the City is not addressed as herein provided.

(b) No remedy herein conferred or reserved is intended to be inclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing.

(c) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

Section 12.06. Limited Waiver of Immunity

(a) The City and the Developer hereby acknowledge and agree that to the extent this Agreement is subject to the provisions of Subchapter I of Chapter 271, Texas Local Government Code, as amended, and the City's immunity from suit is waived only as specifically set forth in such statute.

(b) Should a court of competent jurisdiction determine the City's immunity from suit is waived in any manner other than as provided in Subchapter I of Chapter 271, TEXAS LOCAL GOVERNMENT CODE, as amended, the Parties hereby acknowledge and agree that in a suit against the City for breach of this Agreement:

- (i) The total amount of money awarded is limited to actual damages in an amount not to exceed the balance due and owed by the City under this Agreement or any reimbursement agreement and is payable solely from Assessment revenues;
- (ii) The recovery of damages against the City or the Developer may not include punitive, special, or consequential damages; and
- (iii) The Parties may not recover attorney's fees.

Section 12.07. Limitation on Damages. In no event shall any Party have any liability under this Agreement for any exemplary or consequential damages.

Section 11.08. Waiver. Forbearance by the non-defaulting Party to enforce one or more of the remedies herein provided upon the occurrence of an Event of Default by the other Party shall not be deemed or construed to constitute a waiver of such default. One or more waivers of a breach of any covenant, term or condition of this Agreement by either Party hereto shall not be construed by the other Party as a waiver of a different or subsequent breach of the same covenant, term, or condition. The consent or approval of either Party to or of any act by the other Party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary the consent to or approval of any other subsequent similar act.

ARTICLE XIII

INSURANCE, INDEMNIFICATION, AND RELEASE

Section 13.01. Insurance. With no intent to limit any Contractor's liability or obligation for indemnification, the Developer shall maintain or cause to be maintained, by the persons constructing the Developer Project Improvements and City Subdivision Improvements, certain insurance, as always provided below in full force and effect during construction of the Developer Project Improvements and City Subdivision Improvements and shall require that the City is named as an additional insured under such Contractor's insurance policies:

(a) With regard to the obligations of this Agreement, the Developer shall obtain and maintain in full force and effect at its expense, or shall cause each Contractor to obtain and maintain at their expense, the following policies of insurance and coverage and provided below and attached as Exhibit N:

(i) Commercial general liability insurance insuring the City, Contractor and the Developer against liability for injury to or death of a person or persons and for damage to property occasioned by or arising out of the activities of the Developer, the Owner, the City and their respective officers, directors, agents, Contractors, or employees, in the amount of \$5,000,000 per occurrence or a limit equal to the amount of the contract amount, \$5,000,000 general aggregate bodily injury and property damage. The Contractor may procure and maintain a master or controlled insurance policy to satisfy the requirements of this section, which may cover other property or locations of the Contractor and its affiliates, so long as the coverage required in this section is separate;

(ii) Worker's compensation insurance as required by law;

(iii) Business automobile insurance covering all operations of the Contractor pursuant to the Construction Agreements involving the use of motor vehicles, including all owned, non-owned and hired vehicles with minimum limits of not less than \$5,000,000 combined single limit for bodily injury, death, and property damage liability;

(iv) Professional liability insurance for errors and omissions coverage in the amount of not less than \$5,000,000;

(v) To the extent available, each policy shall be endorsed to provide that the insurer waives all rights of subrogation against the City;

(vi) Each policy of insurance with the exception of worker's compensation and professional liability shall be endorsed to include the City (including its former, current, and future officers, directors, agents, and employees) as additional insureds;

(vii) Each policy, with the exception of worker's compensation and professional liability, shall be endorsed to provide the City sixty (60) days' written notice prior to any cancellation, termination or material change of coverage; and

(viii) The Developer shall cause each Contractor to deliver to the City the policies, copies of policy endorsements, and/or certificates of insurance evidencing the required insurance coverage before the Commencement Date Developer Project Improvements and City Subdivision Improvements and within ten (10) days before expiration of coverage, or as soon as practicable, deliver renewal policies or certificates of insurance evidencing renewal and payment of premium. On every date of renewal of the required insurance policies, the Contractor shall cause a Certificate of Insurance and policy endorsements to be issued evidencing the required insurance herein and delivered to the City. In addition, the Contractor shall within ten (10) business days after written request provide the City with the certificates of insurance and policy endorsements for the insurance required herein (which request may include copies of such policies).

Section 13.02. Waiver of Subrogation. The commercial general liability, worker's compensation, business auto and excess liability insurance required pursuant to this Agreement shall provide for waivers of all rights of subrogation against the City.

Section 13.03. Additional Insured Status. With the exception of worker's compensation Insurance and any professional liability insurance, all insurance required pursuant to this Agreement shall include and name the City as additional insureds using additional insured endorsements that provide the most comprehensive coverage to the City under Texas law including products/completed operations.

Section 13.04. Certificates of Insurance. Certificates of insurance and policy endorsements in a form satisfactory to the City shall be delivered to the City prior to the commencement of any work or services on the Developer Project Improvements and City Subdivision Improvements. All required policies shall be endorsed to provide the City with sixty (60) days advance notice of cancellation or non-renewal of coverage. The Developer shall provide sixty (60) days written notice of any cancellation, non-renewal or material change in coverage for any of the required insurance in this Article.

On every date of renewal of the required insurance policies, the Developer shall cause (and cause its Contractors) to provide certificates of insurance and policy endorsements to be issued evidencing the required insurance herein and delivered to the City. In addition, the Developer shall, within ten (10) business days after written request, provide the City with certificates of insurance and policy endorsements for the insurance required herein (which request may include copies of such policies). The delivery of the certificates of insurance and the policy endorsements (including copies of such insurance policies) to the City is a condition precedent to the payment of the City Reimbursement or any other amounts to the Developer by the City.

Section 13.05. Carriers. All policies of insurance required to be obtained by the Developer and its Contractors pursuant to this Agreement shall be maintained with insurance carriers that are satisfactory to and reasonably approved by the City, and lawfully authorized to issue insurance in the state of Texas for the types and amounts of insurance required herein. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. All policies must be written on a primary basis, non-contributory with any other insurance coverage and/or self-insurance maintained by the City. All insurance coverage required herein shall be evidenced by a certificate of insurance and policy

endorsements submitted by the Developer's and its Contractors' insurer or broker. Certificates of insurance and policy endorsements received from any other source will be rejected

Section 13.06. Indemnification. THE DEVELOPER AND THE OWNER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICERS AND EMPLOYEES (COLLECTIVELY THE "CITY" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES INCURRED IN WHOLE OR IN PART, BY THE NEGLIGENT, GROSSLY NEGLIGENT OR INTENTIONALLY WRONGFUL ACT OR OMISSION OF THE DEVELOPER, THE OWNER OR THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS CONTRACTORS, SUBCONTRACTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, TRUSTEES, LICENSEES, INVITEES OR ANY OTHER THIRD PARTY FOR WHOM THE DEVELOPER AND THE OWNER ARE LEGALLY RESPONSIBLE (COLLECTIVELY, THE "DEVELOPER" FOR PURPOSES OF THIS SECTION) IN THE DEVELOPER'S PERFORMANCE OF THIS AGREEMENT AND/OR ARISING OUT OF GOODS OR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF THE CITY (HEREINAFTER "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST THE CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN THE DEVELOPER AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT OR SEPARATION FROM EMPLOYMENT WITH THE DEVELOPER, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS' COMPENSATION INSURANCE AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. THE DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND THE CITY AGAINST ALL SUCH CLAIMS.

IN ITS SOLE DISCRETION, THE CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY THE DEVELOPER IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY THE CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY THE CITY IN WRITING. THE CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE;

HOWEVER, THE CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY THE CITY IS NOT TO BE CONSTRUED AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO DEFEND THE CITY OR AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO INDEMNIFY THE CITY PURSUANT TO THIS AGREEMENT. THE DEVELOPER SHALL RETAIN THE CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF THE CITY'S WRITTEN NOTICE THAT THE CITY IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF THE DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, THE CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND THE DEVELOPER SHALL BE LIABLE FOR ALL COSTS INCURRED BY THE CITY.

THE RIGHTS AND OBLIGATIONS OF THE DEVELOPER HEREIN SHALL NOT BE LIMITED TO ANY INSURANCE REQUIRED HEREIN AND SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE XIV

GENERAL PROVISIONS

Section 14.01. Notices. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter if sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered

If intended for the Developer, to:

Attn: Aaron Sherman
SW Haggard Master Developer, LLC
4145 Travis, Suite 300
Dallas, Texas 75204

If intended for the Owner, to:

Attn: Rutledge Haggard
Haggard Enterprises Limited, Ltd.
800 Central Pkwy E #100
Plano, TX 75074

Attn: Rutledge Haggard
Acres of Sunshine, Ltd.
800 Central Pkwy E #100
Plano, TX 75074

With a Copy to:

Attn: Ross Martin
Winstead PC
2728 N. Harwood St., Suite 500
Dallas, Texas 75201

If intended for the City, to:

Attn: Mark Israelson
City Manager
City of Plano, Texas
Plano Municipal Center
1520 K Avenue
Plano, Texas 75074

With a Copy to:

Attn: Paige Mims
City Attorney
City of Plano, Texas
Plano Municipal Center
1520 K Avenue, Suite 340
Plano, Texas 75074

Section 14.02. Binding Effect. This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 14.03. Assignment. Except for assignment of this Agreement in whole and not in part by the Developer to a Developer Affiliate, the Developer may not assign this Agreement without the prior written consent of the City Manager, which consent will not be unreasonably withheld. Notwithstanding the foregoing, no assignment of this Agreement by the Developer, whether with or without the City's consent, shall not be effective and binding on the City unless and until a copy of the document signed by the assignor and assignee in which the assignee has agreed to assume all of the assignor's rights and obligations under this Agreement has been delivered to the City and; provided, further, that no such assignment or sell shall be made without prior written consent of the City if such transfer, would result in (1) the issuance of municipal securities, and/or (2) the City being viewed as an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission, and/or (3) the City being subjected to additional reporting or recordkeeping duties.

Section 14.04. Severability. In the event any section, subsection, paragraph, sentence, phrase, or word herein is held invalid, illegal, or unconstitutional, the balance of this Agreement shall be enforceable and shall be enforced as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

Section 14.05. Governing Law. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas without regard to choice of law rules; and venue for any action concerning this Agreement shall be in a State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

Section 14.06. Entire Agreement. This Agreement embodies the entire Agreement between the Parties and supersedes all prior Agreements, understandings, if any, relating to the Property and the matters addressed herein and may be amended or supplemented only by written instrument executed by the Party against whom enforcement is sought.

Section 14.07. Recitals. The Recitals to this Agreement are incorporated herein as part of this Agreement.

Section 14.08. Exhibits. The following exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same:

Exhibit A – Property Legal Description
Exhibit B – Park Land Depiction
Exhibit C – Park Reimbursement Agreement
Exhibit D – Professional Services Agreement
Exhibit E – Financial Party Responsibility and Reimbursement
Exhibit F – City Subdivision Improvements
Exhibit G – City Subdivision Improvement Costs
Exhibit H – Closing Disbursement Request
Exhibit I – Developer Project Improvements
Exhibit J – Developer Project Improvement Costs
Exhibit K – Landowner Consent
Exhibit L – Payment Certificate
Exhibit M – Phase I Construction
Exhibit N – Policies of Insurance

Section 14.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

Section 14.10. Headings. The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereto.

Section 14.11. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, the City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign, and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the Parties do not create any obligations, express or implied, other than those set forth herein.

Section 14.12. Vested Rights/Chapter 245 Waiver. The Parties shall be subject to all ordinances of the City, whether now existing or arising in the future. This Agreement shall confer no vested rights on the Property, or any portion thereof. The Developer acknowledges and agrees that this Agreement does not confer vested rights on the Property and does not provide to the City "fair notice" of any "project" as defined in Chapter 245 of the Texas Local Government Code. In addition, nothing contained in this Agreement shall constitute a "permit" or an application for a "permit" as defined in Chapter 245 of the Texas Local Government Code. The Developer hereby releases and discharges the City, its officers, agents, contractors, consultants, and employees from all claims, demands, and causes of action which could be alleged relating to or arising out of a vested rights under Chapter 245 Texas Local Government Code or other laws in connection with this Agreement. This section shall survive termination of this Agreement.

Section 14.13. No Boycott of Israel Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002,

Texas Government Code, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable federal law. As used in the foregoing verification, "boycott Israel," a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes..

Section 14.14. Sanctioned Countries Representation. The 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, as amended, and posted under the following Divestment Statute Lists: "Scrutinized Companies with ties to Foreign Terrorist Organizations," "Scrutinized Companies with ties to Iran," or "Scrutinized Companies with ties to Sudan" of such officer's Internet website that are available at:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

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

Section 14.15. No Discrimination Against Energy Companies Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session ("SB 13")), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by SB 13) by reference to Section 809.001, Texas Government Code (also as enacted by SB 13), 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.

Section 14.16. No Discrimination Against Firearm Entities and Firearm Trade Associations Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session (“SB 19”)), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law.

As used in the foregoing verification and the following definitions,

(a) ‘discriminate against a firearm entity or firearm trade association,’ a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (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,’ a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as 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 (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) ‘firearm trade association,’ a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

Section 14.17. Definition of the Term Affiliate. As used in Sections 14.12 through 14.16, the Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 14.18. Application. Sections 14.12 – 14.16 of this section do not apply if the Developer is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) the Developer has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

Section 14.19. No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the Parties.

Section 14.20. Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The City Manager, or designee, is authorized to execute any amendments to this Agreement and any instruments related hereto.

Section 14.21. Third Parties. This Agreement is intended solely for the benefit of the Parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person or entity other than the Parties hereto.

Section 14.22. Amendment. This Agreement may only be amended by a written agreement executed by all Parties. The City Manager is authorized on behalf of City and the Board to execute any amendments hereto and any instruments or other agreements related hereto to effectuate the intent of this Agreement.

Section 14.23. Legal Construction. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions. It is the intention of the Parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement, which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

Section 14.24. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, relating to a period of time following the termination of this Agreement shall survive termination.

SIGNED AND AGREED this 30th day of August, 2023.

THE CITY:

CITY OF PLANO, TEXAS

By: Mark Israelson
Mark Israelson, City Manager

ATTEST:

Lisa Henderson
Lisa Henderson, City Secretary

APPROVED AS TO FORM:

Paige Mims
Paige Mims, City Attorney

SIGNED AND AGREED this 30th day of August, 2023.

THE DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company

By: Stillwater Capital Investments, LLC,
a Texas limited liability company,
its Manager

By: Aaron Sherman
Name: Aaron Sherman
Its: Manager

SIGNED AND AGREED this 29th day of August, 2023.

THE OWNER:

HAGGARD ENTERPRISES LIMITED, LTD.,
a Texas limited partnership

By: RH GPCO, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: Rutledge Haggard
Its: Manager

ACRES OF SUNSHINE, LTD.,
a Texas limited partnership

By: RH GPCO, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: Rutledge Haggard
Its: Manager

EXHIBIT A

PROPERTY DESCRIPTION

ZONING DESCRIPTION
142.49 ACRES

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, City of Plano, Collin County, Texas; and being part of Windhaven Parkway, Spring Creek Parkway and Parkwood Boulevard and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2523, Page 172 of the Land Records of Collin County, Texas and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2739, Page 967 of said Land Records and being part of a tract of land described in Special Warranty Deed, Bill of Sale and Assignment to Acres of Sunshine, LTD. recorded in Volume 4227, Page 835 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Windhaven Parkway (a variable width right-of-way);

THENCE with said centerline of Windhaven Parkway, the following courses and distances:

South 42°22'41" West, a distance of 158.86 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 46°00'40", a radius of 800.00 feet, a chord bearing and distance of South 66°13'45" West, 625.31 feet;
In a southwesterly direction, with said curve to the right, an arc distance of 642.44 feet to a point for corner;
South 89°14'05" West, a distance of 337.88 feet to a point for corner;

THENCE said centerline of Windhaven Parkway, the following courses and distances:

North 0°00'00" East, a distance of 63.50 feet to a point at the beginning of a tangent curve to the left having a central angle of 29°35'57", a radius of 450.00 feet, a chord bearing and distance of North 14°47'58" West, 229.89 feet;
In a northwesterly direction, with said curve to the left, an arc distance of 232.47 feet to a point for corner;
North 29°36'05" West, a distance of 1011.83 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 5°58'43", a radius of 441.64 feet, a chord bearing and distance of North 27°16'14" West, 46.06 feet;
In a northwesterly direction, with said curve to the right, an arc distance of 46.08 feet to a point for corner;
South 80°03'46" West, a distance of 584.73 feet to a point in the east line of Lot 58, Block A, Common Open Space, Avignon Windhaven, Phase 3 an addition to the City of Plano according to the plat recorded in Instrument No. 20111209010002540 of the Official Public Records of Collin County, Texas; and being in the approximate centerline of Creek Number 5B29;

THENCE with the east line of said Lot 58 and said approximate centerline of Creek Number 5B29, the following courses and distances:

North 24°50'38" West, a distance of 17.56 feet to a point for corner;
North 75°15'49" West, a distance of 53.86 feet to a point for corner;
North 55°19'20" West, a distance of 34.91 feet to a point for corner;
North 33°59'39" West, a distance of 99.90 feet to a point for corner;
North 15°48'40" East, a distance of 80.20 feet to a point for corner;
North 56°15'56" West, a distance of 62.96 feet to a point for corner;
North 0°28'11" West, a distance of 42.59 feet to the northeast corner of said Lot 58;

THENCE with the north line of said Block A, Avignon Windhaven, Phase 3, South 81°04'33" West, passing at a distance of 691.05 feet the northwest corner of said Block A, Avignon Windhaven, Phase 3 and the northeast corner of Lot 38, Block A, Avignon Windhaven, Phase 2 an addition to the City of Plano according to the plat recorded in Instrument No. 20091008010002560 of the Official Public Records of Collin County, Texas, continuing with north line of said Block A, Avignon Windhaven, Phase 2, passing at a distance of 1126.56 feet the northwest corner of said Block A, Avignon Windhaven, Phase 2 and the northeast corner of Lot 31, Block A, Avignon Windhaven, Phase 1 an addition to the City of Plano according to the plat recorded in Cabinet R, Slide 205 of the Map Records of Collin County, Texas, continuing with the north line of said Block A, Avignon Windhaven, Phase 1, passing at a distance of 2040.83 feet the northeast corner of said Block A, Avignon Windhaven, Phase 1, continuing in all a total distance of 2505.50 feet to a point for corner in said centerline of Parkwood Boulevard; said point also being at the beginning of a non-tangent curve to the left having a central angle of 2°41'09", a radius of 774.92 feet, a chord bearing and distance of North 1°21'12" East, 36.32 feet;

THENCE with said centerline of Parkwood Boulevard, the following courses and distances:

In a northeasterly direction, with said curve to the left, an arc distance of 36.32 feet to a point at the end of said curve;
North 0°00'44" East, a distance of 359.06 feet to a point at the beginning of a tangent curve to the right having a central angle of 76°22'01", a radius of 789.72 feet, a chord bearing and distance of North 38°11'45" East, 976.38 feet;
In a northeasterly direction, with said curve to the right, an arc distance of 1052.58 feet to a point at the end of said curve;
North 76°22'45" East, a distance of 230.20 feet to a point at the beginning of a tangent curve to the left having a central angle of 76°59'40", a radius of 805.00 feet, a chord bearing and distance of North 37°52'55" East, 1002.19 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 1081.76 feet to a point at the end of said curve;
North 0°36'55" West, a distance of 180.53 feet to at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Parkwood Boulevard (a variable width right-of-way);

THENCE with said centerline of Spring Creek Parkway, the following course and distances:

North 89°12'46" East, a distance of 47.67 feet to a point at the beginning of a tangent curve to the right having a central angle of 57°23'42", a radius of 2270.36 feet, a chord bearing and distance of South 62°05'23" East, 2180.39 feet;
In a southeasterly direction, with said curve to the right, an arc distance of 2274.29 feet to a point for corner;
South 33°23'29" East, a distance of 1403.39 feet to a point at the beginning of a tangent curve to the left having a central angle of 23°53'29", a radius of 2153.93 feet, a chord bearing and distance of South 45°20'14" East, 891.66 feet;
In a southeasterly direction with said curve to the left, an arc distance of 898.15 feet to the **POINT OF BEGINNING** and containing 142.49 acres of land.

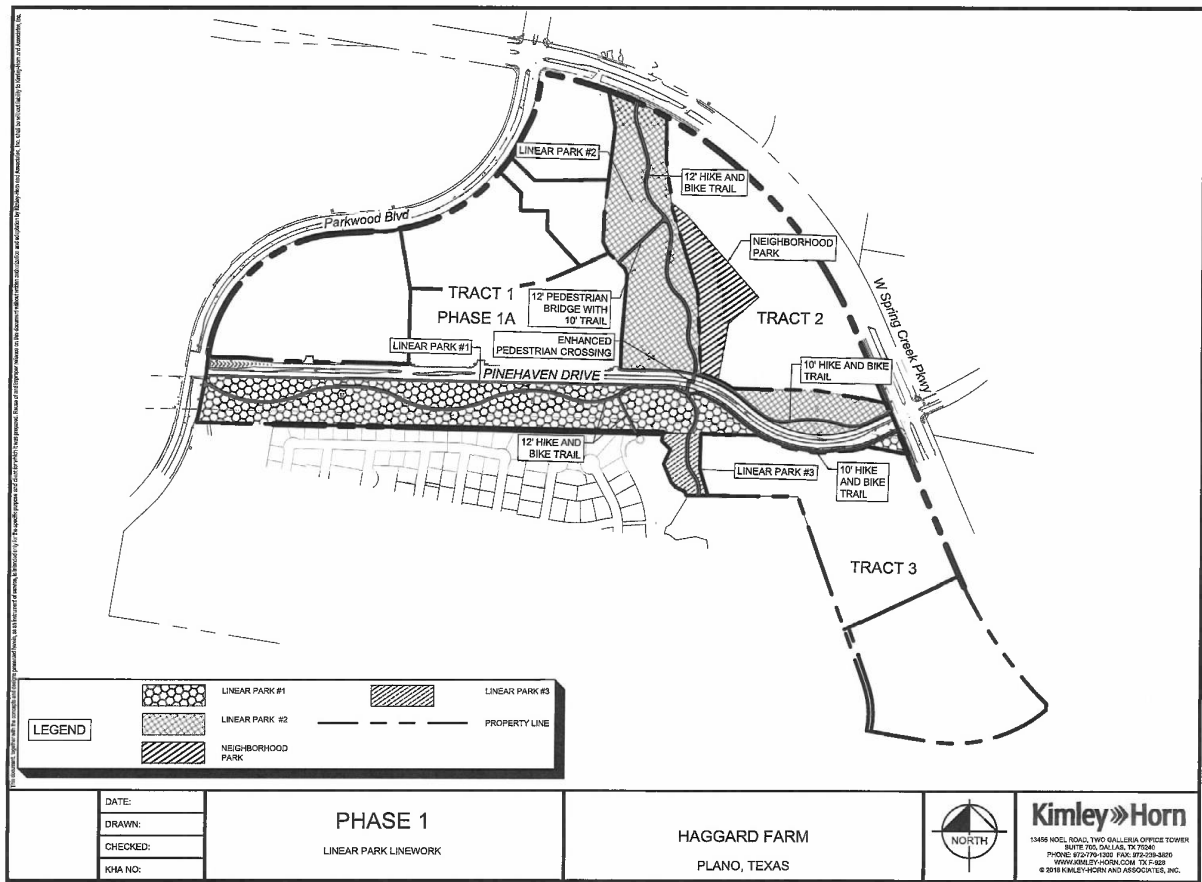
This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

EXHIBIT B

PARK LAND DEPICTION

[Attached]

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EXHIBIT C

PARK REIMBURSEMENT AGREEMENT

[Attached]

PARK REIMBURSEMENT AGREEMENT

THIS PARK REIMBURSEMENT AGREEMENT (this "Agreement") is made and entered into as of the effective date as hereinafter provided, by and between the **CITY OF PLANO, TEXAS**, a home rule municipal corporation ("City") and **HAGGARD ENTERPRISES LIMITED, LTD.**, a Texas limited partnership and **ACRES OF SUNSHINE, LTD.**, a Texas limited partnership (collectively, "Owner") and **SW HAGGARD MASTER DEVELOPER, LLC**, a Texas limited liability company (the "Developer"). The Owner, Developer and City are sometimes individually referred to herein as, "Party" and collectively as, the "Parties".

WHEREAS, the Owner is the owner of certain real property which is proposed to be acquired by the Developer and developed as a subdivision, Haggard Farm Almanac Addition, located in the City of Plano, Collin County, Texas, (the "Subdivision") more particularly described on Exhibit "A" attached hereto; and

WHEREAS, as a part of the subdivision process, at the time of final plat, the Developer intends to dedicate to the City the tracts identified as linear parks and a neighborhood park in the conceptual drawing attached as Exhibit "B" consisting of approximately 33 acres to be used for linear and neighborhood public park purposes (the "Park Land"); and

WHEREAS, the Park Land as depicted in Exhibit "B" is the linear parks (the "Linear Parks Land") and will be platted in Phase 1A of the development of the Subdivision. The Park Land as depicted in Exhibit "B" is the neighborhood park (the "Neighborhood Park Land") that will be platted in Phase 2 of the development of the Subdivision. The phases are as defined in the in the Development Agreement between the Parties approved by City Council on _____ (the "Development Agreement"); and

WHEREAS, the Developer intends to construct improvements on the Linear Parks Land and the City wishes to ensure completion of the expected improvements to the Linear Parks Land (the "Linear Park Improvements") as more fully described in Exhibit "C" attached hereto; and

WHEREAS, the Developer intends to construct improvements on the Neighborhood Park Land and the City wishes to ensure completion of the expected improvements to the Neighborhood Park (the "Neighborhood Park Improvements" and together with the Linear Park Improvements, the "Park Improvements") as more fully described in Exhibit "C" attached hereto; and

WHEREAS, the City will purchase the Linear Parks Land from the Owner at the time of final plat for the reasonable cost of the Linear Parks Land, based upon the amount of land dedicated and equal to one hundred and thirty thousand dollars (\$130,000) per acre; and

WHEREAS, the City will obtain an appraisal of the Neighborhood Park Land and will enter into an escrow agreement with the Owner and the Developer within three months of the execution of this Agreement to provide for the purchase of the Neighborhood Park Land (the "Land Escrow Agreement"); and

WHEREAS, the City will purchase the Neighborhood Park Land based on the appraisal; and

WHEREAS, the Land Escrow Agreement will indicate that the exchange of the funds from the City will occur when the Owner provides a warranty deed conveying the Neighborhood Park Land to the City, the deed will be held in escrow until the final plat of the Neighborhood Park Land or five (5) years, whichever comes first, and as set forth herein ; and

WHEREAS, the Owner has an obligation under the zoning for the Haggard Farm Almanac Addition to construct or cause construction of the Linear Park Improvements; and

WHEREAS, the Developer will be reimbursed for the costs to design and construct the Linear Park Improvements from special assessments levied within the Haggard Farm Public Improvement District (the "PID") or from the proceeds of bonds secured by such assessments in an amount determined in the Service and Assessment Plan for the PID (the "SAP") and in the same manner as the Developer Project Improvements as referenced in the Development Agreement and the Construction Funding Agreement (as defined in the Development Agreement); and

WHEREAS, the Developer will design and construct the Neighborhood Park Improvements and shall be reimbursed by the City for the costs of the Neighborhood Park Improvements upon demand after final plat or pursuant to an Improvements Escrow Agreement as described herein; and

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I. PURCHASE OF PARK LAND

1.01. Integration of Recitals

The recitals listed above are hereby incorporated into this Agreement.

1.02. Identification of Land to be Purchased

The City intends to purchase the Park Land as identified on Exhibit "B" attached hereto.

1.03. Purchase of Park Land

(a) Linear Parks Land. Pursuant to the appraisal obtained by the City, the purchase price of the Linear Parks Land is one hundred thirty thousand dollars (\$130,000) per acre of land. The cost of the Linear Parks Land shall be paid by the City to the Owner upon approval of the final plat. The City and the Developer agree that the total purchase price of the Linear Parks Land shall be based on the acreage of the Linear Parks Land dedicated by the final plat in Phase 1A of the Subdivision.

(b) Neighborhood Park Land. The purchase price for the Neighborhood Park Land will be determined by the appraisal obtained by the City. The City will hire an appraiser with MAI certification who is qualified to work in Texas. If the value determined in the appraisal is not acceptable to the Developer, the Developer may obtain an appraisal from an MAI certified appraiser who is qualified to work in Texas. The City and the Developer

will negotiate the purchase price for the Neighborhood Park Land. If the City and the Developer cannot reach agreement, the City and the Developer will hire a mediator who is acceptable to both parties and is experienced in property valuation to resolve the matter, with each party paying for 50% of the cost of the mediation.

The cost of the Neighborhood Park Land shall be paid for by the City at a time specified in the Land Escrow Agreement but in no event later than the Developer's commencement of construction of the Neighborhood Park Improvements or earlier than the date the Owner provides the deed to the escrow officer. The Land Escrow Agreement will indicate that, in exchange for the City's purchase of the Neighborhood Park Land from the Owner, the Owner will execute a warranty deed which shall be held in escrow until either final plat in Phase 2 of the Subdivision containing the Neighborhood Park Land or five (5) years from the date of execution of the Land Escrow Agreement, whichever comes first, as described in Section 1.04 below and as more fully described in the Land Escrow Agreement. The City and the Owner agree to a "true-up" of the purchase price upon the recordation of the warranty deed described herein based on the final acreage of the Neighborhood Park Land. The Parties will use best efforts to negotiate the terms of the Escrow Agreement within three (3) months of the date of the execution of this Agreement.

1.04. Design, Construction, and Inspection of Park Improvements, and Improvements Escrow Agreement

Developer shall design and construct the Park Improvements on the Park Land before the City's acceptance of the dedication of the Park Land at the time of the final plat of such Park Land in the applicable phase. The design must be approved by the City of Plano Parks and Recreation Director at 30% design, 90% design and 100% design and should substantially include the items listed on Exhibit "C". The construction must be consistent with the City's construction details and must meet the requirements of the City's Subdivision Ordinance and all other applicable laws and regulations.

The City's Director of Parks and Recreation may alter items listed in Exhibit "C", but there must be substantial compliance with Exhibit "C" and the Park Improvements must comply with the City's approved Park Plan. Any alteration of the Linear Park Improvements described in Exhibit "C" shall be updated in the SAP and shall remain eligible for reimbursement by the PID.

Upon the City's approval of 100% design plans, if there is substantial divergence from the current Exhibit "C", a revised Exhibit "C" may be prepared by Developer and approved by the Director of Parks and Recreation in writing within 10 days after submission. If the Director does not provide a written approval to Developer within 10 days after submission, the revised Exhibit "C" is deemed approved. After approval, those documents will automatically replace the Exhibit "C" attached at the time of execution.

For the Neighborhood Park Improvements, the design must be submitted simultaneously with the submission of the preliminary site plan for the phase of development that includes the Neighborhood Park Land. No construction of the Neighborhood Park Improvements may commence until the City Director of Parks and Recreation receives and approves a request for notice to proceed from the Developer. The request for a notice to proceed must include the surety described in Section IV. The Director shall review the request for notice to proceed and surety within thirty days of receipt to ensure compliance with Section IV. The Director will issue a notice to proceed

with construction upon approval of the request.

Upon receipt of the request for a notice to proceed, at the request of the Developer, the City and Developer will prepare an agreement that will provide that the City will escrow funds for the cost of the Neighborhood Park Improvements that will allow the Developer to draw down the escrow funds as the Neighborhood Park Improvements are completed (the "Improvements Escrow Agreement.") The Improvements Escrow Agreement, if requested, will be funded by the City no later than the date of the issuance of the Director's issuance of the notice to proceed with construction. If an Improvement Escrow Agreement is not requested by the Developer, the City will pay for the Neighborhood Park Improvements upon demand after the adoption of the final plat for the applicable phase.

Construction of the Park Improvements must be completed and accepted as described in Section 1.05 below before the final plat for the applicable phase.

Notwithstanding any other provisions of this Agreement, upon the expiration of five (5) years from the date of execution of the Land Escrow Agreement, the City may elect to record the warranty deed for the Neighborhood Park Land and undertake the Neighborhood Park Improvements at its own expense (the "City Neighborhood Park Election"). The City shall provide written notice to the Developer and the Owner of the City Neighborhood Park Election at least sixty (60) days prior to the recordation of the warranty deed for the Neighborhood Park Land and allow the Developer an opportunity to respond to the City with a timeline outlining its completion of the Neighborhood Park Improvements. The City has discretion as to whether to allow the Developer to proceed under their proposed timeline or to proceed with construction itself. The Developer shall not be reimbursed for costs of the Neighborhood Park Improvements constructed by the City pursuant to the City Neighborhood Park Election. The parties will meet annually to discuss progress on the Neighborhood Park Improvements.

1.05 Acceptance of the Park Land and Park Improvements and Payment for Linear Park Improvements

Final acceptance of the Linear Park Improvements must occur prior to approval of the final plat for Phase 1A of the Subdivision by the City of Plano Planning & Zoning Commission. Final acceptance of the Neighborhood Park Improvements must occur prior to the approval of the final plat for Phase 2 of the Subdivision by the City of Plano Planning & Zoning Commission. Final acceptance means that City personnel have inspected the property and issued a formal acceptance letter to Developer. Developer must remove all construction debris and materials from the Park Land, clean any debris from storm sewers located on the Park Land and satisfy the provisions of Article III, *infra*, prior to final acceptance by the City.

The Developer will be reimbursed for the Linear Park Improvements from the PID in the same manner as the Developer Project Improvements and as referenced in the Development Agreement and the Construction Funding Agreement (as defined in the Development Agreement). The City shall have no obligation to pay for the Linear Park Improvements from any funds other than the PID.

1.06 Inspection

The City's Public Works Director, City Engineer, Parks Director, or designee(s) of any of the above-named individuals may periodically inspect the Park Land for conformance with this Agreement without advance notice to Developer or Owner.

1.07. Warranty and Remedy of Defects

Developer expressly warrants that the Park Improvements shall be constructed in accordance with all City requirements and free from all defects. Developer shall indemnify the City from all expenses and liability in connection with such defects. This warranty and indemnity shall extend for a period of one (1) year after the acceptance of the Park Improvements by the Director of Parks and Recreation as described in Section 1.05 above.

For a period of (1) year after the acceptance of the Park Improvements by the Director of Parks and Recreation as described in Section 1.05 above, the Developer shall remedy and repair all defects in the Park Improvements within thirty (30) days of written notice to Developer from the City that the defect exists. If the defect is of the type that will require additional time in which to remedy, the Developer shall specify in writing to the City within said thirty (30) day period the particular reasons why such repairs cannot be completed in said thirty (30) day period. If, in the City's reasonable opinion, such reasons for delay are justified, the City may grant the Developer additional time. However, in such event the Developer must have commenced the repair work within said thirty (30) day period and continue diligently to complete the repair work. If the City grants additional time, such extension shall be in writing and shall be for a specified period of time.

1.08. Failure of Developer to Remedy Defect or Honor Warranty

If the Developer fails to meet its warranty obligations above, it shall be considered in default and the City, at its option, may:

- (a) Contract with another party for the repair work;
- (b) Complete the repair work with its own crews;
- (c) Contract with another party for the repair work and immediately draw down on the performance bond, letter of credit, set-aside letter or cash escrow for the amount of such repair work;
- (d) Complete the repair work with its own crews, and immediately draw down on the performance bond, letter of credit, set-aside letter, or cash escrow for such costs; or
- (e) In the case where the security is a performance or maintenance bond, call the bond and take all action necessary to require that the Surety complete the repair work.

Additionally, the Developer shall be liable to the City for reimbursement of all actual out-of-pocket costs expended by the City as a direct result of completing the repair work if such costs were not obtained by drawing down on the letter of credit or cash escrow; or, if in the case of a performance or maintenance bond, the Surety fails to complete the repair work.

In a case where the security is a performance or maintenance bond, if the Surety fails to remedy the defect within thirty (30) days written notice from the City, then the City

will be entitled to complete the repair work in accordance with Subsections (a) and (b) above and in such event the Surety, Principal and Developer shall be liable to the City for the actual costs to repair such defects.

ARTICLE II. INDEMNITY

The Developer agrees to defend, indemnify and hold the City and its respective officers, agents and employees, harmless against any and all claims, lawsuits, judgments, fines, penalties, costs and expenses for personal injury (including death) property damage or other harm or violations for which recovery of damages, fines or penalties is sought, suffered by any person or persons, or any claims that may arise out of or be occasioned by developer's breach of any of the terms or provisions of this contract, violations of law, or by any negligent, grossly negligent, intentional, or strictly liable act or omission of the Developer, its officers, agents, employees, invitees, contractors, or subcontractors and their respective officers, agents, or representatives, or any other persons or entities for which the Developer is legally responsible in the performance of this agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of the City, and its officers, agents, employees or separate contractors. The City does not waive any governmental immunity or other defenses available to it under Texas or Federal Law. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

Developer at its own expense is expressly required to defend City against all such claims. City reserves the right to provide a portion of all of its own defense, however, City is under no obligation to do so. Any such action by City is not to be construed as a waiver of Developer's obligation to defend City or as a waiver of Developer's obligation to indemnify City pursuant to this agreement. Developer shall retain defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this agreement. If Developer fails to retain counsel within the required time period, City shall have the right to retain defense counsel on its own behalf and Developer shall be liable for all costs incurred by the City in doing so.

Developer does hereby agree to waive all claims against, release, and hold the City and its respective officials, officers, agents, and employees harmless in both their public and private capacities, from any and all liability, claims, suits, demands, disputes, challenges, damages or attorney fees, including all expenses of litigation or settlement, arising out of an exaction claim pursuant to the obligations, duties or terms of this agreement, including but not limited to, any matters arising out of Section 212.904 of the Local Government Code or Section 1.12 of the City of Plano Subdivision Ordinance.

ARTICLE III. ENVIRONMENTAL MATTERS

Developer agrees to disclose to City, prior to the final inspection provided for in paragraph 1.05 any and all information it may have regarding the presence of any hazardous materials on, in or under the Park Land. As used in this agreement,

"hazardous materials," means any "hazardous substance," "pollutant or contaminant," "petroleum" (or any fraction thereof), and natural gas liquids," as those terms are defined or used in Section 101 of the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), and any other substances regulated or subject to guidance from governmental entities because of their actual or potential effect on public health and the environment, including without limitation: PCBs, lead paint, asbestos, formaldehyde, radon and mold (in toxic quantities).

Developer also certifies that it has complied and is in compliance with all applicable environmental laws and there are no proceedings, actions, or claims relating to hazardous materials or conditions on the Park Land threatened by any governmental entity or third party (including, without limitation, any claims relating to the presence of, as well as the release or management of hazardous materials on the Park Land).

ARTICLE IV. SECURITY

4.01. Forms of Security for Completion of Park Improvements

In order to guarantee completion of the Park Improvements and the faithful performance of this Agreement the Developer must deliver to the City a surety. The surety must be a either: (i) a performance bond, (ii) written evidence from a financial institution or other lender ("Lender") of funds available to complete the Park Improvements pursuant to an irrevocable letter of credit or set aside letter by such Lender, or (iii) a Cash Escrow as described herein.

For the Linear Park Improvements, the surety amount shall be twenty (20%) of the SAP budget for the Linear Park Improvements (the "Linear Park Surety Amount.")

For the Neighborhood Park Improvements, the surety amount will be the amount of compensation the City will pay the Developer for said Neighborhood Park Improvements as determined in the Improvement Escrow Agreement (the "Neighborhood Park Surety Amount.")

A performance bond from the Developer in the penal sum of one hundred percent (100%) of the Linear Park Surety Amount or the Neighborhood Park Surety Amount, as applicable, insuring the completion of the Park Improvements. The performance bond shall be in form and substance identical to the bond forms attached hereto as Exhibit "D" and made a part by reference (the "**Performance Bond**"), unless changes are approved in writing by the City Attorney or her designee. The Performance Bond shall be signed by a Corporate Surety or Sureties authorized to do business in the State of Texas, and shall be signed by the Developer as principal. The City shall be named as obligee in the Performance Bond. A power of attorney shall be attached to the Performance Bond evidencing that the agent signing the Performance Bond has authority to sign the Performance Bond on behalf of the Surety. The Performance Bond shall additionally insure that the Park Improvements shall be free of defects for the period of warranty set forth in Article I of this Agreement; or

An irrevocable letter of credit or set aside letter ("**Letter**") in the sum of one hundred percent (100%) of the Linear Park Surety Amount or the Neighborhood Park Surety Amount, as applicable, said Letter in a form in accordance with the letter of credit attached hereto as Exhibit "E" and made a part hereof by reference. Set Aside Letters shall be approved by the City Attorney or his/her designee. Letter and Set Aside Letter are hereafter referred to as "**Letter**". The Letter shall be issued by a national bank with branches in the Plano, Texas

market area or other agency approved in advance by the City. The Letter shall be payable at sight to the City upon presentation of the City's written statement stating that Developer is in default or that the City is otherwise entitled to draw down on the Letter. Such certificate shall be conclusive to allow the City to draw the proceeds of the Letter. In no event shall the City be required to prove to the issuer that the Developer is actually in default or to specify specific grounds of default in order to draw proceeds of the Letter. The Letter is intended to be security for the faithful completion of the Park Improvements and to warrant and ensure against defects for the period specified in Article I of this Agreement; or

The sum of the cash escrow (the "Cash Escrow") in an amount equal to one hundred percent (100%) of the Linear Park Surety Amount or the Neighborhood Park Surety Amount, as applicable, insuring the completion of the Park Improvements. The Cash Escrow is intended to be security (in place of a Letter) for the faithful completion of the Park Improvements and to ensure against defects for the warranty period specified in Article I of this Agreement.

4.02 Duration of Letter of Credit and Cash Escrow

The Letter shall be issued for a period of at least one (1) year. If the Park Improvements have not been accepted by the City within thirty (30) days of the expiration date of the Letter, and Developer has not provided a new Letter for an additional period of at least one (1) year, identical in amount (unless the Letter was previously reduced in amount pursuant to this Agreement and in all other respects to the original Letter (unless the City Attorney or his/her designee approves in writing any changes to the new Letter), then the City shall be entitled to immediately draw down the proceeds of the original Letter (or previously reduced Letter). This provision shall not be construed to require that the City accept the new Letter if Developer is in default and the City has elected to draw down from the proceeds of the original Letter (or previously reduced Letter).

Within ten (10) days after the acceptance of the Park Improvements, the Developer shall deliver to the City a substitute Letter equal in amount to ten percent (10%) of the original Letter and in all other respects identical to the original Letter, unless the City Attorney or his/her designee approves in writing changes to this Letter. This Letter shall be for a period of one (1) year and shall be security to insure against defects during the warranty period specified in Article I of this Agreement. However, if this Letter is not delivered to the City at least thirty (30) days before the expiration of the original Letter (or the additional new Letter as described above), then the City shall be entitled to draw down ten percent (10%) of the proceeds of such existing Letter. Such money shall be held in escrow by the City and used as security against defects during the warranty for compliance with this Agreement. In lieu of the Letter, the City Director of Parks and Recreation may accept a maintenance bond as provided for above.

When Cash Escrow is used as the security, all accrued interest shall become a part of the Cash Escrow and shall be used as security for the completion of the Park Land. The term "Cash Escrow" used in this Agreement includes accrued interest. After final acceptance of the Park Land by the City, the Cash Escrow shall be reduced to ten percent (10%) of the original Cash Escrow amount, with the balance being promptly refunded to Developer. The remaining ten percent (10%) Cash Escrow shall be retained for a period of one (1) year after acceptance of the Park Improvements as security to ensure against defects during the warranty period specified in Article I of this Agreement. In lieu of the retention of the ten percent (10%) Cash Escrow or ten percent (10%) Letter provided for in his Agreement, the Director of Parks and Recreation may accept a maintenance bond in the same amount from the Contractor actually performing the work. Such maintenance bond shall be substantially in the same form and substance as the form attached hereto as Exhibit "F", which is made a part hereof by reference, unless changes are approved in

writing by the City Attorney or his/her designee. When all the remaining Cash Escrow is refunded to the Developer, such refund shall include accrued interest, calculated at one percent (1%) less than the rate of actual earnings. The one percent (1%) accrued interest on the principal amount of the Cash Escrow shall be retained by the City as an administrative expense to cover the cost of administering this Agreement.

ARTICLE V. MISCELLANEOUS PROVISIONS

5.01. Entire Agreement

This Agreement contains the entire agreement between the City, the Developer and the Owner, and cannot be varied except by written agreement executed by the parties hereto. This Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the Parties.

5.02. Notices

Unless instructed otherwise in writing, Owner and Developer agree that all notices or communications to City permitted or required under this Agreement shall be addressed to City at the following address:

City of Plano, Texas
Attn: Renee Jordan, Park Planning Manager
P.O. Box 860358
Plano, TX 75086-0358

City and Developer that all notices or communications to Owner permitted or required under this Agreement shall be addressed to Owner at the following address:

HAGGARD ENTERPRISES LIMITED, LTD.

Attn: Rutledge Haggard
800 Central Pkwy E #100
Plano, TX 75074

ACRES OF SUNSHINE, LTD.

Attn: Rutledge Haggard
800 Central Pkwy E #100
Plano, TX 75074

City and Owner agree that all notices or communications to Developer permitted or required under this Agreement shall be addressed to Developer at the following address:

SW HAGGARD MASTER DEVELOPER, LLC

Attn: Aaron Sherman
4145 Travis, Suite 300
Dallas, Texas 75204

All notices or communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date such notice or communication is posted by the sending party.

5.03. Nonwaiver

No waiver of the City's rights under this Agreement shall be deemed to have been made unless expressed in writing and signed by an authorized representative of the City. No delay or omission in the exercise of any right or remedy accruing to the City upon a breach of this Agreement by the Developer or its Sureties will impair its right or remedy or be construed as a waiver for any such breach theretofore or thereafter occurring. The waiver by the City of any breach of any term, covenant or conditions shall not be deemed to be a waiver of any other or subsequent breach of this same or any other term, covenant or condition herein contained.

5.04. Recitals and Headings

Recitals contained at the beginning of this Agreement shall be construed as a part of this Agreement. However, headings used throughout this Agreement have been used for administrative convenience only and do not constitute matter to be considered in interpreting this Agreement.

5.05. Successors and Assigns, Covenants with the Land, and Subordination by Lienholders

This Agreement shall be binding upon the successors and assigns of the Developer and Owner and shall be covenants running with the land described herein as the Property and be binding upon all future owners of the Property. This Agreement or a memorandum thereof, may be recorded in the Land Records of the county in which the Property is located. All existing lienholders shall be required to subordinate their liens to the covenants contained in this Agreement.

5.06. Venue

This Agreement shall be construed under and in accordance with the laws of the State of Texas and is fully performable in Collin County, Texas. Exclusive venue shall be in Collin County, Texas.

5.07. Severability

In case any one or more of the provisions contained in this Agreement shall be for any reason held invalid, illegal or unenforceable in any respect, such invalidity, illegality or un-enforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.08. No Waiver of Governmental Immunity

Nothing contained in this Agreement shall be construed as a waiver of the City's sovereign or governmental immunity.

5.09. Owner's Authority

Each Owner represents and warrants to the City and the Developer that it has full power and authority to enter into and fulfill the obligations of this Agreement.

5.10. Developer's Authority

The Developer represents and warrants to the City and Owner that it has full power and authority to enter into and fulfill the obligations of this Agreement.

5.11 Benefits Inure to the Parties

The benefits of this Agreement inure solely to the City, the Developer, and the Owner, not to any third parties such as lot purchasers, subcontractors, laborers, and suppliers.

5.12 Effective Date

This Agreement shall be effective from and after the date of execution by the last signatory hereto as evidenced below.

5.13 Exhibits

Exhibit "A"	Subdivision Metes and Bounds
Exhibit "B"	Park Land Depiction
Exhibit "C"	Park Improvements
Exhibit "D"	Form of Performance Bond
Exhibit "E"	Form of Letter
Exhibit "F"	Form of Maintenance Bond

5.14 No Boycott of Israel Verification

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable federal law. As used in the foregoing verification, 'boycott Israel,' a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, 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.

5.15 Sanctioned Countries Representation

The 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, as amended, and posted under the following Divestment Statute Lists: "Scrutinized Companies with ties to Foreign Terrorist Organizations," "Scrutinized Companies with ties to Iran," or "Scrutinized Companies with ties to Sudan" of such officer's Internet website that are available at:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

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

5.16 No Discrimination Against Energy Companies Verification

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session ("SB 13")), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by SB 13) by reference to Section 809.001, Texas Government Code (also as enacted by SB 13), 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.

5.17 No Discrimination Against Firearm Entities and Firearm Trade Associations Verification

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session ("SB 19")), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law.

As used in the foregoing verification and the following definitions,

(a) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (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,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as 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 (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any 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.

[SIGNATURE PAGES TO FOLLOW.]

CITY OF PLANO, TEXAS
A Home Rule Municipal Corporation

By: 
Name: _____
Title: _____ Mark D. Israelson
Address: 1520 K Avenue City Manager
PO Box 860358 City of Plano
Plano, Texas 75086-0358

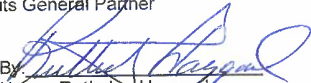
APPROVED AS TO FORM:


for: Paige Mims, CITY ATTORNEY

OWNER:


HAGGARD ENTERPRISES LIMITED, LTD.,
a Texas limited partnership

By: RH GPCO, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: Rutledge Haggard
Its: Manager

ACRES OF SUNSHINE, LTD.,
a Texas limited partnership

By: RH GPCO, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: Rutledge Haggard
Its: Manager

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC,
a Texas limited liability company

By: Stillwater Capital Investments, LLC,
a Texas limited liability company
its Manager

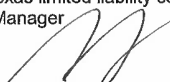
By: 
Name: Aaron Sherman
Its: Manager

EXHIBIT "A"
SUBDIVISION METES AND BOUNDS

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd. recorded in Volume 4227, Page 835, Deed Records of Collin County, Texas, and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited Ltd. recorded in Volume 2523, Page 172, Land Records, Collin County, Texas, and being a part of a remainder of a 3.912 acre tract of land described in Special Warranty Deed to Haggard Enterprises Limited, Ltd. recorded in Volume 2739, Page 967, Official Public Records, Collin County, Texas and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for corner at the northeast end of a right-of-way corner clip at the intersection of the south right-of-way line of Spring Creek Parkway (a 160-foot wide right-of-way) recorded in Instrument No. 92-0038495, of said Official Public Records, and east right-of-way line of Parkwood Boulevard (a variable width right-of-way) recorded in Instrument No. 20080123000089940, of said Official Public Records, and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 56°05'23", and a chord bearing and distance of South 61°27'05" East, 2,059.64 feet;

THENCE with said south right-of-way line of Spring Creek Parkway, the following courses and distances:

In a southeasterly direction, with said non-tangent curve to the right, an arc distance of 2,144.25 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner;
South 33°24'23" East, a distance of 1,403.36 feet to a point for corner at the beginning of a tangent curve to the left with a radius of 2,233.88 feet, a central angle of 21°30'13", and a chord bearing and distance of South 44°09'30" East, 833.48 feet;
In a southeasterly direction, with said tangent curve to the left, an arc distance of 838.40 feet to a point for the north end of a corner clip of the southwest right-of-way line of Spring Creek Parkway and north right-of-way line of Windhaven Parkway (a variable width right-of-way);

THENCE with said corner clip, South 06°24'01" East, a distance of 32.91 feet to a point for the south end of said corner clip;

THENCE with said north right-of-way line of Windhaven Parkway, the following courses and distances:

South 42°25'48" West, a distance of 33.08 feet to a point for corner at the beginning of a non-tangent curve to the right with a radius of 745.00 feet, a central angle of 46°51'24", and a chord bearing and distance of South 65°48'30" West, 592.43 feet;
In a northerly direction, with said non-tangent curve to the right, an arc distance of 609.26 feet to a point for corner;
South 89°14'12" West, a distance of 336.78 feet to a point the southeast corner of Lot 1, Block A, Haggard Farm CCRC Addition, an addition to the City of Plano, according to the plat recorded in Instrument No. 2020-852, of said Official Public Records;

THENCE with the east line of said Lot 1, Block A, the following courses and distances:

North 00°00'00" East, a distance of 8.46 feet to a point for corner at the beginning of a tangent curve to the left with a radius of 450.00 feet, a central angle of 29°35'57", and a chord bearing and distance of North 14°47'58" West, 229.89 feet;
In a westerly direction, with said tangent curve to the left, an arc distance of 232.47 feet to a point for corner;

North 29°35'55" West, a distance of 1,016.42 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" found for corner at the beginning of a tangent curve to the right with a radius of 450.00 feet, a central angle of 05°13'41", and a chord bearing and distance of North 26°59'05" West, 41.05 feet;

In a northwesterly direction, with said tangent curve to the right, an arc distance of 41.06 feet to an aluminum disk found for the northeast corner of said Lot 1, Block A;

THENCE with the north line of said Lot 1, Block A, South 80°06'01" West, a distance of 584.19 feet to a point for the northwest corner of said Lot 1, Block A, and being in the east line of Lot 58, Block A, Avignon Windhaven Phase 3, an addition to the City of Plano, according to the plat recorded in Instrument No. 20111209010002540, Official Public Records, Collin County, Texas;

THENCE with said east line of said Lot 58, Block A, the following courses and distances:

North 24°51'19" West, a distance of 18.42 feet to a point for corner;
North 75°16'30" West, a distance of 53.86 feet to a point for corner;
North 55°20'01" West, a distance of 34.91 feet to a point for corner;
North 34°00'20" West, a distance of 99.90 feet to a point for corner;
North 15°47'59" East, a distance of 80.20 feet to a point for corner;
North 56°16'37" West, a distance of 62.96 feet to a point for corner;
North 01°52'23" West, a distance of 42.45 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" found for the northeast corner of said Lot 58, Block A;

THENCE with the north lines of said Avignon Windhaven Phase 3, and Avignon Windhaven Phase 2, an addition to the City of Plano, according to the plat recorded in Instrument No. 20091008010002560, of said Official Public Records, and Avignon Windhaven Phase 1, an addition to the City of Plano, according to the Plat recorded in Cabinet R, Page 204, of said Official Public Records, South 81°03'52" West, a distance of 2,448.75 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner in said east right-of-way line of Parkwood Boulevard at the beginning of a non-tangent curve to the left with a radius of 830.00 feet, a central angle of 01°52'15", and a chord bearing and distance of North 00°57'33" East, 27.10 feet;

THENCE with said east right-of-way line of Parkwood Boulevard, the following courses and distances:

In a westerly direction, with said non-tangent curve to the left, an arc distance of 27.10 feet to a point for corner;
North 00°00'44" East, a distance of 216.84 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the right with a radius of 734.72 feet, a central angle of 76°22'00", and a chord bearing and distance of North 38°11'44" East, 908.38 feet;
In a northeasterly direction, with said tangent curve to the right, an arc distance of 979.27 feet to an Aluminum Disk found for corner;
North 76°22'45" East, a distance of 230.20 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the left with a radius of 860.00 feet, a central angle of 48°22'32", and a chord bearing and distance of North 52°11'29" East, 704.73 feet;
In a northerly direction, with said tangent curve to the left, an arc distance of 726.11 feet to an Aluminum Disk found for corner;
North 28°00'13" East, a distance of 26.52 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner at the beginning of a tangent curve to the left with a radius of 795.00 feet, a central angle of 10°08'29", and a chord bearing and distance of North 22°55'59" East, 140.53 feet;
In a northerly direction, with said tangent curve to the left, an arc distance of 140.72 feet to an Aluminum Disk found for corner;

North 17°21'48" East, a distance of 115.92 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the left with a radius of 262.00 feet, a central angle of 11°33'27", and a chord bearing and distance of North 11°35'04" East, 52.76 feet;

In a northerly direction, with said tangent curve to the left, an arc distance of 52.85 feet to a 1/2-inch iron rod found for corner at the beginning of a compound curve to the left with a radius of 876.20 feet, a central angle of 06°25'16", and a chord bearing and distance of North 02°35'43" East, 98.14 feet;

In a northerly direction, with said compound curve to the left, an arc distance of 98.20 feet to an Aluminum Disk found for corner;

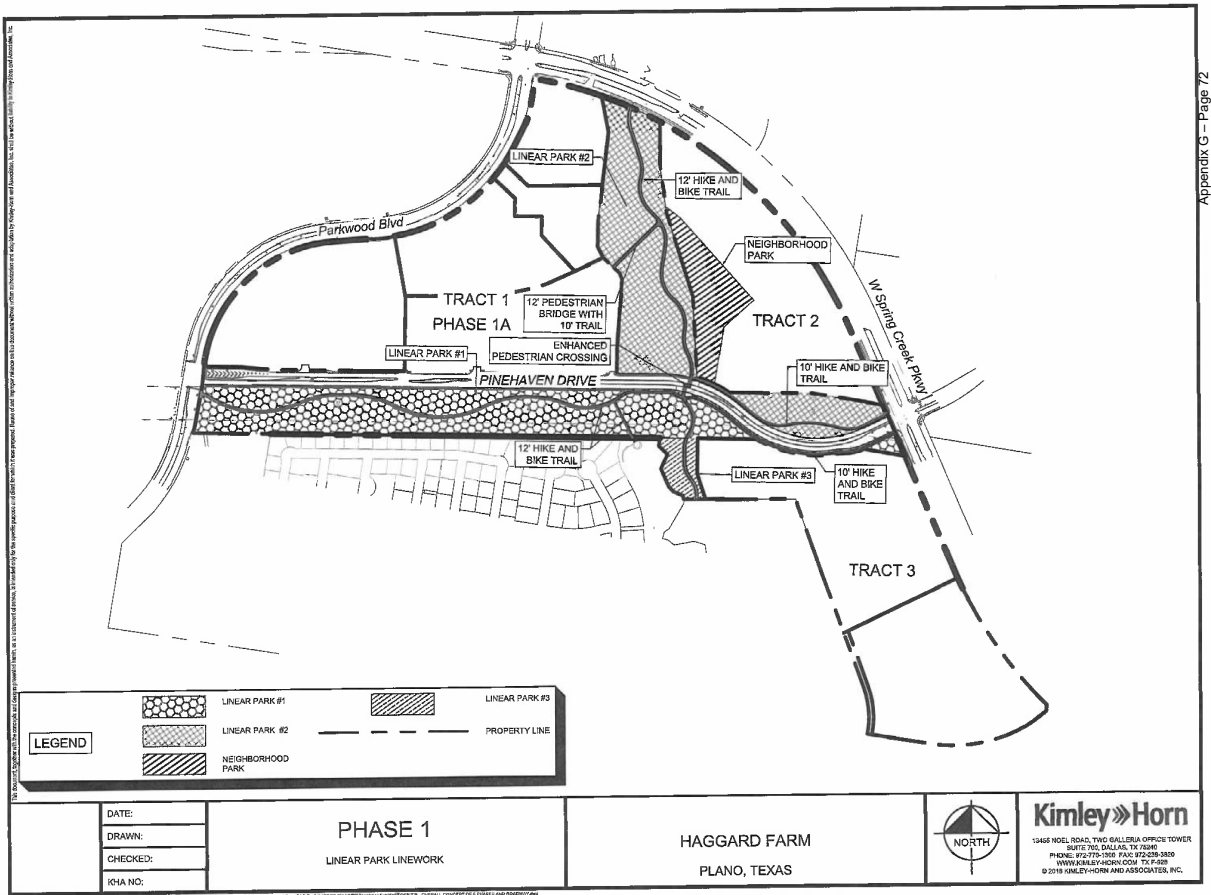
North 00°36'55" West, a distance of 75.62 feet to a 1/2-inch iron rod found for corner at the southwest end of said right-of-way corner clip;

THENCE with said right-of-way-corner clip North 44°46'06" East, a distance of 35.16 feet to a point for corner; to the **POINT OF BEGINNING** and containing 5,616,279 square feet or 128.9320 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

EXHIBIT "B"
PARK LAND DEPICTION

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EXHIBIT "C"
PARK IMPROVEMENTS

LINEAR PARK #1

1. Concrete trail requirements
 - a. 12' wide trail east-west along the south side of proposed Pinehaven Drive meandering through the utility easement from Parkwood Boulevard to the enhanced crossing across Pinehaven Drive.
 - b. 10' wide trail east-west along the south side of proposed Pinehaven Drive meandering through the utility easement from the enhanced crossing across Pinehaven Drive to Spring Creek Parkway.
 - c. 12' trail north-south along east side of creek connecting to the enhanced crossing across Pinehaven Drive to the 12' trail in Linear Park #3
 - d. Trail amenities

LINEAR PARK #2

1. Concrete trail requirements
 - a. 12' wide trail north-south along east side of creek connecting to existing trail along Spring Creek Parkway to the enhanced crossing across Pinehaven Drive
 - b. 10' wide trail east-west connecting Tract 2 to the pedestrian bridge across creek
 - c. 10' wide trail east-west connecting Tract 1 to the pedestrian bridge across creek
 - d. 10' wide trail east-west along the north side of proposed Pinehaven Drive connecting Tract 1 to existing trail on Spring Creek Parkway
 - e. Trail amenities
2. Pedestrian bridge requirements
 - a. 12' wide bridge with 10' wide trail across creek connecting Tract 1 and Tract 2

LINEAR PARK #3

1. Concrete trail requirements
 - a. 12' trail north-south along east side of creek connecting the 12' trail in Linear Park #2 and the existing 12' trail west of the existing senior living facility.
 - b. Trail amenities

LINEAR PARK TRAIL AMENITIES

1. Three (3) trail amenities are required for the Linear Parks. Acceptable trail amenities appropriate approved by Director of Parks & Recreation could include, but are not limited to the following:
 - a. Benches
 - b. Signage
 - c. Water fountains/dog bowls
 - d. Misting stations
 - e. Bike parking
 - f. Bike repair stations
 - g. Wildflower plantings

PINEHAVEN RIGHT-OF-WAY

1. Enhanced crossing standards, or alternate standards as approved by the City Engineer
 - a. A "Z-Crossing" that provides a refuge area in the median;
 - b. Differentiated paving material consisting of pavers or stamped concrete;
 - c. Standard MUTCD Traffic Signage and Striping; and

- d. A Rectangular Rapid-Flashing Beacon at each end of the crossing.

NEIGHBORHOOD PARK

1. Developer and the Director of Parks & Recreation will collaborate on the design of the neighborhood park development per Section 1.04. Amenities shall include the following according to city specifications;
 - a. Shade pavilion with contents
 - i. Picnic tables
 - ii. Grill
 - b. Connected walkway 'loop'
 - i. Connecting to trail and interconnecting neighborhood park elements
 - ii. Benches
 - iii. Trash receptacles on concrete pads
 - c. Play pit with integrated shade play equipment
 - i. Ages 2-5
 - ii. Ages 5-12
 1. Swings
 - d. Water fountain with dog bowl
 - e. Misting station
 - f. Planted trees
 - g. .5 uninterrupted open space play lawn
 - h. Turf and tree irrigation
2. Other amenities may be implemented as approved by Director of Parks & Recreation
 - a. Agriculturally inspired plantings
 - b. Public art or sculptures
 - c. Sports court
 - d. Bike parking
 - e. Bike repair station

EXHIBIT "D"
FORM OF PERFORMANCE BOND

PERFORMANCE BOND

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN §

That _____ hereinafter called
"Principal", and _____, a corporation
organized and existing under the laws of the State of _____, and fully
licensed to transact business in the State of Texas, hereinafter called "Surety", are held
and firmly bound unto the **CITY OF PLANO, TEXAS**, a home-rule municipal corporation,
hereinafter called "Beneficiary", in the penal sum of
_____ **DOLLARS**

(\$ _____), which is [either the Linear Park Surety Amount or the
Neighborhood park Surety Amount] as defined in the Park Reimbursement Agreement
between the City of Plano, Texas and Haggard Enterprises, Ltd., Acres of Sunshine, Ltd.,
and SW Haggard Master Developer, LLC, in lawful money of the United States, to be paid
in Collin County, Texas, for the payment of which sum well and truly to be made, we bind
ourselves, our heirs, executors, administrators and successors, jointly and severally,
firmly by these presents. This Bond shall automatically be increased by the amount of
any amendment to the Park Reimbursement Agreement which increases the [either the
Linear Park Surety Amount or the Neighborhood park Surety Amount] as defined in the
Park Reimbursement Agreement between the City of Plano, Texas and Haggard
Enterprises, Ltd., Acres of Sunshine, Ltd., and SW Haggard Master Developer, LLC
Contract price, but in no event shall an amendment of [either the Linear Park Surety
Amount or the Neighborhood park Surety Amount] decrease the penal sum of this Bond.

THE OBLIGATION TO PAY SAME is conditioned as follows: The Principal will
construct the Park Improvements, as defined in the Park Reimbursement Agreement
between the City of Plano, Texas and Haggard Enterprises, Ltd., Acres of Sunshine, Ltd.,
and SW Haggard Master Developer, LLC, which will be made a part hereof by reference,
for the construction of certain public improvements that are generally described as
follows:

[Linear Park Improvements or Neighborhood Park Improvements as defined in Exhibit C
of the Park Reimbursement Agreement between the City of Plano, Texas and Haggard
Enterprises, Ltd., Acres of Sunshine, Ltd., and SW Haggard Master Developer, LLC]

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform the
construction of the public improvements described above in accordance with the plans,
specifications approved by the Beneficiary; and, if the Principal shall fully indemnify and
save harmless the Beneficiary from all costs and damages which Beneficiary may suffer
by reason of failure to so perform herein and shall fully reimburse and repay Beneficiary
all outlay and expense which the Beneficiary may incur in making good any default or

deficiency, then this obligation shall be void; otherwise, it shall remain in full force and effect.

PROVIDED FURTHER, that if any legal action be filed on this Bond, exclusive Venue shall lie in Collin County, Texas.

PROVIDED FURTHER, that the said Surety, for value received, hereby stipulates and agrees that no change, alteration or addition to the terms of the Park Reimbursement Agreement between the City of Plano, Texas and Haggard Enterprises, Ltd., Acres of Sunshine, Ltd., and SW Haggard Master Developer, LLC shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement.

The agent identified below is hereby designated by the Surety herein as the Resident Agent in Collin County or Denton County, Texas, or other Texas location as approved by Beneficiary, to whom any requisite notices may be delivered and on whom service of process may be had in matters arising out of such suretyship, as provided by Texas Insurance Code Section 3503.003.

IN WITNESS WHEREOF, this instrument is executed in counterparts, each one of which shall be deemed an original, this the _____ day of _____, _____.

PRINCIPAL: _____
Address _____
Tel. No. _____

ATTEST: _____
BY: _____
TITLE: _____

SURETY: _____
Address _____
Tel. No. _____

ATTEST: _____
BY: _____
TITLE: _____

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The Resident Agent of the Surety in Collin County or Denton County, Texas, or other Texas location as approved by Beneficiary, for delivery of notice and service of process is:

NAME: _____
STREET ADDRESS: _____
CITY, STATE, ZIP: _____

For additional information on the above named Surety company you may contact the Texas Department of Insurance at (800)578-4677.

NOTE: If Resident Agent is not a corporation, give a person's name.

EXHIBIT "E"
FORM OF LETTER

IRREVOCABLE STANDBY LETTER OF CREDIT
(Letterhead of Bank)

_____, _____
City of Plano, Texas
1520 K Avenue
P.O. Box 860358
Plano, Texas 75086-0358

Gentlemen:

By order of our client, _____, we hereby open our clean Irrevocable Standby Letter of Credit No. _____, in your favor for an amount not to exceed the aggregate of U.S. \$ _____ (_____ U.S. Dollars), effective immediately and expiring at our offices on _____, relative to our client's Park Reimbursement Agreement between the City of Plano, Texas and Haggard Enterprises, Ltd., Acres of Sunshine, Ltd., and SW Haggard Master Developer, LLC dated _____. This letter of credit extends automatically at the end of its initial one-year term, and at the end of any extended term, by one more year. There is no need to request extension each time. The extension occurs automatically unless the issuing bank notifies the City of Plano, Director of Finance, that it will not extend the letter of credit, which it can exercise only do once a year after 30 days' notice of the decision not to extend.

Funds under this Letter of Credit are available against your sight draft or drafts on us, mentioning thereon our Credit No. _____. Each such draft must be accompanied by your signed written statement to the effect that _____ has failed to comply with the terms and conditions of the above-mentioned Contract. Said written statement shall be sufficient if signed by any one of the following representatives of the City of Plano: City Manager, Deputy City Manager, Director of Engineering or Director of Finance. The above mentioned written statement shall be sufficient and conclusive and you will not be required to specify the nature or grounds of noncompliance with or default of the above mentioned Contract.

The amount of this Letter of Credit may be reduced at the sole option of the City of Plano upon our receipt of a written statement signed by any one of the above representatives of the City of Plano specifying the amount of the reduction.

If we receive your sight draft or drafts and statement or statements as mentioned above, here at our _____ office, on or before the expiration date of this Letter of Credit, we will promptly honor the same. This letter of credit is not subject to any conditions or qualifications outside of the letter of credit. The obligation of the ABC Bank is in no way

contingent on reimbursement. This letter of credit is subject to and governed by the laws of the State of Texas.

A B C BANK

BY:

Name:

Title:

Address:

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The agent identified below is hereby designated by the Surety herein as the resident agent in either Collin County or Denton County, Texas, or other Texas location as approved by Beneficiary, to whom all requisite notice may be delivered and on whom service of process may be had in matters arising out of this suretyship.

IN WITNESS WHEREOF, this instrument is executed in counterparts, each one of which shall be deemed an original, this the _____ day of _____, ____.

PRINCIPAL: _____
Address _____
Tel. No. _____

ATTEST:

BY: _____

TITLE: _____

SURETY: _____
Address _____
Tel. No. _____

ATTEST:

BY: _____

TITLE: _____

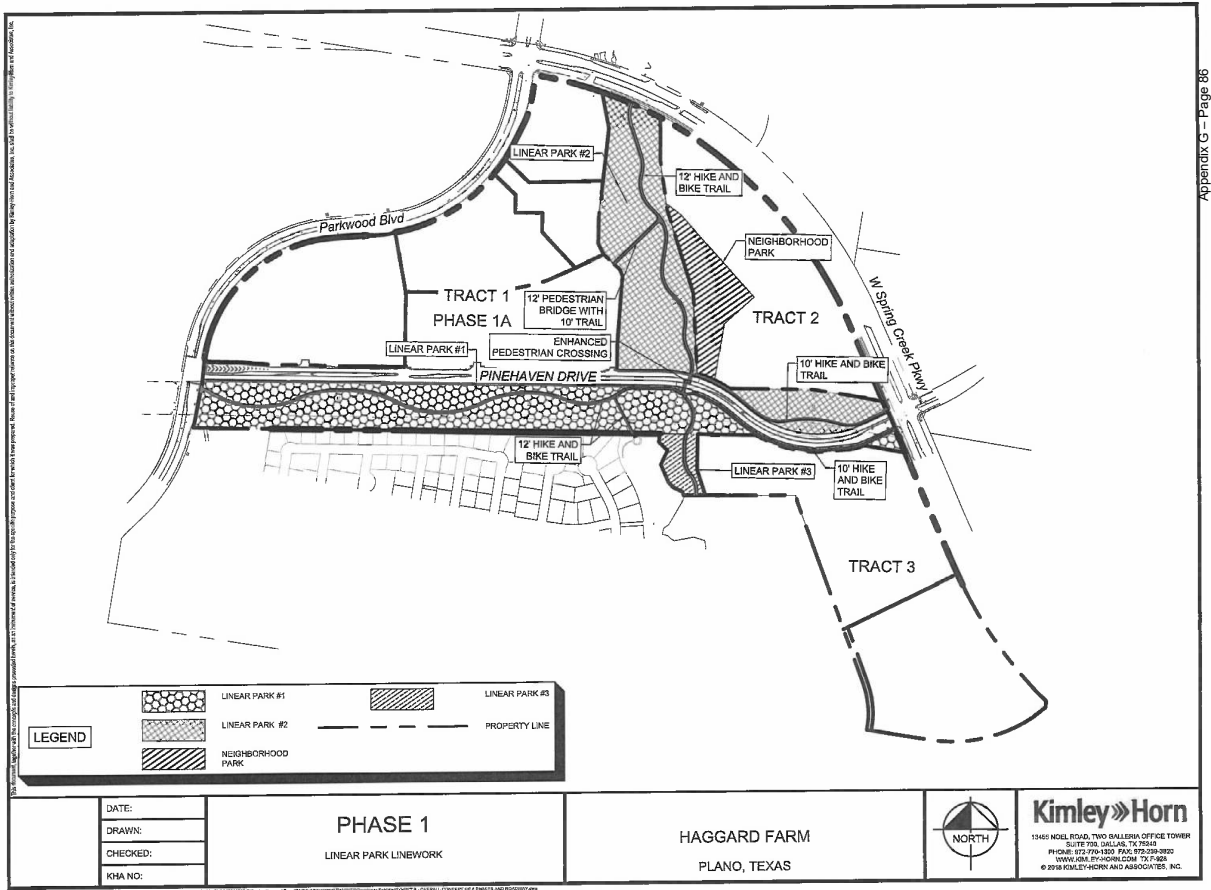
The Resident Agent of the Surety in Collin County or Denton County, Texas, or other Texas location as approved by Beneficiary, for delivery of notice and service of the process is:

NAME: _____
STREET _____
CITY, STATE, ZIP: _____

For additional information on the above named Surety company you may contact the Texas Department of Insurance at (800)578-4677.

NOTE: Date on Page 1 of Maintenance Bond must be same date that City Council approved the Contract expenditure. Date on Page 2 of Maintenance Bond must be after the date that City Council approved the Contract expenditure. If Resident Agent is not a corporation, give a person's name.

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EXHIBIT D

PROFESSIONAL SERVICES REIMBURSEMENT AGREEMENT

[Attached]

**PROFESSIONAL SERVICES
REIMBURSEMENT AGREEMENT**

This Professional Services Reimbursement Agreement (this "Agreement"), effective as of the 6th day of April, 2023 (the "Effective Date"), is made and entered into by and between The City of Plano, Texas and STILLWATER CAPITAL INVESTMENTS, LLC, a Texas limited liability company (the "Developer"), herein collectively referred to as ("Party" or "Parties").

WHEREAS, the Developer or affiliates of the Developer desire to develop land in the City located approximately at Spring Creek Parkway and Pinecrest Drive, which land is further described in Exhibit A hereto (the "Property");

WHEREAS, the Parties have determined that the financing of a portion of the costs of the Public Improvements necessary for the development of the Property, can be achieved by means of Chapter 372, Texas Local Government Code, as amended, entitled the Public Improvement District Assessment Act ("PID Act"); and

WHEREAS, the Developer desires to develop the Property and has caused a petition to be filed with the City related to the development of the Property for the Haggard Farm Public Improvement District ("PID") under the PID Act and the PID was created by the City; and

WHEREAS, the Parties hereto recognize that the City will continue to incur expenses through the entire PID review process until final completion of the development ("City Expenses") including but not limited to: professional services, legal publications, notices, reproduction of materials, public hearing expenses, recording of documents, engineering fees, attorney fees, and special consultant fees; and

WHEREAS, the Developer hereby agrees to pay for reasonable and necessary professional services provided by the consultants listed on Exhibit B and by additional consultants approved in writing by the Developer (collectively, the "City Consultants").

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Payment for Professional Services. The Developer deposited with the City \$100,000.00 (the "Initial Deposit") for payment of City Expenses necessary to conduct the review and creation of the PID request:

- (a) City agrees to hold all Developer's contributions in a separate fund maintained by the City which may only be used for City Expenses related to the PID.
- (b) The City will pay City Expenses out of the amount deposited with the City

and keep accounting of all charges for City Expenses incurred for the PID and any unused contributions shall be returned to the Developer within thirty (30) days of the City's payment of the final invoice.

- (c) The City will submit copies of all monthly invoices to the Developer showing amounts paid for City Expenses for any City Consultant fees that are consistent with Exhibit B. The City may redact any information covered by attorney/client privilege, work product doctrine, or other information allowed to be kept confidential under the Texas Public Information Act. Within fifteen (15) days of the Developer's receipt of the City's submission of the City Consultant fees invoiced, the Developer shall disapprove the invoiced the City Consultant fees and give written notification to the City of the Developer's disapproval specifying the reasons for such disapproval; provided however, that the Developer's disapproval shall be limited to the grounds that such City Consultant fees are not consistent with Exhibit B, as the parties agree that all fees charged by City Consultants consistent with Exhibit B are reasonable and necessary.
- (d) After any monthly City Consultant fees have been paid for City Expenses, the City Consultants shall not be paid for the same City Expenses through any additional invoices or through PID bond proceeds.
- (e) Notwithstanding anything to the contrary, City Expenses invoiced and due within thirty (30) days prior to the closing of PID bonds may be paid to City Consultants, at Developer's option, through PID bond proceeds upon the closing of PID bonds.
- (f) The Developer may be reimbursed from PIDs created by the City Council containing all or a portion of the Property, if any, for City Consultant fees paid in accordance with this Agreement and the PID Act.
- (g) Developer agrees that in the event the fund described in Section 1(a) for City Expenses balance falls below \$20,000.00 and upon notice from the City, then Developer shall remit an additional amount of not less than \$20,000.00 within five (5) business days of receipt of such notice.
- (h) In the event the balance for City Expenses is exhausted, upon notice, Developer shall pay the balance owed in full within fifteen (15) days in addition to the remittance of the additional funds as provided above.
- (i) In the instance that deposits of additional funds are not timely made, the City has no obligation to incur any additional City Expenses in connection with the PID.

Failure of Developer to meet its obligations under this Section 1 may result in the suspension of any active development permits until such obligations are cured, or revocation of active

development permits if the obligation is not cured within twenty-one (21) days after the City's delivery to the Developer of written notice of failure to meet such obligations. In the event that Developer fails to meet the obligations under this Section 1, Developer's lender may make the payment to the City to cure.

2. No Obligation regarding PID. The Developer acknowledges that the City has no obligation to include any specific items in PID plans or budgets, or issue any bonds or other indebtedness with respect thereto, and nothing contained within this Agreement shall create any such obligation. The Developer's obligation to pay the City Expenses shall exist and continue independent of whether the PID or bonds or other indebtedness are approved. This Agreement shall confer no vested rights or development rights on the Property or to the Developer. Further, this Agreement shall provide no assurances, promises, or covenants to approve any development in the Property.

3. Termination. This Agreement shall terminate upon the closing of the PID bonds for the first phase of the development on the Property, provided that any additional costs incurred by the City for the consultants work on the PID that would not or could not be paid from the proceeds of subsequent series of PID bonds shall continue to be the responsibility of the Developer pursuant to this Agreement, in which event this Agreement shall terminate when all such additional costs have been paid by the Developer. Upon termination of this Agreement for any reason, any balance of the Initial Deposit and any balance of any additional payment(s) made by Developer under this Agreement that exceed the City Expenses incurred as of termination shall be returned to Developer.

4. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the transactions contemplated herein.

5. Amendment. This Agreement, and any exhibit hereto, may only be amended, altered or revoked by written instrument executed by the Parties.

6. Successors and Assigns. Neither City nor Developer may assign or transfer their interest in the Agreement without prior written consent of the other Party.

7. Notice. Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States Mail, Certified, with Return Receipt Requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

To the City: Attn: Mark D. Israelson
City Manager
1520 Avenue K
Plano, TX 75074

With a copy to: Attn: City Attorney
City of Plano
1520 Avenue K
Plano, TX 75074

To the Developer: Attn: Aaron Sherman
Stillwater Capital Investments, LLC
4145 Travis, Suite 300
Dallas, Texas 75204

With a copy to: Attn: Ross Martin
Winstead PC
2728 N. Harwood Street, Suite 500
Dallas, Texas 75201

APPROVED AS TO FORM

By Michelle D'Andrea
for: Paige Mims, City Attorney

CITY OF PLANO, TEXAS

By Mark D. Israelson
Mark D. Israelson, City Manager

Date: 04.06.2023

8. Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against either party.

9. Applicable Law. This Agreement is made, and shall be construed in accordance with the laws of the State of Texas and venue shall lie in Collin County, Texas.

10. Severability. In the event any portion or provision of this Agreement is illegal, invalid, or unenforceable under present or future law, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

[SIGNATURE PAGES TO FOLLOW]

DEVELOPER

STILLWATER CAPITAL INVESTMENTS,
LLC

By: [Signature]
Name: Aaron Sherman
Title: Manager

EXHIBIT A

PROPERTY METES AND BOUNDS

142.49 ACRES

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, City of Plano, Collin County, Texas; and being part of Windhaven Parkway, Spring Creek Parkway and Parkwood Boulevard and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2523, Page 172 of the Land Records of Collin County, Texas and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, LTD. recorded in Volume 2739, Page 967 of said Land Records and being part of a tract of land described in Special Warranty Deed, Bill of Sale and Assignment to Acres of Sunshine, LTD. recorded in Volume 4227, Page 835 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Windhaven Parkway (a variable width right-of-way);

THENCE with said centerline of Windhaven Parkway, the following courses and distances:

South 42°22'41" West, a distance of 158.86 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 46°00'40", a radius of 800.00 feet, a chord bearing and distance of South 66°13'45" West, 625.31 feet;
In a southwesterly direction, with said curve to the right, an arc distance of 642.44 feet to a point for corner;
South 89°14'05" West, a distance of 337.88 feet to a point for corner;

THENCE said centerline of Windhaven Parkway, the following courses and distances:

North 0°00'00" East, a distance of 63.50 feet to a point at the beginning of a tangent curve to the left having a central angle of 29°35'57", a radius of 450.00 feet, a chord bearing and distance of North 14°47'58" West, 229.89 feet;
In a northwesterly direction, with said curve to the left, an arc distance of 232.47 feet to a point for corner;
North 29°36'05" West, a distance of 1011.83 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 5°58'43", a radius of 441.64 feet, a chord bearing and distance of North 27°16'14" West, 46.06 feet;
In a northwesterly direction, with said curve to the right, an arc distance of 46.08 feet to a point for corner;
South 80°03'46" West, a distance of 584.73 feet to a point in the east line of Lot 58, Block A, Common Open Space, Avignon Windhaven, Phase 3 an addition to the City of Plano according to the plat recorded in Instrument No. 20111209010002540 of the Official Public Records of Collin County, Texas; and being in the approximate centerline of Creek Number 5B29;

THENCE with the east line of said Lot 58 and said approximate centerline of Creek Number 5B29, the following courses and distances:

North 24°50'38" West, a distance of 17.56 feet to a point for corner;
North 75°15'49" West, a distance of 53.86 feet to a point for corner;
North 55°19'20" West, a distance of 34.91 feet to a point for corner;
North 33°59'39" West, a distance of 99.90 feet to a point for corner;
North 15°48'40" East, a distance of 80.20 feet to a point for corner;
North 56°15'56" West, a distance of 62.96 feet to a point for corner;
North 0°28'11" West, a distance of 42.59 feet to the northeast corner of said Lot 58;

THENCE with the north line of said Block A, Avignon Windhaven, Phase 3, South 81°04'33" West, passing at a distance of 691.05 feet the northwest corner of said Block A, Avignon Windhaven, Phase 3 and the northeast corner of Lot 38, Block A, Avignon Windhaven, Phase 2 an addition to the City of Plano according to the plat recorded in Instrument No. 20091008010002560 of the Official Public Records of Collin County, Texas, continuing with north line of said Block A, Avignon Windhaven, Phase 2, passing at a distance of 1126.56 feet the northwest corner of said Block A, Avignon Windhaven, Phase 2 and the northeast corner of Lot 31, Block A, Avignon Windhaven, Phase 1 an addition to the City of Plano according to the plat recorded in Cabinet R, Slide 205 of the Map Records of Collin County, Texas, continuing with the north line of said Block A, Avignon Windhaven, Phase 1, passing at a distance of 2040.83 feet the northeast corner of said Block A, Avignon Windhaven, Phase 1, continuing in all a total distance of 2505.50 feet to a point for corner in said centerline of Parkwood Boulevard; said point also being at the beginning of a non-tangent curve to the left having a central angle of 2°41'09", a radius of 774.92 feet, a chord bearing and distance of North 1°21'12" East, 36.32 feet;

THENCE with said centerline of Parkwood Boulevard, the following courses and distances:

In a northeasterly direction, with said curve to the left, an arc distance of 36.32 feet to a point at the end of said curve;
North 0°00'44" East, a distance of 359.06 feet to a point at the beginning of a tangent curve to the right having a central angle of 76°22'01", a radius of 789.72 feet, a chord bearing and distance of North 38°11'45" East, 976.38 feet;
In a northeasterly direction, with said curve to the right, an arc distance of 1052.58 feet to a point at the end of said curve;
North 76°22'45" East, a distance of 230.20 feet to a point at the beginning of a tangent curve to the left having a central angle of 76°59'40", a radius of 805.00 feet, a chord bearing and distance of North 37°52'55" East, 1002.19 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 1081.76 feet to a point at the end of said curve;
North 0°36'55" West, a distance of 180.53 feet to at the intersection of the centerline of Spring Creek Parkway (a variable width right-of-way) and the centerline of Parkwood Boulevard (a variable width right-of-way);

THENCE with said centerline of Spring Creek Parkway, the following course and distances:

North 89°12'46" East, a distance of 47.67 feet to a point at the beginning of a tangent curve to the right having a central angle of 57°23'42", a radius of 2270.36 feet, a chord bearing and distance of South 62°05'23" East, 2180.39 feet;

Exhibit A

Exhibit A

In a southeasterly direction, with said curve to the right, an arc distance of 2274.29 feet to a point for corner;
 South 33°23'29" East, a distance of 1403.39 feet to a point at the beginning of a tangent curve to the left having a central angle of 23°53'29", a radius of 2153.93 feet, a chord bearing and distance of South 45°20'14" East, 891.66 feet;
 In a southeasterly direction with said curve to the left, an arc distance of 898.15 feet to the POINT OF BEGINNING and containing 142.49 acres of land.

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.

Exhibit A

EXHIBIT B

CITY CONSULTANTS

[City Consultant hourly rates, fees, and expected scope of services]

Norton Rose Fulbright US LLP

Tax Partner	745	
Tax Assoc.	550	
Tax Sr. Counsel	710	
Tax of Counsel	910	
Partner	695	
Sr. Assoc.	570	
Assoc.	410	
Sr. Counsel	710	
Counsel	410	
Of Counsel	785	
Sr. Paralegal/Research Asst.	330	
Paralegal	225	
Project Asst./General Clerk	110	

The work will be primarily by Bob Dransfield at the Partner rate, and Jordan Sawyer, a Senior Associate.

The scope of work includes: All work leading up to the point of the bond transaction regarding the Property, including but not limited to the review of documents related to the transaction to review primarily from the bond point of view, attending meetings and conference calls, interaction with the Attorney General's office on questions related to ability of the City to bond finance different structural aspects of the project, provide legal analysis and input to the City on bond financing. Once the transactions reach the point of becoming more directly related to the financing, they will convert to a fixed-bond fee based on the par amount of the bonds. All expenses related to the scope of work are compensable, including travel time. Developer will be able to reimburse itself for all the fees fronted if and when bond proceeds become available.

P3 Works

Managing Partner	250
Project Manager	210
Senior Analyst	185
Analyst II	160
Analyst	135
Administrative	100

The scope of work includes: Assist with the review of agreements with the developer regarding the Property related to the creation of one or more PIDs related to the project. Provide services related to the creation of the Service and Assessment Plans and related documents. Assist with the sale of bonds, levy of PID assessments, review of appraisal,

Exhibit B

bond trust indenture and related documents. All expenses related to the scope of work are compensable, including travel time.

GREENBERG TRAURIG, LLP (Discounted Rates)

Shareholder	675
Assoc.	475
Of Counsel	550
Paralegal	250

The scope of work includes: Negotiate and draft agreements regarding the Haggard Farms Property. Provide legal advice to Plano regarding the Haggard Farms project, including but not limited to the PID and the Plano contributions to and reimbursement for public infrastructure on the Haggard Farms property.

EXHIBIT E

FINANCIAL PARTY RESPONSIBILITY AND REIMBURSEMENT

[Attached]

OPINION OF PROBABLE CONSTRUCTION COSTS

Project: Haggard Farm
Location: Plano, Texas

SECTION	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST	PID Funded	City of Plano Funded	Developer Funded				
OFFSITE SCOPE												
Thoroughfare Section A-1	Roadway	5' Sidewalk	990	S.Y.	93	92,070	100%	92,070	0%	-	0%	-
		Thoroughfare Pavement	7,369	S.Y.	183	1,346,650	100%	1,346,650	0%	-	0%	-
		Thoroughfare Pavement past 18.5' in width	1,455	S.Y.	183	265,951	0%	-	100%	265,951	0%	-
		Street Trees	65	E.A.	2,300	149,500	100%	149,500	0%	-	0%	-
		Irrigation, Shrubs & Sod	3,455	S.Y.	58	200,390	100%	200,390	0%	-	0%	-
					Subtotal	2,054,561		1,768,610		265,951		-
	Drainage	10" Curb Inlet	5	E.A.	7,425	37,125	100%	37,125	0%	-	0%	-
		4'x4" Wye Inlet	1	E.A.	5,000	5,000	100%	5,000	0%	-	0%	-
		2'x2" Wye Inlet	2	E.A.	4,800	9,600	100%	9,600	0%	-	0%	-
		18" RCP	375	L.F.	160	60,000	100%	60,000	0%	-	0%	-
		21" RCP	72	L.F.	177	12,744	100%	12,744	0%	-	0%	-
		24" RCP	37	L.F.	190	7,030	100%	7,030	0%	-	0%	-
					Subtotal	131,499		131,499				-
					Section Total	2,186,060		1,920,108		265,951		-
Thoroughfare Section A-2	Roadway	RFB Pedestrian Crossing	4	E.A.	7,139	28,556	100%	28,556	0%	-	0%	-
		5' Sidewalk	1,196	S.Y.	93	111,228	100%	111,228	0%	-	0%	-
		Irrigation, Shrubs & Sod	4,008	S.Y.	58	232,464	100%	232,464	0%	-	0%	-
		Thoroughfare Pavement	6,626	S.Y.	183	1,210,862	0%	-	100%	1,210,862	0%	-
					Subtotal	1,583,110		372,248		1,210,862		-
	Drainage	10" Curb Inlet	6	E.A.	7,425	44,550	0%	-	100%	44,550	0%	-
		18" RCP	66	L.F.	160	10,560	0%	-	100%	10,560	0%	-
		36" RCP	897	L.F.	217	194,649	0%	-	100%	194,649	0%	-
		72" RCP	1,230	L.F.	340	418,200	0%	-	100%	418,200	0%	-
		2 - 6'x5' RCB (upsizing cost)	1,230	L.F.	1,190	1,463,700	90%	1,317,330	10%	146,370	0%	-
					Subtotal	2,131,659		1,735,530		396,129		-
					Section Total	\$ 3,714,769		2,107,778		1,606,991		-
Thoroughfare Section B	Roadway	Street Trees	25	E.A.	2,300	57,500	100%	57,500	0%	-	0%	-
		Irrigation, Shrubs & Sod	7,809	S.Y.	58	452,922	100%	452,922	0%	-	0%	-
		Thoroughfare Pavement	8,851	S.Y.	183	1,617,515	0%	-	100%	1,617,515	0%	-
					Subtotal	2,127,937		510,422		1,617,515		-
	Drainage	10" Curb Inlet	11	E.A.	7,425	81,675	0%	-	100%	81,675	0%	-
		4'x4" Wye Inlet	2	E.A.	5,000	10,000	0%	-	100%	10,000	0%	-
		18" RCP	187	L.F.	160	29,920	0%	-	100%	29,920	0%	-
		21" RCP	14	L.F.	177	2,478	0%	-	100%	2,478	0%	-
		36" RCP	387	L.F.	217	79,639	0%	-	100%	79,639	0%	-
		54" RCP	869	L.F.	285	247,665	0%	-	100%	247,665	0%	-
		8 - 10'x6" Box Culverts	120	L.F.	10,200	1,224,000	0%	-	100%	1,224,000	0%	-
		Headwall for (8) 10'x6" Box Culverts	2	E.A.	149,061	298,121	0%	-	100%	298,121	0%	-
					Subtotal	1,973,498				1,973,498		-
					Section Total	\$ 4,101,436		510,422		3,591,014		-

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Additional Infrastructure Costs	Roadway	Street Lights (1 per 180 LF)	22	E.A.	6,282	138,204	100%	138,204	0%	-	0%	-
		Street Light Conduit	3,530	L.F.	57	201,603	0%	-	100%	201,603	0%	-
		Street Light Pullboxes	2	E.A.	2,500	5,000	0%	-	100%	5,000	0%	-
		10' Linear Park Pedestrian Trails	1,709	S.Y.	86	146,974	100%	146,974	0%	-	0%	-
		12' Linear Park Pedestrian Trails	10,253	S.Y.	86	881,758	100%	881,758	0%	-	0%	-
		Traffic Signal	1	SET	429,488	429,488	100%	429,488	0%	-	0%	-
		Site Gas	3,110	LF	131	406,233	0%	-	0%	-	100%	406,233
		Primary Ductbank and Loop w/4-6" Conduits	9,506	LF	201	1,906,034	0%	-	0%	-	100%	1,906,034
					Subtotal		4,115,300		1,586,424		206,603	
	Sanitary Sewer	Sanitary Sewer Manhole	14	E.A.	18,500	259,000	100%	259,000	0%	-	0%	-
		8" Sanitary Sewer Main	103	L.F.	140	14,420	100%	14,420	0%	-	0%	-
		10" Sanitary Sewer Main	775	L.F.	200	155,000	100%	155,000	0%	-	0%	-
		18" Sanitary Sewer Main	3,774	L.F.	320	1,207,680	100%	1,207,680	0%	-	0%	-
				Subtotal		1,636,100		1,636,100		-		-
	Water	Fire Hydrant	12	E.A.	5,800	69,600	100%	69,600	0%	-	0%	-
		6" Water Main	332	L.F.	170	56,440	100%	56,440	0%	-	0%	-
		8" Water Main	418	L.F.	190	79,420	100%	79,420	0%	-	0%	-
		12" Water Main	5,379	L.F.	250	1,344,750	100%	1,344,750	0%	-	0%	-
				Subtotal		1,550,210		1,550,210		-		-
	Drainage	5x5" Wye Inlet	3	E.A.	5,800	17,400	100%	17,400	0%	-	0%	-
		20x17" Junction Box	1	E.A.	51,400	51,400	100%	51,400	0%	-	0%	-
		36" RCP	190	L.F.	217	41,230	100%	41,230	0%	-	0%	-
		54" RCP	596	L.F.	285	169,860	100%	169,860	0%	-	0%	-
		72" RCP	800	L.F.	340	272,000	100%	272,000	0%	-	0%	-
		2 x 6x5" RCB (upsizing)	800	L.F.	1,190	952,000	90%	856,800	10%	95,200	0%	-
				Subtotal		1,503,890		1,408,690		95,200		-
	Pedestrian Bridge at Creek Crossing	Pedestrian Bridge	1	L.S.	750,000	750,000	100%	750,000	0%	-	0%	-
					Subtotal		750,000		750,000		-	
				Section Total		\$ 9,555,508		\$ 6,941,429		\$ 301,803		\$ 2,312,267
			OFFSITE COSTS		\$ 19,557,765		\$ 11,479,738		\$ 5,765,759		\$ 2,312,267	
		4% Inspection Fees	4%		782,311		459,190		230,630			
		ENGINEERING & STAKING	6%		1,173,466		688,784		345,946		138,736	
		CONTINGENCY	5%		977,888		573,987		288,288		115,613	
		DISTRICT FORMATION COSTS			800,000		800,000					
		TOTAL MASTER PUBLIC INFRASTRUCTURE COSTS			23,291,430		14,001,699		6,630,623		2,566,617	

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CITY SUBDIVISION IMPROVEMENT COSTS

Project: Haggard Farm
Location: Plano, Texas

SECTION	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST	City of Plano Funded
OFFSITE SCOPE						
Thoroughfare Section A-1	Roadway	Thoroughfare Pavement past 18.5' in width	1,455	S.Y.	183	265,951
		Subtotal				265,951
		Section Total				265,951
Thoroughfare Section A-2	Roadway	Thoroughfare Pavement	6,626	S.Y.	183	1,210,862
		Subtotal				1,210,862
	Drainage	10" Curb Inlet	6	E.A.	7,425	44,550
		18" RCP	66	L.F.	160	10,560
		36" RCP	897	L.F.	217	194,649
		2 - 6'x5' RCB (upsizing cost)	1,230	L.F.	1,190	1,463,700
		Subtotal				396,129
		Section Total				1,606,991
Thoroughfare Section B	Roadway	Thoroughfare Pavement	8,851	S.Y.	183	1,617,515
		Subtotal				1,617,515
	Drainage	10" Curb Inlet	11	E.A.	7,425	81,675
		4'x4' Wye Inlet	2	E.A.	5,000	10,000
		18" RCP	187	L.F.	160	29,920
		21" RCP	14	L.F.	177	2,478
		36" RCP	367	L.F.	217	79,639
		54" RCP	869	L.F.	285	247,665
		8 - 10'x6' Box Culverts	120	L.F.	10,200	1,224,000
		Headwall for (8) 10'x6' Box Culverts	2	E.A.	149,061	298,121
		Subtotal				1,973,498
		Section Total				3,591,014
Additional Infrastructure Costs	Roadway	Street Light Conduit	3,530	L.F.	57	201,603
		Street Light Pullboxes	2	E.A.	2,500	5,000
	Drainage	2 x 6'x5' RCB (upsizing)	800	L.F.	1,190	952,000
		Subtotal				95,200
		Section Total				\$ 301,803

OFFSITE COSTS

4% Inspection Fees	4%	230,630
ENGINEERING & STAKING	6%	345,946
CONTINGENCY	5%	288,288

DISTRICT FORMATION COSTS

TOTAL MASTER PUBLIC INFRASTRUCTURE COSTS		6,630,623
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DEVELOPER MASTER INFRASTRUCTURE IMPROVEMENT COSTS

Project: Haggard Farm
Location: Plano, Texas

SECTION	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST	PID Funded
OFFSITE SCOPE						
Thoroughfare Section A-1	Roadway	5' Sidewalk	990	S.Y.	93	92,070
		Thoroughfare Pavement	7,369	S.Y.	183	1,346,650
		Street Trees	65	E.A.	2,300	149,500
		Irrigation, Shrubs & Sod	3,455	S.Y.	58	200,390
		Subtotal				1,788,610
	Drainage	10" Curb Inlet	5	E.A.	7,425	37,125
		4'x4' Wye Inlet	1	E.A.	5,000	5,000
		2'x2' Wye Inlet	2	E.A.	4,800	9,600
		18" RCP	375	L.F.	160	60,000
		21" RCP	72	L.F.	177	12,744
		24" RCP	37	L.F.	190	7,030
		Subtotal				131,499
		Section Total				1,920,109
Thoroughfare Section A-2	Roadway	RRFB Pedestrian Crossing	4	E.A.	7,139	28,556
		5' Sidewalk	1,196	S.Y.	93	111,228
		Irrigation, Shrubs & Sod	4,008	S.Y.	58	232,464
		Subtotal				372,248
	Drainage	72" RCP	1,230	L.F.	340	418,200
		2 - 6'x5' RCB (upsizing cost)	1,230	L.F.	1,190	1,463,700
		Subtotal				1,735,530
		Section Total				2,107,778
Thoroughfare Section B	Roadway	Street Trees	25	E.A.	2,300	57,500
		Irrigation, Shrubs & Sod	7,809	S.Y.	58	452,922
		Subtotal				510,422
		Section Total				510,422
Additional Infrastructure Costs	Roadway	Street Lights (1 per 180 LF)	22	E.A.	6,282	138,209
		10' Linear Park Pedestrian Trails	1,709	S.Y.	86	146,974
		12' Linear Park Pedestrian Trails	10,253	S.Y.	86	881,758
		Traffic Signal	1	SET	429,488	429,488
		Subtotal				1,596,429
	Sanitary Sewer	Sanitary Sewer Manhole	14	E.A.	18,500	259,000
		8" Sanitary Sewer Main	103	L.F.	140	14,420
		10" Sanitary Sewer Main	775	L.F.	200	155,000
		18" Sanitary Sewer Main	3,774	L.F.	320	1,207,680
		Subtotal				1,636,100
	Water	Fire Hydrant	12	E.A.	5,800	69,600
		6" Water Main	332	L.F.	170	56,440
		8" Water Main	418	L.F.	190	79,420
		12" Water Main	5,379	L.F.	250	1,344,750
		Subtotal				1,550,210
	Drainage	5'x5' Wye Inlet	3	E.A.	5,800	17,400
		20'x17' Junction Box	1	E.A.	51,400	51,400
		36" RCP	190	L.F.	217	41,230
		54" RCP	596	L.F.	285	169,860
		72" RCP	800	L.F.	340	272,000
		2 x 6'x5' RCB (upsizing)	800	L.F.	1,190	952,000
		Subtotal				1,408,890
	Pedestrian Bridge at Creek Crossing	Pedestrian Bridge	1	L.S.	750,000	750,000
		Subtotal				750,000
		Section Total				\$ 6,941,429

OFFSITE COSTS

4% Inspection Fees	4%	459,190
ENGINEERING & STAKING	6%	688,784
CONTINGENCY	5%	573,987
DISTRICT FORMATION COSTS		800,000

TOTAL MASTER PUBLIC INFRASTRUCTURE COSTS		14,001,699
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OPINION OF PROBABLE CONSTRUCTION COSTS

Project: Haggard Farm
Location: Plano, Texas

SECTION	DESCRIPTION		QUANTITY	UNIT	COST / UNIT	TOTAL COST	Public Improvements		Private Improvements		
Phase 1A ONSITE SCOPE											
Phase 1	Roadway	Pavement	9,226	S.Y.	218	2,011,268	0%	-	100%	2,011,268	
		Trail - Parkwood	305	S.Y.	93	28,324	0%	-	100%	28,324	
		Subtotal				2,039,592		-		2,039,592	
	Sanitary Sewer	8" Sanitary Sewer Private Line	290	L.F.	260	75,400	0%	-	100%	75,400	
		10" Sanitary Sewer Main	352	L.F.	310	109,120	100%	109,120	0%	-	
		10" Sanitary Sewer Private Line	214	L.F.	310	66,340	0%	-	100%	66,340	
		Sanitary Sewer Manholes	2	E.A.	18,500	37,000	100%	37,000	0%	-	
		Subtotal				287,860		146,120		141,740	
	Water	8" Water Main	1,980	L.F.	260	514,800	100%	514,800	0%	-	
		8" Water Private Lines	75	L.F.	260	19,500	0%	-	100%	19,500	
		6" Water Main	97	L.F.	260	25,220	100%	25,220	0%	-	
		Fire Hydrants	5	E.A.	5,800	29,000	100%	29,000	0%	-	
		Subtotal				588,520		569,020		19,500	
	Drainage	12" RCP Private Storm Pipe	210	L.F.	155	32,550	0%	-	100%	32,550	
		18" RCP Storm Pipe	180	L.F.	165	29,700	100%	29,700	0%	-	
		18" RCP Private Storm Pipe	310	L.F.	165	51,150	0%	-	100%	51,150	
		24" RCP Storm Pipe	575	L.F.	195	112,125	100%	112,125	0%	-	
		24" RCP Private Storm Pipe	140	L.F.	195	27,300	0%	-	100%	27,300	
		30" RCP Private Storm Pipe	83	L.F.	225	18,675	0%	-	100%	18,675	
		36" RCP Storm Pipe	100	L.F.	255	25,500	100%	25,500	0%	-	
		42" RCP Private Storm Pipe	40	L.F.	275	11,000	0%	-	100%	11,000	
		48" RCP Storm Pipe	1,177	L.F.	295	347,215	100%	347,215	0%	-	
		Grate Inlets	12	E.A.	5,700	68,400	100%	68,400	0%	-	
		5x5 Wye Inlet	3	E.A.	5,800	17,400	0%	-	100%	17,400	
		10' Curb Inlet	2	E.A.	7,425	14,850	100%	14,850	0%	-	
		Sloped End Headwall	1	E.A.	35,600	35,600	100%	35,600	0%	-	
		Private Sloped End Headwall	1	E.A.	35,600	35,600	0%	-	100%	35,600	
		Subtotal				827,065		633,390		193,675	
		Section Total						\$ 3,743,037	\$ 1,348,530		\$ 2,394,507
		ONSITE COSTS						\$ 3,743,037	\$ 1,348,530		\$ 2,394,507
Engineering / Design Services						6.0% \$ 224,582	\$ 80,912		\$ 143,670		
CM Fee						4.0% \$ 149,721	\$ 53,941		\$ 95,780		
GRAND TOTAL ONSITE COSTS						\$ 4,117,340	\$ 1,483,383		\$ 2,633,957		

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DEVELOPER PHASE 1A IMPROVEMENT COSTS

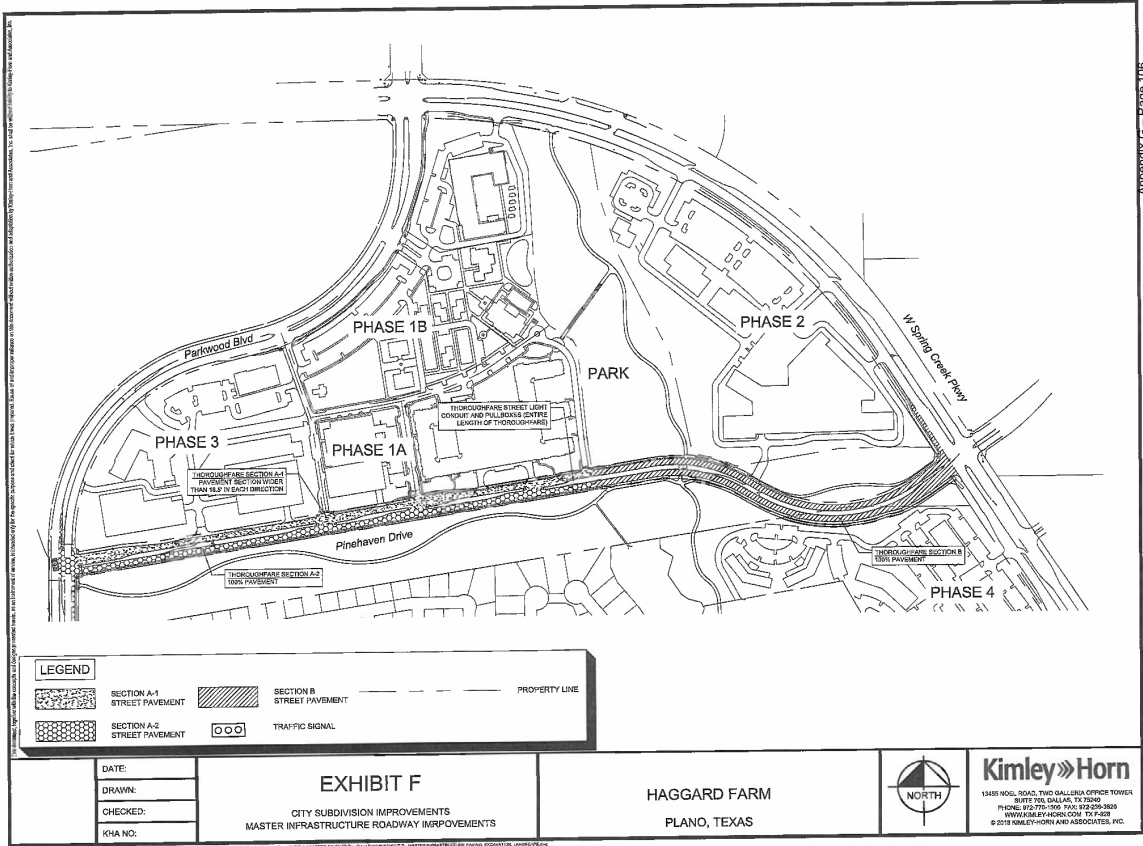
Project: Haggard Farm
Location: Plano, Texas

SECTION	DESCRIPTION		QUANTITY	UNIT	COST / UNIT	TOTAL COST	Public Improvements	
Phase 1A ONSITE SCOPE							PID Funded	
Phase 1	Sanitary Sewer	10" Sanitary Sewer Main	352	L.F.	310	109,120	100%	109,120
		Sanitary Sewer Manholes	2	E.A.	18,500	37,000	100%	37,000
	Subtotal					146,120		
	Water	8" Water Main	1,980	L.F.	260	514,800	100%	514,800
		6" Water Main	97	L.F.	260	25,220	100%	25,220
		Fire Hydrants	5	E.A.	5,800	29,000	100%	29,000
	Subtotal					569,020		
	Drainage	18" RCP Storm Pipe	180	L.F.	165	29,700	100%	29,700
		24" RCP Storm Pipe	575	L.F.	195	112,125	100%	112,125
		36" RCP Storm Pipe	100	L.F.	255	25,500	100%	25,500
		48" RCP Storm Pipe	1,177	L.F.	295	347,215	100%	347,215
		Grate Inlets	12	E.A.	5,700	68,400	100%	68,400
		10" Curb Inlet	2	E.A.	7,425	14,850	100%	14,850
		Sloped End Headwall	1	E.A.	35,600	35,600	100%	35,600
	Subtotal					633,390		
Section Total							\$ 1,348,530	
ONSITE COSTS							\$ 1,348,530	
Engineering / Design Services						6.0%	\$ 80,912	
CM Fee						4.0%	\$ 53,941	
GRAND TOTAL ONSITE COSTS							\$ 1,483,383	

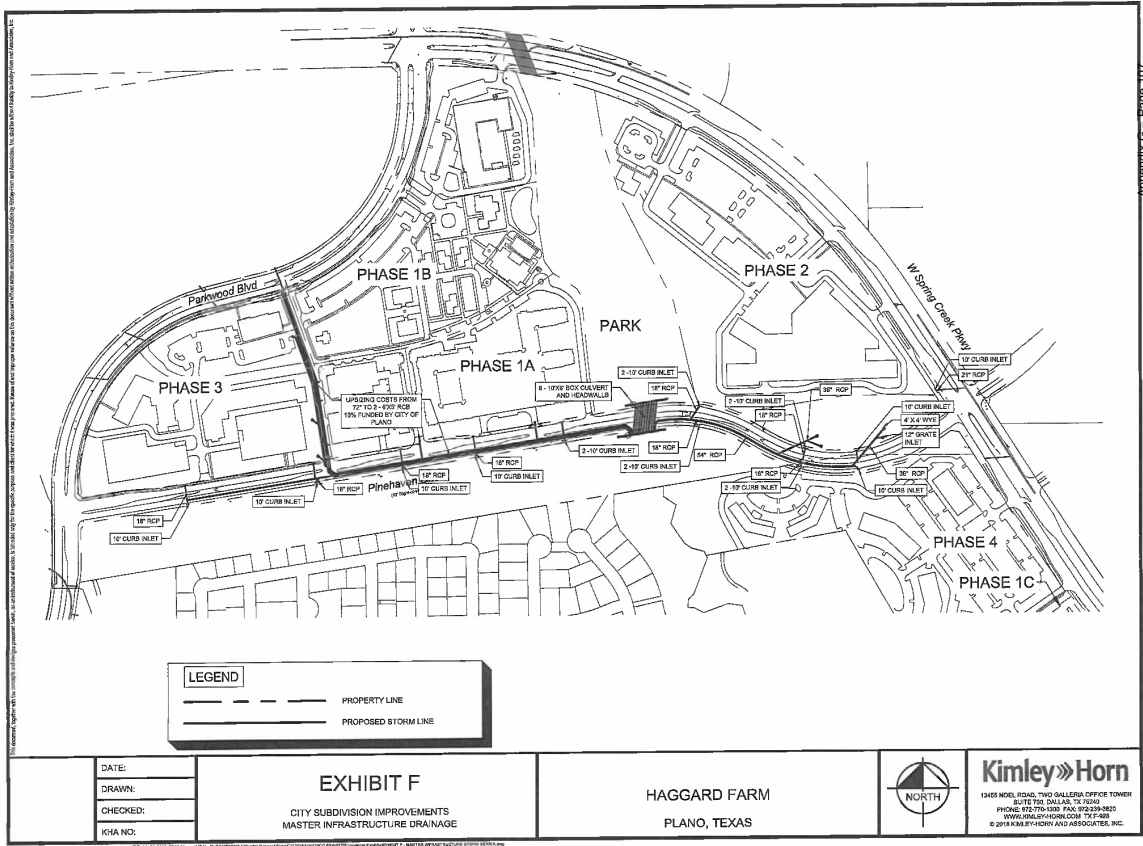
EXHIBIT F

CITY SUBDIVISION IMPROVEMENTS

[Attached]



Appendix G - Page 106



Appendix G - Page 107

EXHIBIT G

CITY SUBDIVISION IMPROVEMENT COSTS

CITY SUBDIVISION IMPROVEMENT COSTS

Project: Haggard Farm

Location: Plano, Texas

SECTION	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST	City of Plano Funded
OFFSITE SCOPE						
Thoroughfare Section A-1	Roadway	Thoroughfare Pavement past 18.5' in width	1,455	S.Y.	183	265,951
		Subtotal				265,951
		Section Total				265,951
Thoroughfare Section A-2	Roadway	Thoroughfare Pavement	6,626	S.Y.	183	1,210,862
		Subtotal				1,210,862
	Drainage	10' Curb Inlet	5	E.A.	7,425	37,125
		18" RCP	66	L.F.	160	10,560
		36" RCP	897	L.F.	217	194,649
		2 - 6'x5' RCB (upsizing cost)	1,230	L.F.	1,280	1,574,400
		Subtotal				399,774
		Section Total				1,610,636
Thoroughfare Section B	Roadway	Thoroughfare Pavement	8,851	S.Y.	183	1,617,515
		Subtotal				1,617,515
	Drainage	10' Curb Inlet	8	E.A.	7,424	59,396
		4'x4' Wye Inlet	2	E.A.	7,424	14,849
		12" Grate Inlet	2	E.A.	5,140	10,280
		12" RCP	75	L.F.	147	11,025
		18" RCP	187	L.F.	160	29,920
		21" RCP	14	L.F.	177	2,478
		36" RCP	367	L.F.	217	79,639
		54" RCP	669	L.F.	285	247,665
		8 - 10'x6' Box Culverts	120	L.F.	10,200	1,224,000
		Headwall for (8) 10'x6' Box Culverts	2	E.A.	149,061	298,121
		Subtotal				1,977,373
		Section Total				3,594,889
Additional Infrastructure Costs	Roadway	Street Light Conduit	3,530	L.F.	57	201,603
		Street Light Pullboxes	2	E.A.	2,500	5,000
	Drainage	2 x 6'x5' RCB (upsizing)	800	L.F.	1,190	952,000
		Subtotal				95,200
		Section Total				\$ 301,803

OFFSITE COSTS

\$ 5,773,279

4% Inspection Fees	4%	230,931
ENGINEERING & STAKING	6%	346,397
CONTINGENCY	5%	288,664
DISTRICT FORMATION COSTS		

TOTAL MASTER PUBLIC INFRASTRUCTURE COSTS **6,639,271**

EXHIBIT H

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for SW Haggard Master Developer, LLC, a Texas limited liability company (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Developer Project Improvements and City Subdivision Improvements Account of the Project Fund] from [Trustee] (the "Trustee") in the amount of _____ DOLLARS (\$ _____) for costs incurred in the establishment, administration, and operation of the Haggard Farm Public Improvement District (the "District"), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture between the City of Plano, Texas and the Trustee, dated as of _____ (the "Indenture").

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

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

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

Payments requested hereunder shall be made as directed below:

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

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

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC

By: _____
Name: Aaron Sherman
Title: Manager

APPROVAL OF REQUEST

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and authorizes and directs payment of such amounts by Trustee from the accounts listed below to the Developer or other person designated by the Developer. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Development Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in an Authorized Improvement (as defined in the Indenture).

Closing Costs	Amount to be Paid by Trustee from Costs of Issuance Account	Amount to be paid by Trustee from Developer Project Improvements and City Subdivision Improvements Account
\$ _____	\$ _____	\$ _____

CITY OF PLANO, TEXAS

By: _____

Name: _____

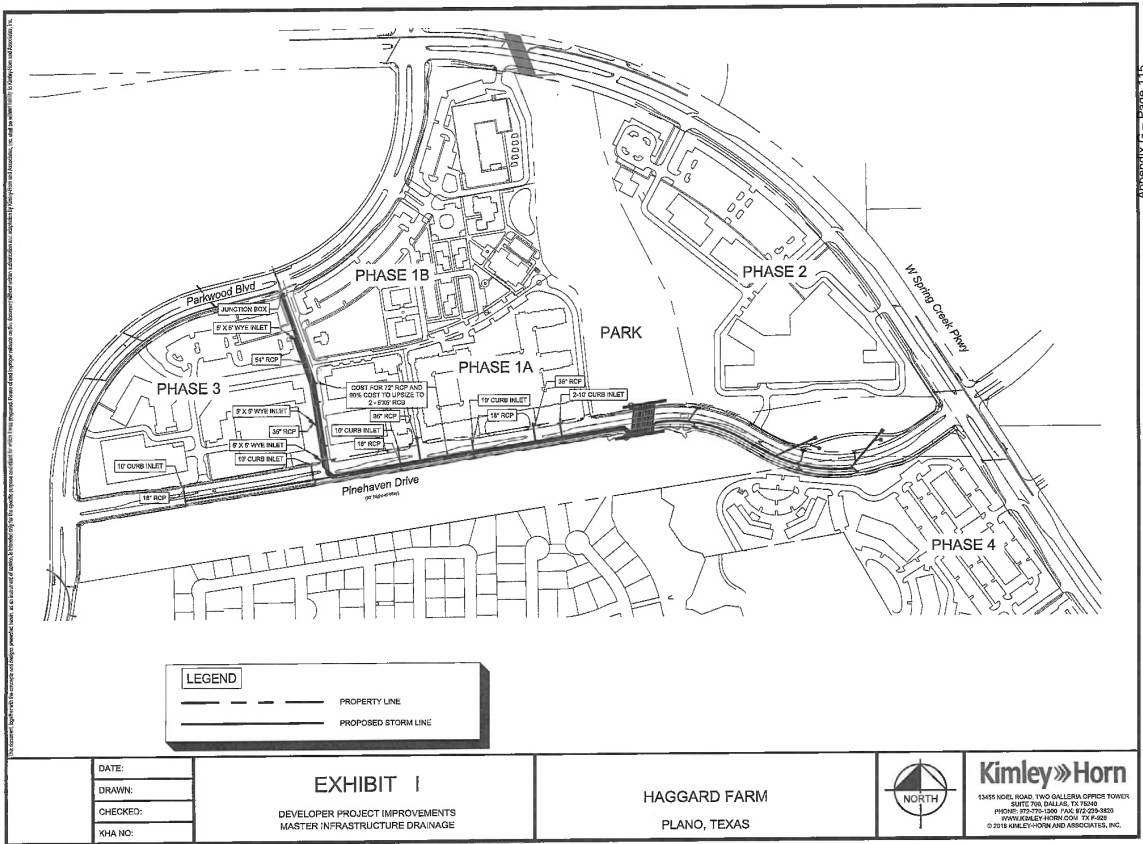
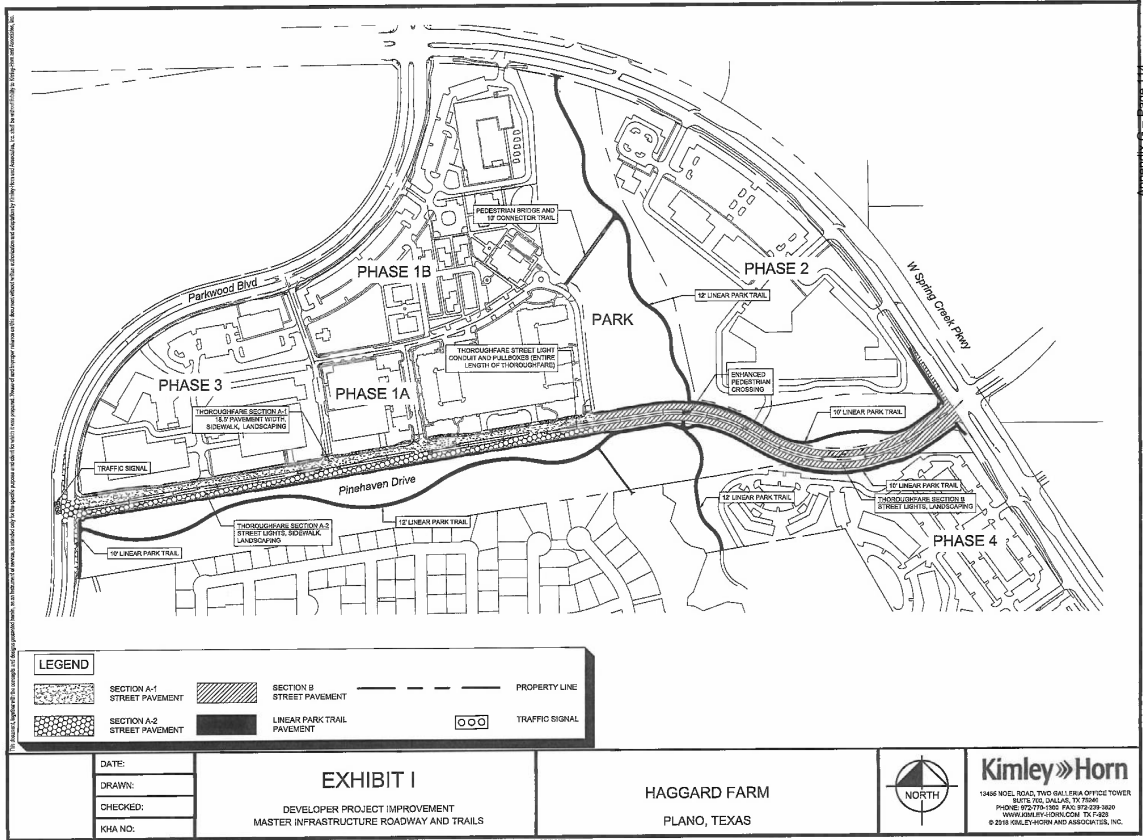
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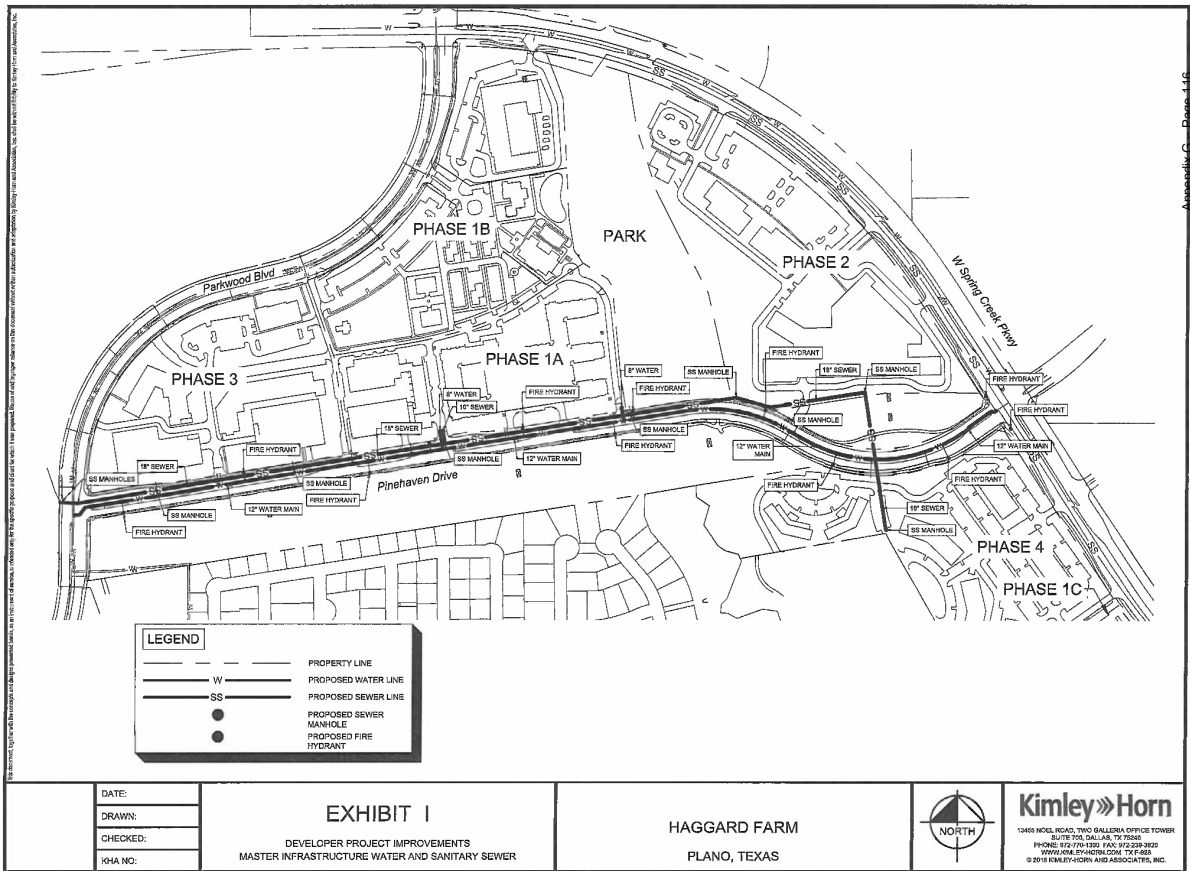
Date: _____

EXHIBIT I

DEVELOPER PROJECT IMPROVEMENTS

[Attached]





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EXHIBIT J

DEVELOPER PROJECT IMPROVEMENT COSTS

[Attached]

DEVELOPER PHASE 1A IMPROVEMENT COSTS

Project: Haggard Farm

Location: Plano, Texas

SECTION	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST	Public Improvements		
Phase 1A ONSITE SCOPE								
Phase 1	Sanitary Sewer	8" Sanitary Sewer Main	147	L.F.	260	38,220	100%	38,220
		10" Sanitary Sewer Main	366	L.F.	310	113,460	100%	113,460
		Sanitary Sewer Manholes (every 500 LF)	3	E.A.	14,229	42,687	100%	42,687
	Subtotal							194,367
	Water	8" Water Main	1,965	L.F.	260	510,900	100%	510,900
		6" Water Main	97	L.F.	330	32,010	100%	32,010
		Fire Hydrants (every 400 LF)	6	E.A.	5,929	35,573	100%	35,573
	Subtotal							578,483
	Drainage	18" RCP Storm Pipe	180	L.F.	165	29,700	100%	29,700
		24" RCP Storm Pipe	575	L.F.	195	112,125	100%	112,125
		36" RCP Storm Pipe	100	L.F.	255	25,500	100%	25,500
		48" RCP Storm Pipe	1,177	L.F.	295	347,215	100%	347,215
		Grate Inlets	12	E.A.	5,700	68,400	100%	68,400
		10' Curb Inlet	2	E.A.	8,893	17,786	100%	17,786
		Sloped End Headwall	1	E.A.	35,573	35,573	100%	35,573
	Subtotal							636,299
Section Total							\$ 1,409,149	
ONSITE COSTS						\$ 1,409,149		
Engineering / Design Services 6.0%						\$ 84,549		
CM Fee 4.0%						\$ 56,366		
Contingency 5.0%						\$ 70,457		
GRAND TOTAL ONSITE COSTS						\$ 1,620,522		

EXHIBIT K

LANDOWNER CONSENT

CONSENT AND AGREEMENT OF LANDOWNER

This Consent and Agreement of Landowner is issued by _____, a _____ (the "Landowner"), as the landowner who holds record title to the property described on **Exhibit A** attached hereto and located within the Haggard Farm Public Improvement District (the "PID") created by the City of Plano, Texas (the "City") pursuant to Resolution 2023-1-7(R) passed and approved by the City Council of the City on January 9, 2023. Capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the City's ordinance levying assessments on property within the PID, adopted on _____, including the Service and Assessment Plan and Assessment Rolls for the PID attached thereto (together, the "Assessment Ordinance").

Landowner hereby declares and confirms that it holds record title to the real property set forth on **Exhibit A** (the "Property"), which Property is a portion of the real property included within the PID and is subject to the assessments levied pursuant to the Assessment Ordinance. Further, Landowner hereby ratifies, declares, consents to, affirms, agrees to and confirms each of the following:

1. The creation and boundaries of the PID, the boundaries of each Assessed Property within the PID (the "Assessed Property"), and the Authorized Improvements for which the assessments are being made and which benefit the Assessed Property (the "Assessments"), as set forth in the Service and Assessment Plan for the District (the "SAP").
2. The determinations and findings by the City in the Assessment Ordinance and the SAP.
3. The Assessment Ordinance, the SAP and the Assessment Rolls for the District (the "Assessment Rolls").
4. The right, power and authority of the City Council to create the PID, adopt the Assessment Ordinance and the SAP and Assessment Rolls.
5. Each Assessment levied on each Assessed Property owned by the undersigned as shown in the SAP (including interest, Additional Interest, and Administrative Expenses as identified in the SAP and as updated from time to time as set forth in the SAP).
6. The Authorized Improvements specially benefit the Assessed Property owned by the undersigned in an amount in excess of the Assessment levied on each Assessed Property, as such Assessments are shown on the Assessment Rolls.

7. Each Assessment is final, conclusive and binding upon such Landowner, regardless of whether such Landowner may be required to pay Assessment under certain circumstances pursuant to the SAP.
8. The Landowner shall pay the Assessment levied on the Assessed Property owned by it when due and in the amount required by and stated in the SAP and the Assessment Ordinance.
9. Delinquent installments of the Assessments shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act.
10. The "Annual Installments" of the Assessments may be calculated and adjusted in accordance with the SAP, and Landowner shall be obligated to pay the Annual Installments against the Assessed Property owned by Landowner, when due, calculated as set forth in the SAP.
11. As of the date hereof, all notices required to be provided to it under the PID Act have been received and to the extent of any defect in such notice, Landowner hereby waives any notice requirements and consents to all actions taken by the City with respect to the creation of the PID and the levy of the Assessments. The Landowner further confirms it owned 100% of the Property that is Assessed Property within the PID on each of _____, 2023 and on _____, 2023.
12. That this Consent and Agreement of Landowner shall be filed in the records of the County Clerk of Collin County, with copies of the recorded documents delivered to the City promptly after receipt thereof by the recording party, as a lien and encumbrance against the Assessed Property.
13. There are no properties within the boundaries of the PID that are not identified in the SAP and the Assessment Rolls.
14. If any Authorized Improvement is on the Property, the Landowner hereby grants an easement to the City to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Authorized Improvement. This grant of such permanent easement herein does not relieve the Landowner of any obligation to grant the City title to property and/or easements related to the Authorized Improvement as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Authorized Improvement.

[Execution page follows]

IN WITNESS WHEREOF, the undersigned has caused this Consent and Agreement of Landowner to be executed as of _____.

LANDOWNER:

By: _____
Name:
Title:

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this ____ day of _____, 2023, by _____, the _____ of _____, on behalf of said _____.

Notary Public in and for the State of Texas

[SEAL]

EXHIBIT L

PAYMENT CERTIFICATE

CERTIFICATE FOR PAYMENT FORM – AUTHORIZED IMPROVEMENT

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust between the City of Plano, Texas (the “City”) and [Trustee] (the “Trustee”), dated as of _____ (the “Indenture”).

The undersigned is an agent for SW Haggard Master Developer, LLC, a Texas limited liability company (the “Developer”) and requests payment to the Developer (or to the person designated by the Developer) from the Developer Project Improvements and City Subdivision Improvements Account of the Project Fund held by the Trustee, in the amount of _____ (\$_____) for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Authorized Improvements providing a special benefit to property PAYMENT within the Haggard Farm Public Improvement District.

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certificate for Payment Form on behalf of the Developer and is knowledgeable as to the matters set forth herein.
2. The itemized payment requested for the below referenced Authorized Improvements has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The itemized amounts listed for the Authorized Improvements below is a true and accurate representation of the Actual Costs of the Authorized Improvements associated with the creation, acquisition, or construction of said Authorized Improvements and such costs (i) are in compliance with the Development Agreement, and (ii) are consistent with and within the cost identified for such Authorized Improvements as set forth in the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Development Agreement, the Indenture, and the Service and Assessment Plan.
5. All conditions set forth in the Indenture and the Development Agreement for the payment hereby requested have been satisfied.
6. The work with respect to Authorized Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Authorized Improvements (or its completed segment).

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

Payments requested are as follows:

Payee / Description of Authorized Improvements	Total Cost of Authorized Improvements	Budgeted Cost of Authorized Improvements	Amount requested to be paid from the Developer Project Improvements and City Subdivision Improvements Account	Total amount disbursed from the Developer Project Improvements and City Subdivision Improvements Account upon payment of sums under this Payment Certificate

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are **"bills paid" affidavits and supporting documentation** in the standard form for City construction projects.

Pursuant to the Development Agreement, after receiving this payment request, the City has inspected the Authorized Improvements (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

Payments requested hereunder shall be made as directed below:

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

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

DEVELOPER:

SW HAGGARD MASTER DEVELOPER, LLC

By: _____
Name: Aaron Sherman
Title: Manager

APPROVAL OF REQUEST

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

Amount of Payment Certificate Request	Amount to be Paid by Trustee from Developer Project Improvements and City Subdivision Improvements Account
\$ _____	\$ _____

CITY OF PLANO, TEXAS

By: _____
Name: _____
Title: _____

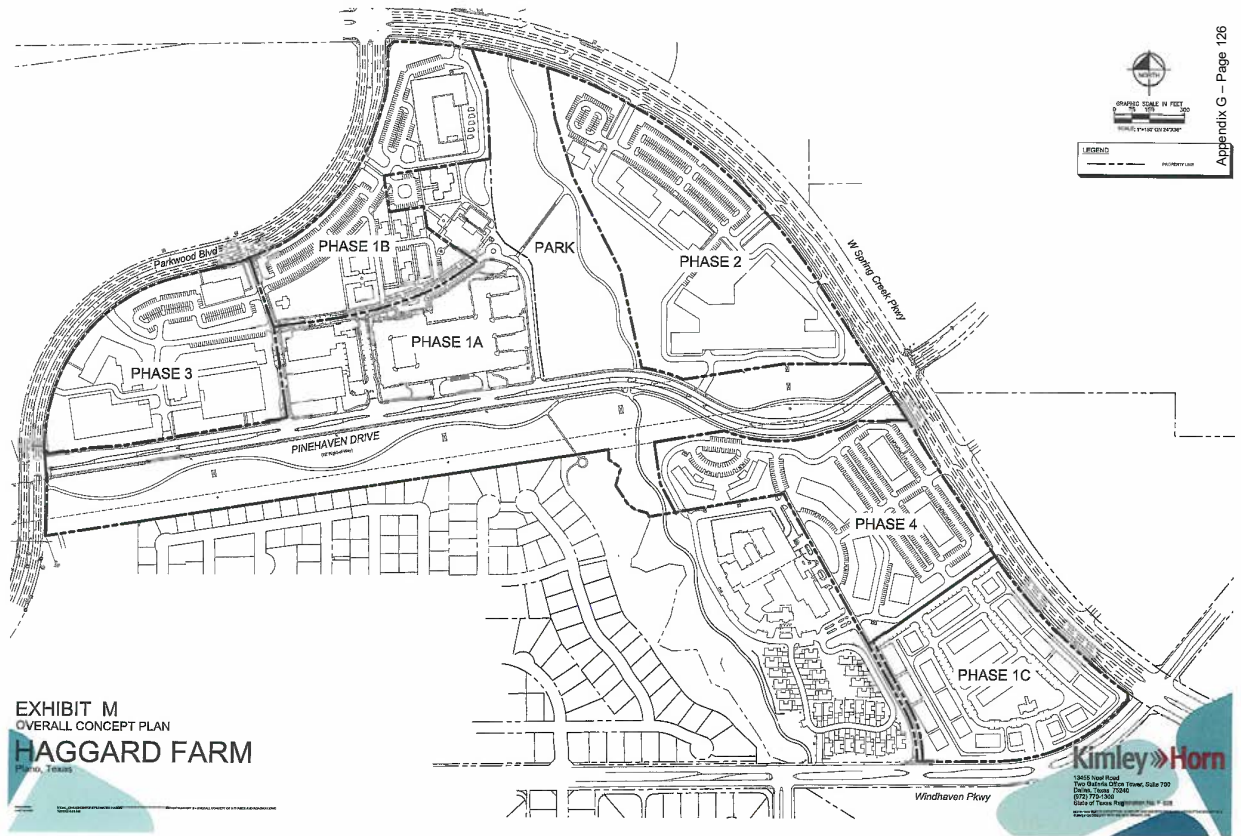
Date: _____

EXHIBIT M

PHASE I CONSTRUCTION

[Attached]

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EXHIBIT N

POLICIES OF INSURANCE

[Attached]

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Professional - General Insurance Requirements

Coverage	Requirement	Details	Importance
Auto	Limit per Accident or Combined Single Limit	1,000,000	Major
	Coverage to include "Owned, Non-Owned, and Hired" automobiles.		Major
	Self-Insured Retention Declared & Approved		Major
	Additional Insured - CA 2048		Major
	Additional Insured		Major
	Waiver of Subrogation		Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	AM Best Rating	A- (Excellent)	Major
	30 Day NOC		Major
	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
	Limit per Occurrence	1,000,000	Major
	Aggregate Limit	2,000,000	Major
General Liability	Personal & Advertising Injury Limit	1,000,000	Major
	Products & Completed Operations Limit	2,000,000	Major
	AM Best Rating	A- (Excellent)	Major
	30 Day NOC		Major
	Primary & Non-Contributory		Major
	Additional Insured		Major
	Waiver of Subrogation		Major
	Self-Insured Retention Declared & Approved		Major
	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	Limit per Claim & Annual Aggregate	5,000,000	Major
	Retro Date is Known for Claims Made Policies		Major
	Primary & Non-Contributory		Major
Professional Liability (Errors & Omissions coverage)	Project number and name/description must be included.		Major
	Applicable endorsements attached for waiver of subrogation and primary and non-contributory.		Major
	30 Day NOC		Major
	AM Best Rating	A- (Excellent)	Major
Workers Compensation	Employers Liability Limit	1,000,000	Major
	Limit Meets WC Statutory Minimum		Major
	Self-Insured Retention Declared & Approved		Major
	Waiver of Subrogation		Major
	Primary & Non-Contributory		Major

Coverage	Requirement	Details	Importance
	Project number and name/description must be included.		Major
	Applicable endorsements attached for waiver of subrogation and primary and non-contributory.		Major
	AM Best Rating	A- (Excellent)	Major
	30 Day NOC		Major

Construction Projects > 5M Insurance Requirements

Coverage	Requirement	Details	Importance
Auto	Limit per Accident or Combined Single Limit	1,000,000	Major
	Additional Insured - CA 2048		Major
	Coverage to include "Owned, Non-Owned, and Hired" automobiles.		Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	AM Best Rating	A (Excellent)	Major
	30 Day NOC		Major
	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
General Liability	Limit per Occurrence	1,000,000	Major
	Aggregate Limit	2,000,000	Major
	Personal & Advertising Injury Limit	1,000,000	Major
	Products & Completed Operations Limit	2,000,000	Major
	Additional Insured - CG 2010, 2033, 2037		Major
	Waiver of Subrogation		Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	AM Best Rating	A (Excellent)	Major
Pollution Liability	30 Day NOC		Major
	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
	Limit per Occurrence	2,000,000	Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	AM Best Rating	A (Excellent)	Major

Coverage	Requirement	Details	Importance
Umbrella	30 Day NOC		Major
	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
	Limit per Occurrence	10,000,000	Major
	Additional Insured		Major
	Waiver of Subrogation		Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for additional insured, waiver of subrogation, and primary and non-contributory.		Major
	AM Best Rating	A (Excellent)	Major
	30 Day NOC		Major
Workers Compensation	"The City, City Council & its members, City's agents, officers, directors & employees" shall be included as additional insured.		Major
	Employers Liability Limit	1,000,000	Major
	Limit Meets WC Statutory Minimum		Major
	Self-Insured Retention Declared & Approved		Major
	Waiver of Subrogation		Major
	Primary & Non-Contributory		Major
	Project number and name/description must be included.		Major
	Applicable endorsements attached for waiver of subrogation and primary and non-contributory.		Major
	AM Best Rating	A (Excellent)	Major
	30 Day NOC		Major
Builders Risk	Limit Meets Full Value of Construction		Major
	AM Best Rating	A (Excellent)	Major
	30 Day NOC		Major
	Waiver of Subrogation		Major
	City of Plano is listed as a Loss Payee		Major

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APPENDIX H

APPRAISAL

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Integra Realty Resources
Dallas

Appraisal of Real Property

Haggard Farms Public Improvement District (PID)

A Planned Mixed-Use Development
Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek
Parkway and Windhaven Parkway
Plano, Collin County, Texas 75024

Prepared For:
FMSbonds, Inc

Date of the Report:
August 24, 2023

Report Format:
Appraisal Report

IRR - Dallas
File Number: 191-2023-0312



Subject Photographs



Haggard Farms Public Improvement District (PID)

Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek
Parkway and Windhaven Parkway
Plano, Texas

Aerial Photograph



Integra Realty Resources
Dallas

1100 Mira Vista Boulevard
Suite 300
Plano, TX 75093

T 972.881.7191
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www.irr.com



August 24, 2023

Mr. R.R. "Tripp" Davenport, III
Director
FMSbonds, Inc
5 Cowboys Way, Suite 300-25
Frisco, TX 75034

SUBJECT: Market Value Appraisal
Haggard Farms Public Improvement District (PID)
Southeast corner of Spring Creek Parkway and Parkwood Boulevard;
Northwest corner of Spring Creek Parkway and Windhaven Parkway
Plano, Collin County, Texas 75024
IRR - Dallas File No. 191-2023-0312

Dear Mr. Davenport:

Integra Realty Resources – Dallas is pleased to submit the accompanying appraisal of the referenced property.

The client for the assignment is FMSbonds, Inc, and the intended use is for the underwriting of a proposed public improvement district bond transaction. This appraisal is not for purposes of determining the amount of any assessments to be levied by the City 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"; provided that it is acknowledged that this appraisal will be included in a limited memorandum for PID bonds.

The purpose of the appraisal is to develop an opinion of the prospective market value as completed of the fee simple interest in the property as of the effective date of the appraisal. The following opinions of value are provided:

- The market value as if complete of the fee simple interest in Tract 1, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 5 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 6 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 7 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 5 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 4, Parcel 1 as of the effective date of the appraisal, September 30, 2024

The subject represents 90.08 gross acres of saleable land located within the 128.932-acre Public Improvement District (PID) known as Haggard Farms, in Plano, Texas. Upon completion of proposed development, in September of 2024, the "District" will consist of 17 individual tracts planned for a variety of uses including townhome, multi-family, retail, event center, office, and assisted living. The overall development is zoned under the guidelines of PD-51 (Planned Development) which includes the R/O (Office/Retail) district. As requested, the subject has been valued "as complete" with an extraordinary assumption that all development entitlements are in place for the Project to proceed. The unit mix for the subject follows:

Haggard Farms Public Improvement District				
Tract/Parcel	Location	Acres	Projected	
			Completion Date	Intended Use
Tract 1/Parcel 1	N/S Pinehaven, W of Parkwood	8.1	September 30, 2024	350 Apartment Units
Tract 1/Parcel 2	N/S Pinehaven, W of Parkwood	3.4	September 30, 2024	98,000 SF Office
Tract 1/Parcel 3	E/S Parkwood, S of Spring Creek	11.5	September 30, 2024	46,600 SF Retail/16,450 SF Event
Tract 1/Parcel 4	SEC Spring Creek and Parkwood	5.0	September 30, 2024	122 Key Hotel
Tract 1/Parcel 5	N/S Pinehaven, W of Parkwood	4.7	September 30, 2024	164,000 SF Office
Tract 1/Parcel 6	NEC Parkwood and Pinehaven	5.0	September 30, 2024	144,000 SF Office
Tract 1/Parcel 7	S/S Parwood, N of Pinehaven	3.7	September 30, 2024	31,500 SF Office
Tract 2/Parcel 1	NWC Spring Creek and Pinehaven	8.7	September 30, 2024	350 Apartment Units
Tract 2/Parcel 2	SW/S Spring Creek, NW of Pinehaven	2.6	September 30, 2024	50,000 SF Office
Tract 2/Parcel 3	SW/S Spring Creek, NW of Pinehaven	3.0	September 30, 2024	50,000 SF Office
Tract 2/Parcel 4	SW/S Spring Creek, NW of Pinehaven	2.2	September 30, 2024	6,600 SF Retail
Tract 3/Parcel 1	SWC Spring Creek and Pinehaven	2.5	September 30, 2024	43,200 SF Office
Tract 3/Parcel 2	SW/S Spring Creek, SE of Pinehaven	3.2	September 30, 2024	43,200 SF Office
Tract 3/Parcel 3	W of Spring Creek, S of Pinehaven	3.2	September 30, 2024	120 Assisted Living Units
Tract 3/Parcel 4	W of Spring Creek, S of Pinehaven	2.8	September 30, 2024	107 Assisted Living Units
Tract 3/Parcel 5	SWQ Spring Creek and Pinehaven	4.1	September 30, 2024	200 Assisted Living Units
Tract 4/Parcel 1	NWC Spring Creek and Windhaven	13.0	September 30, 2024	100 Townhome Lots

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 opinions 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
Tract 1, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 1, Parcel 2	Fee Simple	September 30, 2024	\$4,150,000
Tract 1, Parcel 3	Fee Simple	September 30, 2024	\$16,280,000
Tract 1, Parcel 4	Fee Simple	September 30, 2024	\$7,620,000
Tract 1, Parcel 5	Fee Simple	September 30, 2024	\$5,730,000
Tract 1, Parcel 6	Fee Simple	September 30, 2024	\$7,190,000
Tract 1, Parcel 7	Fee Simple	September 30, 2024	\$4,510,000
Tract 2, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 2, Parcel 2	Fee Simple	September 30, 2024	\$3,170,000
Tract 2, Parcel 3	Fee Simple	September 30, 2024	\$3,660,000
Tract 2, Parcel 4	Fee Simple	September 30, 2024	\$2,680,000
Tract 3, Parcel 1	Fee Simple	September 30, 2024	\$3,190,000
Tract 3, Parcel 2	Fee Simple	September 30, 2024	\$3,900,000
Tract 3, Parcel 3	Fee Simple	September 30, 2024	\$3,620,000
Tract 3, Parcel 4	Fee Simple	September 30, 2024	\$3,170,000
Tract 3, Parcel 5	Fee Simple	September 30, 2024	\$5,660,000
Tract 4, Parcel 1	Fee Simple	September 30, 2024	\$11,000,000

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, and other pertinent data that was provided by Kimley-Horn, Stillwater Capital, Haggard Enterprises Limited and the Collin Central Appraisal District is assumed to be correct.
2. The values presented within this report are prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
3. Our opinions of prospective market value at completion assume that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024, the effective appraisal date.
4. It is noted that large portions of the overall development are located in a flood hazard area. However, based on the exhibits provided, none of the individual tracts to be valued herein appear to be affected by the flood zone. This is assumed to be correct.

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. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

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, financial strength of tenants, 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.


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



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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 Jimmy H. Jackson, MAI.

Executive Summary

Property Name	Haggard Farms Public Improvement District (PID)
Address/Location	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway Plano, Collin County, Texas 75024
Property Type	Land - Other
Owner of Record	Haggard Enterprises Limited
Tax ID	17914, 2138041, 2551083, 266178 and 2669180
School District	Plano ISD
Tract 1, Parcel 1	8.1 acres; 352,836 SF
Tract 1, Parcel 2	3.4 acres; 148,104 SF
Tract 1, Parcel 3	11.5 acres; 500,940 SF
Tract 1, Parcel 4	5.0 acres; 217,800 SF
Tract 1, Parcel 5	4.7 acres; 204,732 SF
Tract 1, Parcel 6	5.0 acres; 217,800 SF
Tract 1, Parcel 7	3.7 acres; 161,172 SF
Tract 2, Parcel 1	8.7 acres; 378,972 SF
Tract 2, Parcel 2	2.6 acres; 113,256 SF
Tract 2, Parcel 3	3.0 acres; 130,680 SF
Tract 2, Parcel 4	2.2 acres; 95,832 SF
Tract 3, Parcel 1	2.5 acres; 108,900 SF
Tract 3, Parcel 2	3.2 acres; 139,392 SF
Tract 3, Parcel 3	3.2 acres; 139,392 SF
Tract 3, Parcel 4	2.8 acres; 121,968 SF
Tract 3, Parcel 5	4.1 acres; 178,596 SF
Tract 4, Parcel 1	13.0 acres; 566,280 SF
Zoning Designation	PD-51 (Planned Development), R/O-2 (Office/Retail/MF)
Highest and Best Use	Mixed-use (retail/multi-family/office)
Exposure Time; Marketing Period	9-12 months; 9-12 months
Effective Date of the Appraisal	September 30, 2024
Date of the Report	August 24, 2023
Property Interest Appraised	Fee Simple

Value Conclusions			
Parcel Name	Interest Appraised	Date of Value	Value Conclusion
Tract 1, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 1, Parcel 2	Fee Simple	September 30, 2024	\$4,150,000
Tract 1, Parcel 3	Fee Simple	September 30, 2024	\$16,280,000
Tract 1, Parcel 4	Fee Simple	September 30, 2024	\$7,620,000
Tract 1, Parcel 5	Fee Simple	September 30, 2024	\$5,730,000
Tract 1, Parcel 6	Fee Simple	September 30, 2024	\$7,190,000
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Tract 2, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 2, Parcel 2	Fee Simple	September 30, 2024	\$3,170,000
Tract 2, Parcel 3	Fee Simple	September 30, 2024	\$3,660,000
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Tract 3, Parcel 3	Fee Simple	September 30, 2024	\$3,620,000
Tract 3, Parcel 4	Fee Simple	September 30, 2024	\$3,170,000
Tract 3, Parcel 5	Fee Simple	September 30, 2024	\$5,660,000
Tract 4, Parcel 1	Fee Simple	September 30, 2024	\$11,000,000

*It should be clearly understood that the summation of values does not represent our opinion of the market discounted/bulk value, as if the tracts are all sold in bulk in a single transaction.

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 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, and other pertinent data that was provided by Kimley-Horn, Stillwater Capital, Haggard Enterprises Limited and the Collin Central Appraisal District is assumed to be correct.
2. The values presented within this report are prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
3. Our opinions of prospective market value at completion assume that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024, the effective appraisal date.
4. It is noted that large portions of the overall development are located in a flood hazard area. However, based on the exhibits provided, none of the individual tracts to be valued herein appear to be affected by the flood zone. This is assumed to be correct.

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. None

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 land in market area
- The property is located in a fast-growing area
- Easy access to major thoroughfares
- The property is located within a Public Improvement District
- Increasing population base

Weaknesses

- Potential competition from other developments

Opportunities

- Development possibilities
- Continued demand for commercial and multi-family properties

Threats

- The Federal Reserve Chairman and several board members have indicated that further increases in interest rate targets is likely to be voted in upcoming quarterly meetings of the board. This may cause an upward pressure on lending rates and capitalization rates for properties similar to the subject.
- Possible economic downturn
- Inflation

Identification of the Appraisal Problem

Subject Description

The subject represents 90.08 gross acres of saleable land located within the 128.932-acre Public Improvement District (PID) known as Haggard Farms, in Plano, Texas. Upon completion of proposed development, in September of 2024, the "District" will consist of 17 individual tracts planned for a variety of uses including townhome, multi-family, retail, event center, office, and assisted living. The overall development is zoned under the guidelines of PD-51 (Planned Development) which includes the R/O (Office/Retail) district. As requested, the subject has been valued "as complete" with an extraordinary assumption that all development entitlements are in place for the Project to proceed.

A legal description of the property is provided in the addenda.

Property Identification	
Property Name	Haggard Farms Public Improvement District (PID)
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway Plano, Texas 75024
Tax ID	17914, 2138041, 2551083, 266178 and 2669180
Owner of Record	Haggard Enterprises Limited

Sale History

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date. However, the subject is part of

Appraisal Purpose

The purpose of the appraisal is to develop the following opinions of value:

- The market value as if complete of the fee simple interest in Tract 1, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 5 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 1, Parcel 6 as of the effective date of the appraisal, September 30, 2024

- The market value as if complete of the fee simple interest in Tract 1, Parcel 7 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 2, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 1 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 2 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 3 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 4 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 3, Parcel 5 as of the effective date of the appraisal, September 30, 2024
- The market value as if complete of the fee simple interest in Tract 4, Parcel 1 as of the effective date of the appraisal, September 30, 2024

The date of the report is August 24, 2023. The appraisal is valid only as of the stated effective date.

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.¹

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

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 lease to individual tenants.²

¹ 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

² Compiled and summarized from several industry sources

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.³

Client and Intended User(s)

The client and intended user is FMSbonds, Inc. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report; provided that it is acknowledged that this appraisal will be used in a limited offering memorandum for PID bonds.

Intended Use

The intended use of the appraisal is for the underwriting of a proposed public improvement district bond transaction. This appraisal is not for purposes of determining the amount of any assessments to be levied by the City 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 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

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 performed no 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.

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

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, seismic zone designation, 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	On-site	May 29, 2023
Jimmy H. Jackson, MAI	On-site	May 29, 2023

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:

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

In developing an opinion of value for the subject, only the sales comparison approach is used. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Economic Analysis

Collin County Area Analysis

Collin County is located in North Central Texas approximately 45 miles north of Dallas. It is 841 square miles in size and has a population density of 1,368 persons per square mile.

Population

Collin County has an estimated 2023 population of 1,151,010, which represents an average annual 2.6% increase over the 2020 census of 1,064,465. Collin County added an average of 28,848 residents per year over the 2020-2023 period, and its annual growth rate exceeded the Dallas MSA rate of 1.3%.

Looking forward, Collin County's population is projected to increase at a 1.7% annual rate from 2023-2028, equivalent to the addition of an average of 20,544 residents per year. Collin County's growth rate is expected to exceed that of the Dallas MSA, which is projected to be 1.0%.

	Population			Compound Ann. % Chng	
	2020 Census	2023 Estimate	2028 Projection	2020 - 2023	2023 - 2028
Collin County, TX	1,064,465	1,151,010	1,253,731	2.6%	1.7%
Dallas-Fort Worth-Arlington, TX	7,637,387	7,933,171	8,329,332	1.3%	1.0%
Texas	29,145,505	30,065,904	31,310,079	1.0%	0.8%
USA	331,449,281	334,500,069	341,662,969	0.3%	0.4%
Source: Claritas					

Employment

Total employment in Collin County was estimated at 501,467 jobs as of June 2022. Between year-end 2012 and 2022, employment rose by 181,342 jobs, equivalent to a 56.6% 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. Collin County's rate of employment growth over the last decade surpassed that of the Dallas MSA, which experienced an increase in employment of 26.0% or 791,091 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Collin County unemployment rate has been consistently lower than that of the Dallas MSA, with an average unemployment rate of 4.3% in comparison to a 4.7% rate for the Dallas MSA. A lower unemployment rate is a positive indicator.

Recent data shows that the Collin County unemployment rate is 3.6% in comparison to a 3.9% rate for the Dallas MSA, a positive sign that is consistent with the fact that Collin County has outperformed the Dallas MSA in the rate of job growth over the past two years.

Employment Trends

Year	Total Employment (Year End)		Unemployment Rate (Ann. Avg.)	
	Collin County	Dallas MSA	Collin County	Dallas MSA
2012	320,125	3,044,114	5.9%	6.5%
2013	336,727	3,127,712	5.6%	6.2%
2014	355,381	3,254,583	4.1%	5.1%
2015	375,692	3,360,668	3.3%	4.1%
2016	389,832	3,441,839	2.4%	3.9%
2017	409,754	3,526,930	2.5%	3.7%
2018	425,738	3,606,436	2.3%	3.6%
2019	443,718	3,719,023	3.1%	3.3%
2020	440,181	3,595,494	6.3%	7.1%
2021	483,497	3,829,259	6.5%	5.1%
2022*	501,467	3,835,205	0.2%	3.1%
Overall Change 2012-2022	181,342	791,091	26.0%	
Avg Unemp. Rate 2012-2022			4.3%	4.7%
Unemployment Rate - March 2023			3.6%	3.9%

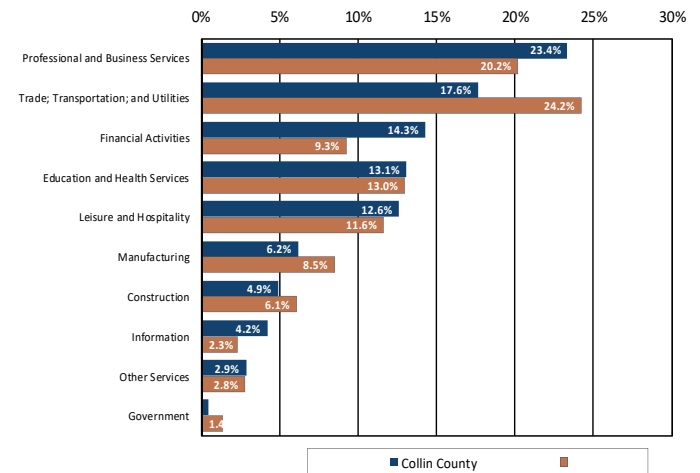
*Total employment data is as of June 2022; unemployment rate data reflects the average of 11 months of 2022.

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 Collin County job market is depicted in the following chart, along with that of the Dallas MSA. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Collin County jobs in each category.

Employment Sectors - 2022



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Collin County has greater concentrations than the Dallas MSA in the following employment sectors:

1. Professional and Business Services, representing 23.4% of Collin County payroll employment compared to 20.2% for the Dallas MSA as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
2. Financial Activities, representing 14.3% of Collin County payroll employment compared to 9.3% for the Dallas MSA as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
3. Education and Health Services, representing 13.1% of Collin County payroll employment compared to 13.0% for the Dallas MSA as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
4. Leisure and Hospitality, representing 12.6% of Collin County payroll employment compared to 11.6% for the Dallas MSA as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

Collin County is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 17.6% of Collin County payroll employment compared to 24.2% for the Dallas MSA as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Manufacturing, representing 6.2% of Collin County payroll employment compared to 8.5% for the Dallas MSA as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
3. Construction, representing 4.9% of Collin County payroll employment compared to 6.1% for the Dallas MSA as a whole. This sector includes construction of buildings, roads, and utility systems.
4. Government, representing 0.5% of Collin County payroll employment compared to 1.4% for the Dallas MSA as a whole. This sector includes employment in local, state, and federal government agencies.

Major Employers

Major employers in Collin County are shown in the following table.

Major Employers - Collin County, TX

	Name	Number of Employees
1	Texas Instruments	9,100
2	Bank of America Home Loans	8,000
3	Plano Independent School District	6,500
4	Frisco Independent School District	5,000
5	Capital One Finance	4,500
6	LifeCare	4,500
7	HP Enterprise Services	4,500
8	AT&T	4,300
9	Nortel	4,300
10	Toyota Motor Corp.	4,000

Source: collincountytx.gov

Major employers in the Dallas MSA are shown in the following table.

Major Employers - Dallas MSA

	Name	Number of Employees
1	American Airlines	24,700
2	Bank of America Corp.	20,000
3	Texas Health Resources Inc.	19,230
4	Dallas ISD	18,314
5	Baylor Health Care System	17,097
6	AT&T	15,800
7	Lockheed Martin Aeronautics Co.	14,126
8	JP Morgan Chase & Co.	13,500
9	UT-Southwestern Medical Center	13,122
10	City of Dallas	12,836

Source: destinationdfw.com

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 considerably higher in Collin County than the Dallas MSA overall during the past decade. Collin County has grown at a 6.1% average annual rate while the Dallas MSA has grown at a 3.5% rate. Collin County continues to perform better than the Dallas MSA. GDP for Collin County rose by 8.7% in 2021 while the Dallas MSA's GDP rose by 6.9%.

Collin County has a per capita GDP of \$64,303, which is 3% less than the Dallas MSA's GDP of \$66,238. This means that Collin County industries and employers are adding relatively less value to the economy than their counterparts in the Dallas MSA.

Gross Domestic Product				
Year	(\$,000s) Collin County	% Change	(\$,000s) Dallas MSA	% Change
2011	39,315,089		365,601,169	
2012	42,783,345	8.8%	377,846,407	3.3%
2013	45,111,721	5.4%	388,536,307	2.8%
2014	48,042,251	6.5%	402,787,824	3.7%
2015	52,123,618	8.5%	422,048,089	4.8%
2016	56,132,046	7.7%	435,497,728	3.2%
2017	58,708,486	4.6%	450,467,241	3.4%
2018	62,389,788	6.3%	469,741,026	4.3%
2019	63,751,719	2.2%	486,572,160	3.6%
2020	65,635,743	3.0%	480,618,181	-1.2%
2021	71,341,415	8.7%	513,979,216	6.9%
Compound % Chg (2011-2021)		6.1%		3.5%
GDP Per Capita 2021	\$64,303		\$66,238	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2022.

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

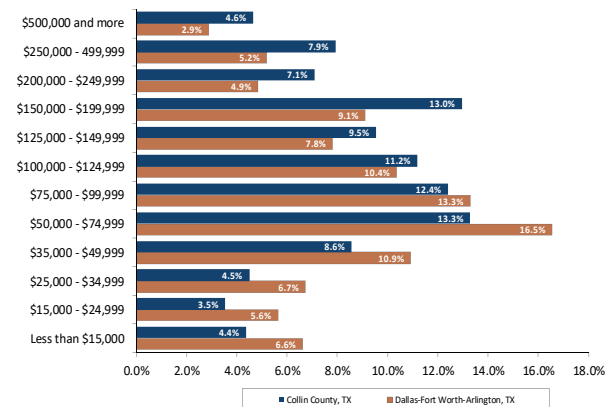
Collin County is more affluent than the Dallas MSA. Median household income for Collin County is \$107,126, which is 32.1% greater than the corresponding figure for the Dallas MSA.

Median Household Income - 2023

	Median
Collin County, TX	\$107,126
Dallas-Fort Worth-Arlington, TX	\$81,082
Comparison of Collin County, TX to Dallas-Fort Worth-Arlington,	+ 32.1%
Source: Claritas	

The following chart shows the distribution of households across twelve income levels. Collin County has a greater concentration of households in the higher income levels than the Dallas MSA. Specifically, 66% of Collin County households are at the \$75,000 or greater levels in household income as compared to 54% of Dallas MSA households. A lesser concentration of households is apparent in the lower income levels, as 12% of Collin County households are below the \$35,000 level in household income versus 19% of Dallas MSA households.

Household Income Distribution - 2023

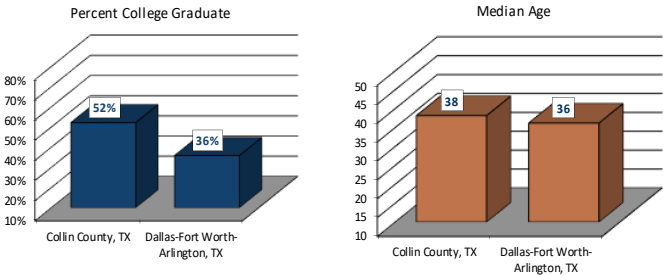


Source: Claritas

Education and Age

Residents of Collin County have a higher level of educational attainment than those of the Dallas MSA. An estimated 52% of Collin County residents are college graduates with four-year degrees, versus 36% of Dallas MSA residents. People in Collin County are older than their Dallas MSA counterparts. The median age for Collin County is 38 years, while the median age for the Dallas MSA is 36 years.

Education & Age - 2023

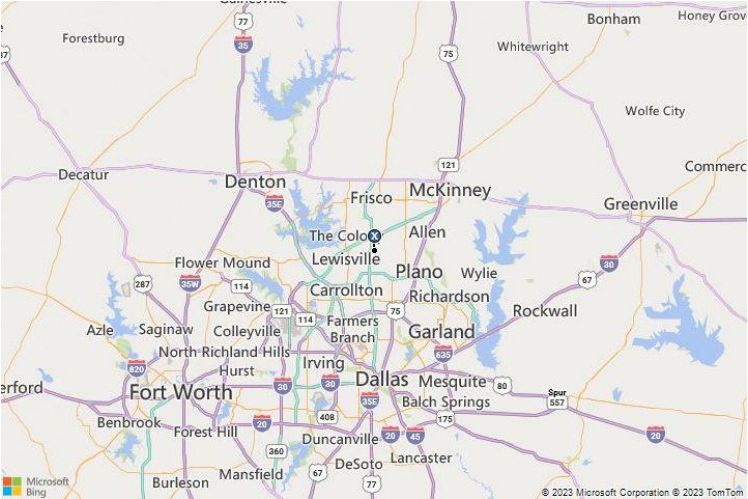


Source: Claritas

Conclusion

The Collin County economy will benefit from a growing population base and higher income and education levels. Collin County experienced growth in the number of jobs and has maintained a consistently lower unemployment rate than the Dallas MSA over the past decade. It is anticipated that the Collin 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 southwestern Collin County and within the city of Plano. This area is generally delineated as follows:

Boundaries & Delineation	
Boundaries	
Market Area	Dallas-Fort Worth, TX
Submarket	Plano
Area Type	Suburban
Delineation	
North	Sam Rayburn Tollway (SH-121)
South	President George Bush Turnpike
East	US-75 (N. Central Expressway)
West	IH-35

A map identifying the location of the property follows this section.

Access and Linkages

Access & Linkages	
Vehicular Access	
Major Highways	Dallas North Tollway, Sam Rayburn Tollway
Primary Corridors	Parkwood Boulevard, Spring Creek Parkway, W. Park Boulevard, Preston Road, Parker Road, Windhaven Parkway, Josey Lane
Public Transit	
Providers	Dallas Area Rapid Transit (DART)
Airport(s)	
Name	DFW International Airport
Distance	25 Miles
Driving Time	24 Minutes
Primary Transportation Mode	Automobile

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Collin County, TX	Dallas-Fort Worth-Arlington, TX
2023 Estimates					
Population 2020	27,098	303,350	929,276	1,064,465	7,637,387
Population 2023	29,332	322,197	982,646	1,151,010	7,933,171
Population 2028	32,127	344,416	1,047,440	1,253,731	8,329,332
Compound % Change 2020-2023	2.7%	2.0%	1.9%	2.6%	1.3%
Compound % Change 2023-2028	1.8%	1.3%	1.3%	1.7%	1.0%
Households					
Households 2020	13,137	133,349	370,085	381,318	2,760,991
Households 2023	14,173	141,575	391,340	411,423	2,867,378
Households 2028	15,497	151,485	417,538	447,516	3,013,369
Compound % Change 2020-2023	2.6%	2.0%	1.9%	2.6%	1.3%
Compound % Change 2023-2028	1.8%	1.4%	1.3%	1.7%	1.0%
Income					
Median Household Income 2023	\$95,998	\$93,293	\$97,794	\$107,126	\$81,082
Average Household Size	2.1	2.3	2.5	2.8	2.7
College Graduate %	68%	60%	55%	52%	36%
Median Age	39	39	38	38	36
Owner Occupied %	32%	43%	53%	65%	60%
Renter Occupied %	68%	57%	47%	35%	40%
Median Owner Occupied Housing Value	\$722,882	\$503,900	\$458,257	\$445,102	\$318,993
Median Year Structure Built	1999	1996	1995	2001	1990
Average Travel Time to Work in Minutes	27	28	28	32	31
Source: Claritas					

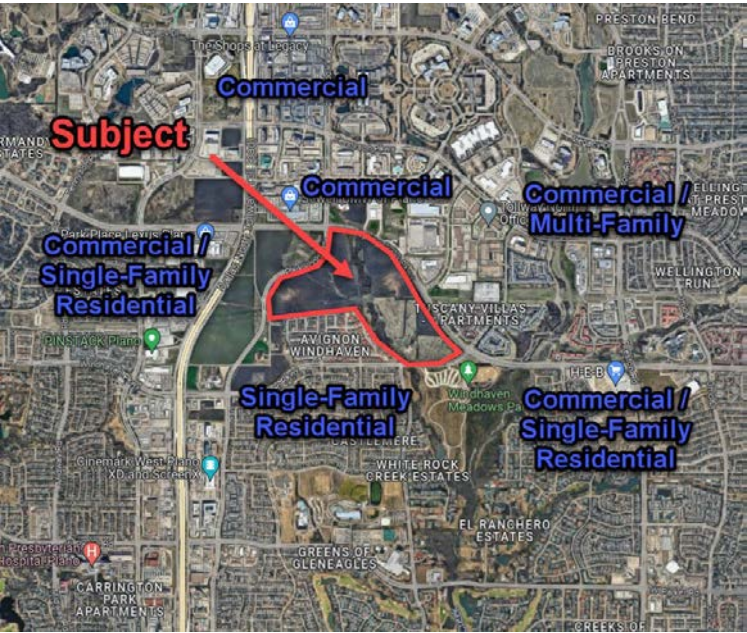
As shown above, the current population within a 10-minute drive time of the subject is 322,197, and the average household size is 2.3. Population in the area has grown since the 2020 census, and this trend is projected to continue over the next five years. Compared to Collin County overall, the population within a 10-minute drive time is projected to grow at a slower rate.

Median household income is \$93,293, which is lower than the household income for Collin County. Residents within a 10-minute drive time have a higher level of educational attainment than those of Collin County, while median owner-occupied home values are considerably higher.

Land Use

In the immediate vicinity of the subject, land use characteristics are summarized as follows:

Immediate Surroundings	
North	Commercial
South	Single-Family Residential
East	Commercial/Multi-family
West	Undeveloped Land



Development Activity and Trends

During the last five years, development has been predominantly of single-family and commercial uses. The pace of development has generally accelerated over this time. The city/neighborhood has several high-profile developments which are located in close proximity to the subject. The most important are discussed as follows:

Toyota Motor Co. North American Headquarters relocated from its former location in California to a 70-acre campus in West Plano in 2017. The move was the result of an economic deal that included a \$6.75 million dollar grant from the City of Plano and a \$40 million grant awarded by the Texas Enterprise Fund. As part of the agreement, Toyota Motor Company has transferred or created up to 4,000 jobs in the area. Toyota reportedly spent approximately \$1 billion on the new facility and moving thousands of employees. As a result, the move has attracted suppliers and other corporate companies.

The Villages of Willow Bend is a 2,000-acre, master-planned development located in West Plano. The boundaries of this development are Parker Road to the north, Plano Parkway to the south, Preston Road to the east, and Parkwood Boulevard/Dallas North Tollway to the west. The focal point of The Villages of Willow Bend is Gleneagles Country Club, which has two 18-hole championship golf courses, tennis courts, swimming facilities, and a 70,000-square foot clubhouse. The Villages of Willow Bend also offer amenities such as private lakes, greenbelts, nearby acclaimed schools, city owned parks, and hike-and-bike trails. Surveys reflect that The Villages of Willow Bend has more homes in excess of \$1,000,000 than any other Dallas area community north of IH-635.

The Shops at Willow Bend Mall, which opened in 2001, is located at the intersection of Dallas North Tollway and West Park Boulevard, Plano Texas. The mall was originally designed as a regional shopping center with over 1,500,000 square feet of retail space, this regional mall features a two-level parking deck with spaces for 6,358 cars. In 2015, it was announced the mall would undergo a \$126 million makeover and renovation with the former Saks Fifth Avenue building being repurposed with internal and external facing restaurants and entertainment venues. In April 2023, it was announced that the mall would undergo a second makeover, converting the northern half of the mall into an outdoor lifestyle center containing hotels and offices, while retaining the three department stores. Current anchors are Crate and Barrel (29,000 square feet), Crayola Experience (60,000 square feet), Neiman Marcus (153,300 square feet), Macy's (200,000 square feet), and Dillard's (249,200 square feet).

Texas Heath Plano, a member of Texas Health Resources, is a not-for-profit, faith-based health care facility located at West Parker Road and the North Dallas Tollway in Plano. Opened in 1991, the facility continues to grow as it strives to meet the demands of increasing populations in Plano and neighboring cities. Features of Texas Heath Plano include over 1,000 physicians in more than 67 specialties, and over 1,200 staff employees. The 58-acre campus has expanded to 366 beds with 1,500 parking spaces. The hospital specializes in emergency medicine and trauma, cardiology, neurosurgery and spine, advanced orthopedics, women's services, adult and adolescent behavioral health and includes an adult intensive care unit and state of the art and technologically advanced surgical services. Plus, they are a Level II Trauma Facility and the only health care facility in Collin County to have achieved both the Level IV NICU and Level IV Maternal facility designation and have a DNV-certified Comprehensive Stroke Program.

Baylor Scott and White Medical Center - Plano is a 160-bed acute care hospital committed to serving North Texas residents with personalized care and advanced technology on a beautiful campus. Services at the not-for-profit, fully accredited facility include oncology, digestive disease, weight loss surgery, scoliosis, gastroenterology, orthopedics, pulmonology, neurology, neurosurgery and interventional radiology. Baylor Scott and White Medical Center at Plano was the first hospital in North Dallas and Plano to offer minimally invasive robotic surgery through the FDA-approved da Vinci® Surgical System.

Children's Medical Center of Plano, a 72-bed, inpatient hospital dedicated to comprehensive, pediatric focused care for children from birth to 21 years. Located on Preston Road just south of Legacy, the center sits on a 155-acre site with "green space" preserved to provide an environment for patients and families. The hospital currently has 72 beds with an infrastructure for 240 beds, eight operating rooms, four procedure rooms, 24-7 emergency services and laboratory, pharmacy and imaging services. Completed in 2008, it has a family resource library where patients and families have access to print and digital consumer health information, children's literature and personalized research assistance. The hospital also offers nearly two dozen other outpatient services at the pavilion, including behavioral health, ENT (ear, nose, and throat), and cardiology. As a branch of the Children's Health system, it offers care to families across north Texas and beyond in more than 25 specialties. The medical staff includes specialists from UT Southwestern.

Arbor Hills Nature Preserve is a 200-acre park located at Midway Road and Parker Road in west Plano. The park is managed by the City of Plano and offers three (3) miles of natural hiking trails, a 2.8-mile off-road bike trail, and paved trails for walking or cycling. The park has excellent amenities with lots of parking, nice restrooms, three covered pavilions with picnic tables, and a playground.

Heritage Farmstead is a four-acre museum offering a glimpse of the way of life during the height of farm prosperity in the early 1900's. The beautiful Victorian home and 12 outbuildings was the hub of a 360-acre farm. The museum is open to the public and guided tours are available.

Dr. Pepper/Seven-Up Ballpark, located near the intersection of the Dallas North Tollway and the Sam Rayburn Tollway, is comprised of a \$28 million minor-league ballpark completed in 2003 by the City of Frisco, which is utilized by the Texas RoughRiders, a Double-A affiliate of the Texas Rangers and a \$20 million Dr. Pepper StarCenter, which is the Dallas Stars training-practice facility, as well as the Junior League hockey's "Texas Tornado" and the Kurt Thomas Gymnastics Center. The baseball stadium has 9,000 seats, as well as 27 suites. In addition, overlooking the ballpark's center field is a 350-room Embassy Suites hotel. The StarCenter has two NHL-size ice surfaces plus approximately 4,200 seats and also serves as host to state and junior hockey tournaments. The sports facilities anchor a \$300 million mixed-use project that includes office, retail, residential, and hotel space.

Stonebriar Centre is a 1,727,698 square-foot shopping center located at SH-121 and Preston Road in Frisco. The center includes several high-profile department stores including Nordstrom, Macy's, JCPenney, Dillard's, and Dick's Sporting Goods. Additionally, Stonebriar Centre features over 209 retail stores and restaurants. The center opened in 2000 and also features one-of-a-kind entertainment facilities including an NHL-sized ice arena, a Carousel, and the CoServ KidZone soft playground for kids.



Hyatt Regency Frisco located on Preston Road is an 18-story, 303-room hotel featuring a parking garage, conference center, and a city library. The hotel is attached to the Stonebriar Centre mall on the second floor and is located between Nordstrom and Dillard's. The project features a 54,585 square-foot conference center including a grand ballroom, junior ballroom, and additional breakout spaces, an 800-space parking garage, of which 200 spaces are available for game-day parking at the nearby Dr. Pepper ballpark, and a 3,000 square-foot Frisco Public Library available for use by hotel visitors and city residents which connects directly to the mall.

Legacy Business Park (located immediately south of Frisco across SH-121) is a 2,600-acre master-planned business, retail, and residential community located in northwest Plano along the Dallas North Tollway. It has over 12 million square feet of headquarters and regional office space providing employment for more than 30,000 workers. Employers include J.C. Penney Company, Alliance Data Systems Corporation, Beal Bank, Benchmark Bank, Bank of America, Boeing Global Services, Equinix, Inc., Ericsson, Frito-Lay, Hewlett-Packard Enterprise, Liberty Mutual Insurance Company, Murchison Oil & Gas, Inc. and Nike among several others.

Legacy West is a 240-acre project developed on the west side of the Dallas North Tollway at SH-121 (Sam Rayburn Tollway). This 300,000 square-foot retail and 240,000 square-foot office development was developed jointly by Karahan Cos., Columbus Realty, and KDC. This development is the headquarters for Toyota Motor Company, FedEx Office, and Liberty Mutual Insurance. Featured in this project is the Renaissance Hotel and a \$300-million urban village containing 621 apartment homes, a shopping center, and office space. A 30-story condominium tower, known as Windrose at Legacy West, is located across from the urban village.

Stonebriar Country Club is a private country club located on the west side of Legacy Drive, north of SH-121 in Frisco, which opened in July of 1988. This premier club offers two 18-hole golf courses designed by Tom Fazio. The club offers over 65,000 square feet of dining rooms, meeting areas, and lounges, as well as a 3,000 square-foot ballroom. In addition, the club offers eight lighted, hard tennis courts, a Junior Olympic pool, and a baby pool.

The Shops at Legacy, developed in 1999, represents 400,000 square-feet of dining and retail and includes Legacy Business Park and Legacy Town Center. Tenants include Elaine Turner, Angelika Film Center and Cafe, Kendra Scott, Jasper's, Benihana, The Capital Grille, Del Frisco's Grille, and Bob's Steak & Chop House.

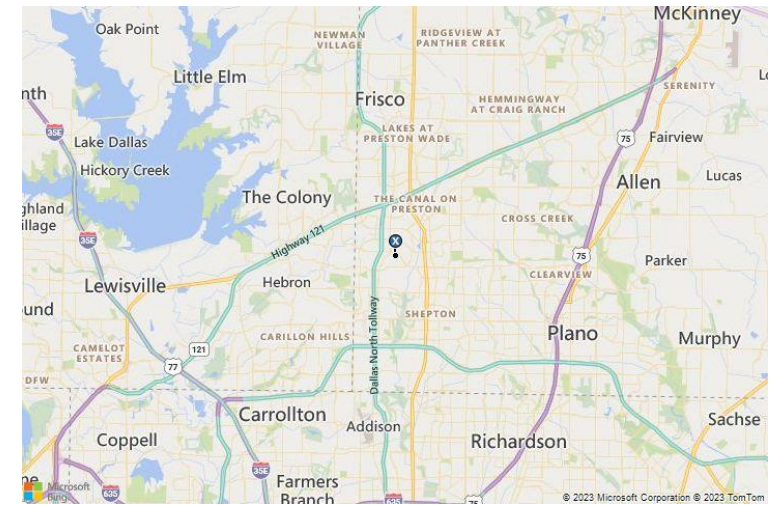
Granite Park and the Boardwalk at Granite Park – This Class A office park (Granite Park) is located at the southeast quadrant of Dallas North Tollway and Sam Rayburn Tollway just north of the Legacy Business Park. The office park currently has almost 1.5 million square feet of existing office space within five buildings, plus over 400,000 proposed for building Six and 30,000 square feet of existing retail space. Major employers include BOKF, Car Max, Coca Cola, DA Davidson, Edward Jones, Fannie Mae, Ford Motor Company, Hilltop Securities, Lowe's Home Center, Northwestern Mutual, Samco Capital Markets, Siemens Corporation, and Texas Capital Bank. In addition, Hilton Plano Granite Park is a full service 292-room hotel with 35,000 square feet of conference room space, retail shops, fitness center, outdoor pool, and lounge. The Boardwalk offers seven dining options with waterfront views.



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

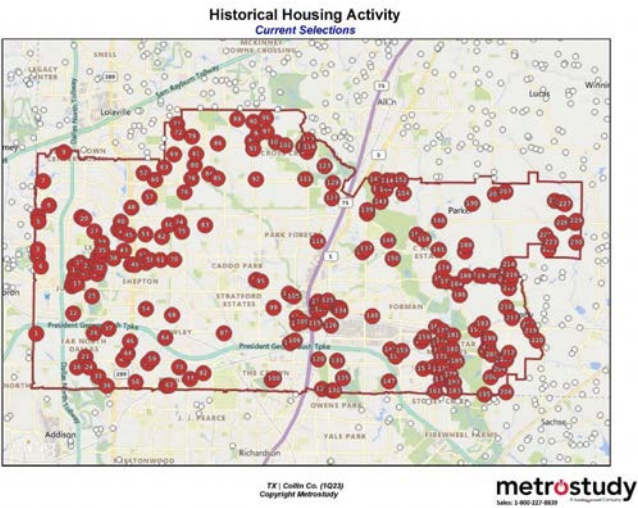


Residential Analysis

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 a portion of the subject, the primary potential use is considered to be single-family residential development. As shown earlier, Tract 4, Parcel 1 is proposed to be developed with single-family townhome 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 area to the south and west of the subject is residential in nature.

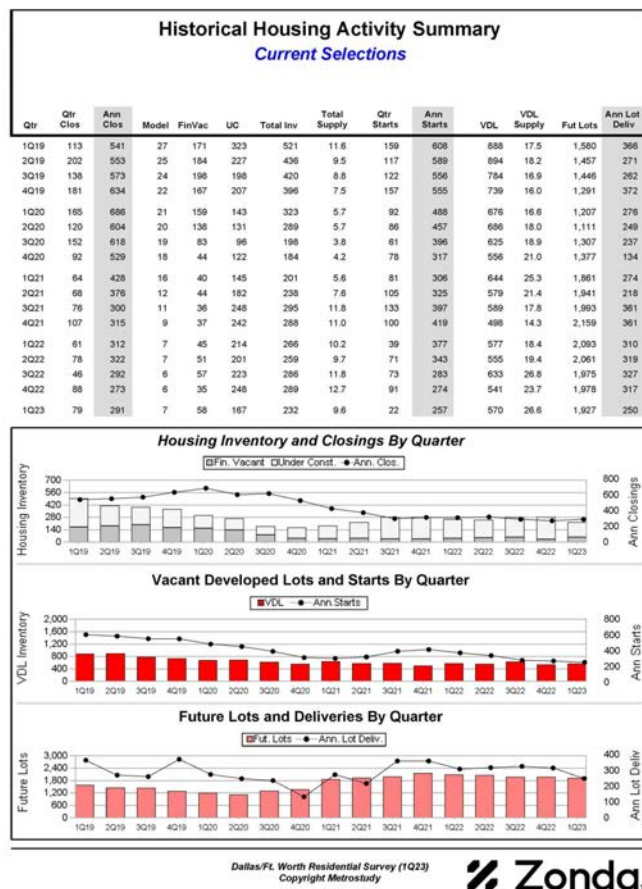
During the past decade, the residential real estate market has seen many positive changes. With the steady increase in multifamily residential rental rates, coupled with the low interest rates and the large numbers pertaining to job growth, there has been a trend of individuals choosing to purchase homes 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 Dallas/Fort Worth area. 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 the city of Plano in Collin County and is within the Plano Independent School District. Therefore, data obtained from Metrostudy/Zonda as of First Quarter 2023 for the defined area of "Plano ISD", as shown in the following map, will be analyzed with a summary of the details following.

Defined Submarket Map Area – Plano ISD



Following is a chart provided by Metrostudy/Zonda summarizing the historical home/lot absorption from the past several years for the defined submarket area:

Historical Housing Chart



Haggard Farms Public Improvement District (PID)



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Defined Submarket Area

As shown in the chart on the previous page, the absorption of homes/lots within the submarket area has been steadily dropping since 2019 due to the lack of new supply and as the city gets closer to full buildout. According to Metrostudy/Zonda, the submarket area absorbed the following total homes/lots from 2019 to First Quarter 2023:

MetroStudy Analysis	Historical Absorption	
	Annual	Past 1 QTR
Year 1 (2019)	555	
Year 2 (2020)	317	
Year 3 (2021)	419	
Year 4 (2022)	274	
Year 5 (Past 12 months)	257	22
Historical Annual Average		373
Existing VDL	570	
Historical Absorption Average	373	
Past 12 Months	257	
Lot Supply (5.0± Year Historical)	1.5	Years Supply
Lot Supply (12 Months)	2.2	Years Supply

As can be seen, since 2019 (4.25 years), the annual average of homes/lots absorbed was 373 homes/lots. Utilizing the more recent 12-month absorption of homes/lots, the number of homes/lots absorbed significantly decreased to 257 homes/lots in the submarket. According to Metrostudy/Zonda, the existing supply of available housing is currently below ideal levels in the submarket. The number of vacant developed lots in the submarket has been slowly decreasing since 2019 due to a dwindling supply of vacant land from a high of 894 in Second Quarter 2019 to its current level of 570 lots in First Quarter 2023.

Based upon the Metrostudy/Zonda absorption figures of the past 4.25 years, there is currently only a 1.5±-year (570 lots ÷ 373 lots = 1.5±-years) total supply of existing lots available in the submarket. This total supply is considered to be far below the optimum lot supply levels of 2.0 to 2.5 years per Metrostudy/Zonda. Also, when utilizing the more current 12-month absorption of 257 home/lots, the total supply of existing lots available in the subject's defined submarket remains far below the optimum lot supply level to only 2.2±-years (570 lots ÷ 257 lots/year = 2.2±-years) in the submarket.

Thus, the total lot supply within the subject's submarket is estimated to be between 1.5±-years to 2.2± 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 continued demand and relatively low lot supply, it appears that additional lot product in the submarket is feasible at the current time.

Haggard Farms Public Improvement District (PID)



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Multifamily Market Analysis

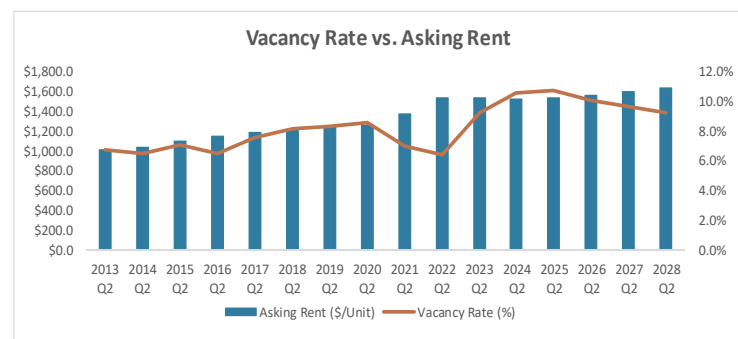
Metro Area Overview

The subject is located in the Dallas-Fort Worth - TX metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	611,412	569,947	6.78%	8,023	21,623	14,561	\$1,011	3.47%	5.14%	6.52%
2014 Q2	622,868	582,061	6.55%	11,456	26,961	12,115	\$1,038	2.74%	6.23%	6.39%
2015 Q2	641,682	596,107	7.10%	18,814	23,733	14,052	\$1,098	5.77%	9.86%	6.08%
2016 Q2	656,464	613,553	6.54%	14,782	36,551	17,451	\$1,150	4.70%	7.38%	5.93%
2017 Q2	681,220	629,472	7.60%	24,756	39,065	15,927	\$1,187	3.24%	6.74%	5.76%
2018 Q2	706,824	649,020	8.18%	25,604	39,157	19,547	\$1,217	2.54%	7.43%	5.59%
2019 Q2	733,317	671,931	8.37%	26,493	38,783	22,919	\$1,253	2.97%	8.79%	5.36%
2020 Q2	755,616	690,509	8.62%	22,295	43,875	18,579	\$1,264	0.82%	6.89%	5.12%
2021 Q2	785,728	730,423	7.04%	30,115	37,836	39,941	\$1,374	8.72%	12.18%	4.87%
2022 Q2	805,771	753,972	6.43%	20,043	49,643	23,549	\$1,544	12.35%	15.75%	4.66%
2023 Q2	831,645	754,901	9.23%	25,874	0	925	\$1,537	-0.41%	0.52%	4.67%
2024 Q2	857,373	766,298	10.62%	25,728	0	11,397	\$1,521	-1.06%	-6.63%	4.89%
2025 Q2	874,945	780,753	10.77%	17,572	0	14,455	\$1,532	0.72%	-0.12%	4.91%
2026 Q2	881,421	792,269	10.11%	6,476	0	11,517	\$1,563	2.05%	2.23%	4.92%
2027 Q2	890,536	804,760	9.63%	9,115	0	12,490	\$1,600	2.33%	2.60%	4.93%
2028 Q2	903,401	819,491	9.29%	12,865	0	14,731	\$1,637	2.31%	2.40%	4.94%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Dallas-Fort Worth - TX Metro Trends and Forecasts



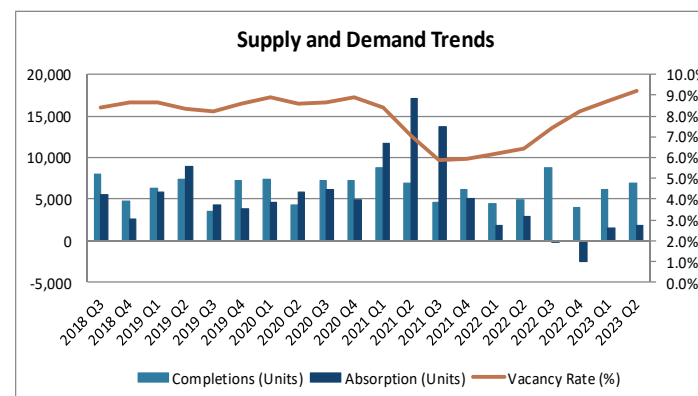
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Haggard Farms Public Improvement District (PID)



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- The current vacancy rate in the metro area is 9.23%; the vacancy rate has increased by 219 bps from 2021 Q2.
- Two-year Base Case forecasts project a 10.77% vacancy rate in the metro area, representing an increase of 154 bps by 2025 Q2.
- Asking rent averages \$1,537/unit in the metro area, and values have increased by 11.88% from 2021 Q2.
- Two-year Base Case forecasts project a \$1,532/unit asking rent in the metro area, representing an increase of 0.34% by 2025 Q2.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 5.84% from 2021 Q2, while the demand has increased by 3.35%.
- Between 2018 Q3 and 2023 Q2, net completions in the metro area have averaged 24,964 units annually and reached a peak of 8,737 units in 2022 Q3.
- Between 2018 Q3 and 2023 Q2, net absorption in the metro area has averaged 21,183 units annually and reached a peak of 17,027 units in 2021 Q2.

Haggard Farms Public Improvement District (PID)



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Submarket Overview

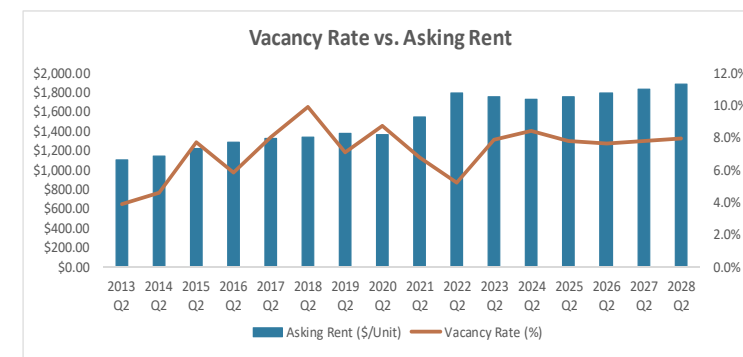
The subject is located in the Plano submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	33,641	32,341	3.86%	402	1,166	885	\$1,107	4.33%	6.11%	6.05%
2014 Q2	33,905	32,341	4.61%	264	2,162	0	\$1,151	3.93%	6.47%	5.93%
2015 Q2	35,834	33,062	7.73%	1,929	1,269	722	\$1,229	6.77%	9.61%	5.66%
2016 Q2	36,453	34,328	5.83%	619	2,852	1,265	\$1,289	4.95%	7.72%	5.53%
2017 Q2	38,631	35,506	8.09%	2,178	4,841	1,179	\$1,326	2.83%	6.51%	5.39%
2018 Q2	41,413	37,287	9.96%	2,782	2,859	1,781	\$1,341	1.17%	6.02%	5.30%
2019 Q2	42,505	39,494	7.08%	1,092	2,546	2,207	\$1,386	3.29%	7.78%	5.12%
2020 Q2	44,560	40,675	8.72%	2,055	1,509	1,181	\$1,369	-1.18%	6.17%	4.93%
2021 Q2	46,017	42,891	6.79%	1,457	52	2,217	\$1,546	12.88%	13.59%	4.66%
2022 Q2	46,448	44,007	5.25%	431	1,044	1,116	\$1,792	15.97%	18.33%	4.39%
2023 Q2	47,158	43,432	7.90%	710	0	-575	\$1,756	-2.03%	-0.58%	4.45%
2024 Q2	47,818	43,787	8.43%	660	0	354	\$1,740	-0.94%	-6.65%	4.67%
2025 Q2	47,720	43,995	7.81%	-98	0	208	\$1,755	0.90%	0.01%	4.69%
2026 Q2	47,695	44,043	7.66%	-25	0	48	\$1,794	2.23%	2.37%	4.70%
2027 Q2	47,851	44,095	7.85%	156	0	52	\$1,839	2.50%	2.74%	4.71%
2028 Q2	48,092	44,265	7.96%	241	0	171	\$1,884	2.44%	2.51%	4.72%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The Plano submarket comprises 5.7% of the metro building stock and 5.8% of the metro building demand.
- The vacancy rate in the Plano submarket is 7.90%, which is less than the metro area's average of 9.23%.
- Plano market rate is \$1,756/unit which is greater than the metro area's average rate of \$1,537/unit.

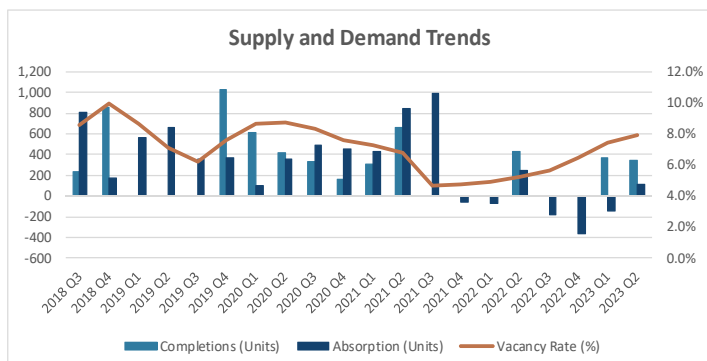
Plano Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 7.90%; the vacancy rate has increased by 111 bps from 2021 Q2.
- Two-year Base Case forecasts project a 7.81% vacancy rate in the submarket area, representing a decrease of 9 bps by 2025 Q2.
- Asking rent averages \$1,756/unit in the submarket area, and values have increased by 13.59% from 2021 Q2.
- Two-year Base Case forecasts project a \$1,755/unit asking rent in the submarket area, representing a decrease of 0.06% by 2025 Q2.



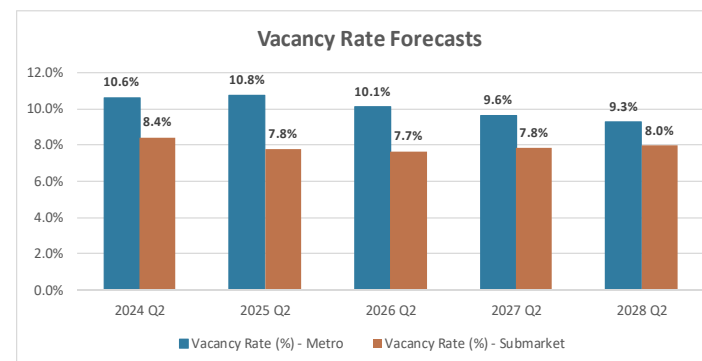


Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

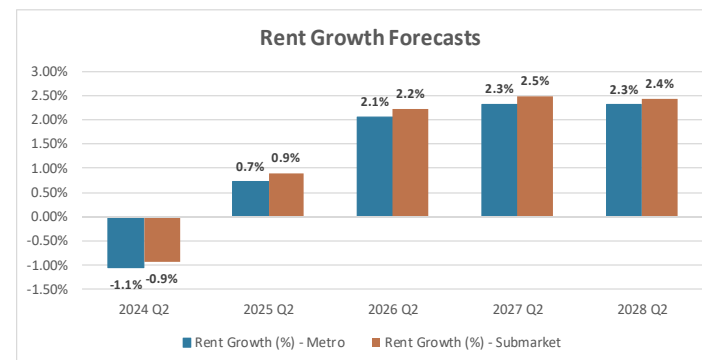
- The total stock (units) has increased by 2.48% from 2021 Q2, while the demand has increased by 1.26%.
- Between 2018 Q3 and 2023 Q2, net completions in the submarket area have averaged 1,149 units annually and reached a peak of 1,024 units in 2019 Q4.
- Between 2018 Q3 and 2023 Q2, net absorption in the submarket area has averaged 1,229 units annually and reached a peak of 995 units in 2021 Q3.



Multifamily Market Forecast Comparisons

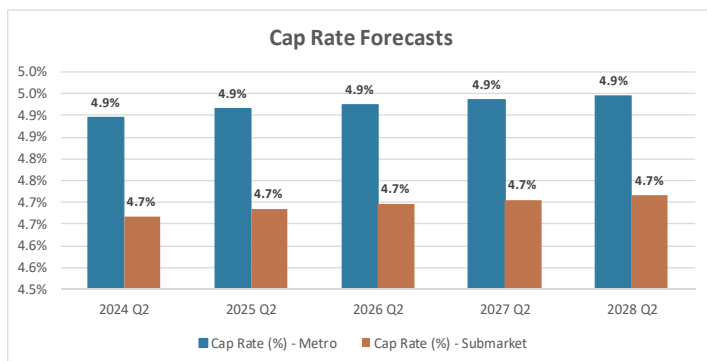


Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.





Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the metro area to have a positive impact on the subject property's performance in the near-term.

Office Market Analysis

Metro Area Overview

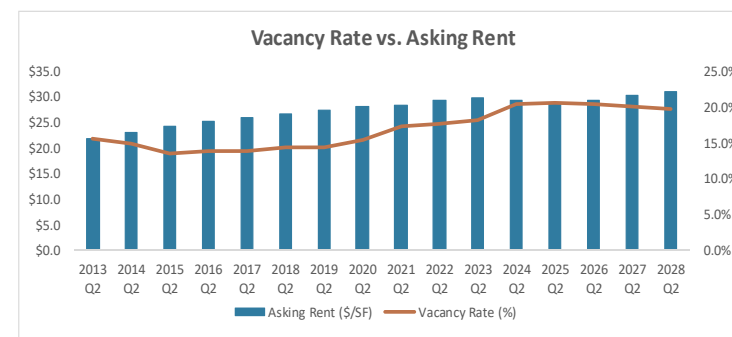
The subject is located in the Dallas-Fort Worth - TX metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Office Dallas-Fort Worth - TX Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	367,128,661	309,757,280	15.63%	208,590	4,151,007	2,343,320	\$21.99	3.45%	5.38%	7.36%
2014 Q2	370,542,365	315,276,256	14.91%	3,413,704	7,490,865	5,526,803	\$23.22	5.60%	10.38%	6.94%
2015 Q2	374,149,043	323,384,128	13.57%	3,562,271	8,448,088	8,063,473	\$24.27	4.55%	6.38%	6.82%
2016 Q2	379,849,730	326,662,624	14.00%	5,700,687	14,913,605	2,949,197	\$25.23	3.95%	5.73%	6.76%
2017 Q2	387,473,478	333,288,000	13.98%	7,577,199	12,537,596	6,617,511	\$26.10	3.44%	1.70%	6.86%
2018 Q2	396,982,460	339,704,544	14.43%	9,409,110	10,200,906	6,260,817	\$26.80	2.70%	0.73%	7.03%
2019 Q2	401,171,135	343,559,328	14.36%	4,140,136	10,214,916	3,801,193	\$27.52	2.66%	3.71%	7.15%
2020 Q2	408,391,278	345,493,088	15.40%	7,220,143	9,530,085	1,934,606	\$28.23	2.61%	3.40%	7.17%
2021 Q2	413,908,014	341,763,200	17.43%	5,515,736	7,060,483	-3,730,902	\$28.50	0.94%	0.51%	7.18%
2022 Q2	417,744,662	343,515,136	17.77%	3,836,648	8,476,115	1,751,931	\$29.34	2.96%	9.61%	7.00%
2023 Q2	420,364,394	343,760,992	18.22%	2,604,482	0	238,242	\$29.92	1.98%	0.48%	7.05%
2024 Q2	425,164,151	338,273,600	20.44%	4,799,757	0	-5,472,649	\$29.31	-2.04%	-7.48%	7.36%
2025 Q2	426,119,203	338,176,128	20.64%	955,052	0	-84,196	\$28.95	-1.24%	-3.30%	7.43%
2026 Q2	429,010,311	340,855,648	20.55%	2,891,108	0	2,692,844	\$29.52	1.98%	1.90%	7.41%
2027 Q2	431,205,175	344,272,480	20.16%	2,194,864	0	3,431,880	\$30.28	2.58%	2.78%	7.42%
2028 Q2	433,767,729	347,843,648	19.81%	2,562,554	0	3,587,439	\$31.11	2.72%	2.79%	7.44%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

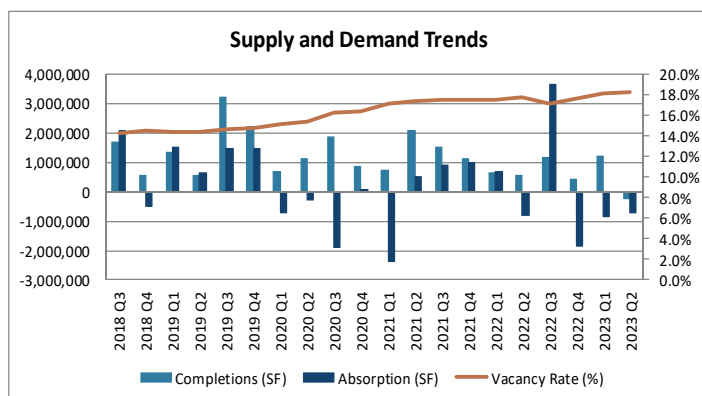
Dallas-Fort Worth - TX Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



- The current vacancy rate in the metro area is 18.22%; the vacancy rate has increased by 79 bps from 2021 Q2.
- Two-year Base Case forecasts project a 20.64% vacancy rate in the metro area, representing an increase of 242 bps by 2025 Q2.
- Asking rent averages \$29.92/SF in the metro area, and values have increased by 4.98% from 2021 Q2.
- Two-year Base Case forecasts project a \$28.95/SF asking rent in the metro area, representing an increase of 3.24% by 2025 Q2.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.56% from 2021 Q2, while the demand has increased by 0.58%.
- Between 2018 Q3 and 2023 Q2, net completions in the metro area have averaged 4,663,429 SF annually and reached a peak of 3,235,378 SF in 2019 Q3.
- Between 2018 Q3 and 2023 Q2, net absorption in the metro area has averaged 799,014 SF annually and reached a peak of 3,642,572 SF in 2022 Q3.

Submarket Overview

The subject is located in the Upper Tollway/West Plano submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

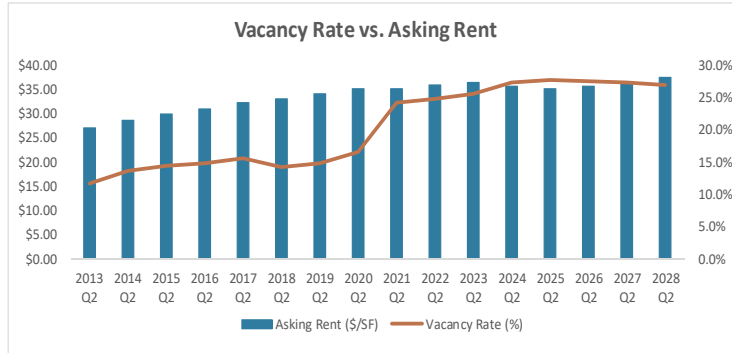
Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	24,090,141	21,274,508	11.69%	544,576	1,138,364	-101,911	\$27.06	3.37%	4.73%	6.71%
2014 Q2	25,306,367	21,843,540	13.68%	1,216,226	793,762	569,033	\$28.65	5.87%	6.42%	6.46%
2015 Q2	26,260,284	22,475,314	14.41%	911,960	1,623,298	589,816	\$29.89	4.33%	6.37%	6.35%
2016 Q2	27,897,446	23,738,198	14.91%	1,637,162	5,577,574	1,321,510	\$31.11	4.07%	4.96%	6.30%
2017 Q2	31,147,500	26,289,036	15.60%	3,250,054	3,100,220	2,550,837	\$32.36	4.02%	1.73%	6.39%
2018 Q2	34,232,673	29,324,520	14.34%	3,072,694	784,295	3,023,005	\$33.06	2.15%	1.73%	6.55%
2019 Q2	34,845,398	29,699,906	14.77%	581,783	900,300	344,445	\$34.03	2.94%	3.99%	6.62%
2020 Q2	35,452,127	29,550,410	16.65%	606,729	1,871,964	-149,496	\$35.23	3.53%	2.34%	6.70%
2021 Q2	36,429,035	27,573,040	24.31%	976,908	1,173,188	-1,977,371	\$35.16	-0.22%	0.21%	6.70%
2022 Q2	37,597,223	28,235,564	24.90%	1,168,188	766,277	662,524	\$35.95	2.25%	6.11%	6.62%
2023 Q2	37,906,391	28,212,700	25.57%	309,168	0	-22,854	\$36.56	1.71%	-0.81%	6.71%
2024 Q2	38,296,993	27,797,404	27.42%	390,602	0	-415,156	\$35.69	-2.39%	-7.82%	7.02%
2025 Q2	38,746,764	27,965,076	27.83%	449,771	0	167,492	\$35.13	-1.57%	-3.61%	7.09%
2026 Q2	38,981,918	28,208,408	27.64%	235,154	0	243,136	\$35.72	1.69%	1.65%	7.07%
2027 Q2	39,313,787	28,527,988	27.44%	331,869	0	319,378	\$36.54	2.31%	2.55%	7.08%
2028 Q2	39,694,448	28,990,664	26.97%	380,661	0	462,495	\$37.45	2.50%	2.61%	7.10%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The Upper Tollway/West Plano submarket comprises 9.0% of the metro building stock and 8.2% of the metro building demand.
- The vacancy rate in the Upper Tollway/West Plano submarket is 25.57%, which is greater than the metro area's average of 18.22%.
- Upper Tollway/West Plano market rate is \$36.56/SF which is greater than the metro area's average rate of \$29.92/SF.

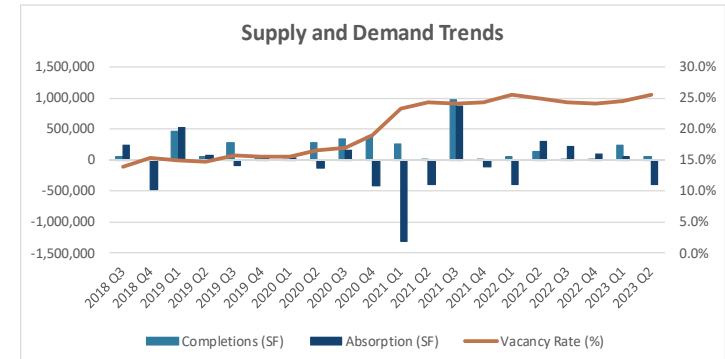


Upper Tollway/West Plano Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 25.57%; the vacancy rate has increased by 126 bps from 2021 Q2.
- Two-year Base Case forecasts project a 27.83% vacancy rate in the submarket area, representing an increase of 225 bps by 2025 Q2.
- Asking rent averages \$36.56/SF in the submarket area, and values have increased by 3.98% from 2021 Q2.
- Two-year Base Case forecasts project a \$35.13/SF asking rent in the submarket area, representing a decrease of 3.91% by 2025 Q2.

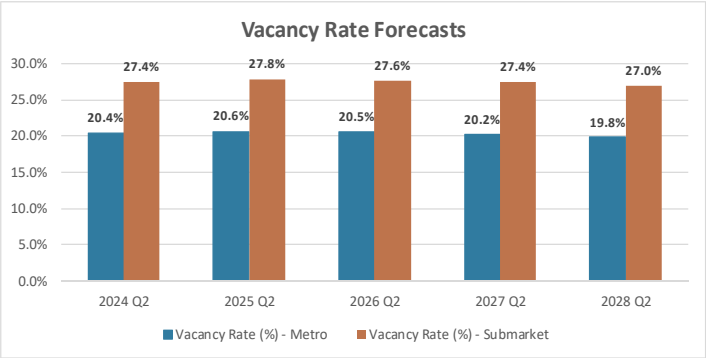


Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

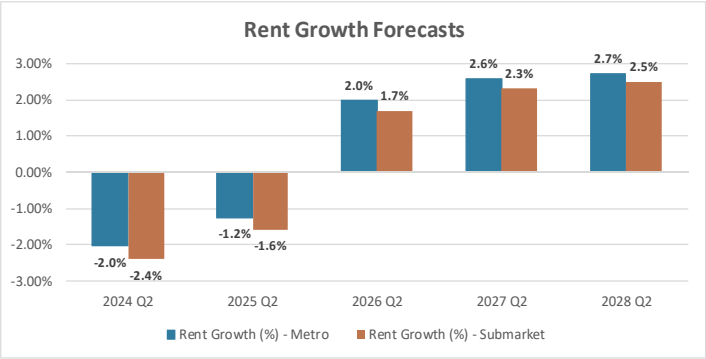
- The total stock (SF) has increased by 4.06% from 2021 Q2, while the demand has increased by 2.32%.
- Between 2018 Q3 and 2023 Q2, net completions in the submarket area have averaged 728,555 SF annually and reached a peak of 979,000 SF in 2021 Q3.
- Between 2018 Q3 and 2023 Q2, net absorption in the submarket area has averaged -228,550 SF annually and reached a peak of 860,608 SF in 2021 Q3.



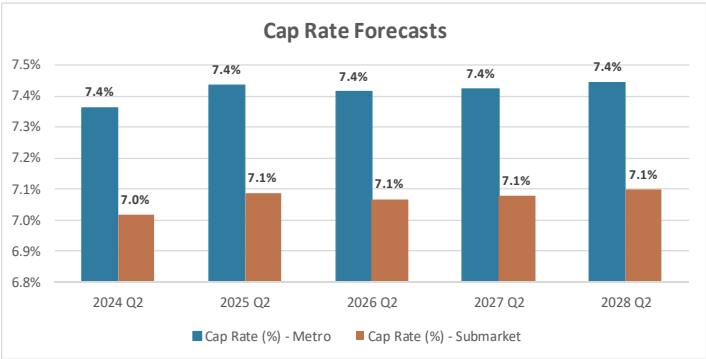
Office Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Office Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the DFW metro area to have a positive impact on the subject property’s performance in the near-term.



Retail Market Analysis

Metro Area Overview

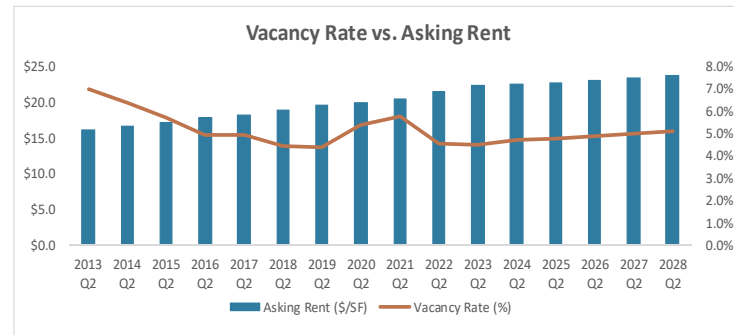
The subject is located in the Dallas-Fort Worth - TX metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Retail Dallas-Fort Worth - TX Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	411,812,041	382,886,560	7.02%	3,193,978	6,024,660	6,726,105	\$16.16	2.08%	6.60%	7.54%
2014 Q2	416,223,845	389,623,200	6.39%	4,394,054	5,908,816	6,718,908	\$16.71	3.39%	7.44%	7.33%
2015 Q2	423,528,534	399,321,632	5.72%	7,287,132	3,834,099	9,695,114	\$17.23	3.08%	11.95%	6.93%
2016 Q2	428,987,525	407,836,576	4.93%	5,385,768	5,251,689	8,443,727	\$17.84	3.55%	4.77%	6.79%
2017 Q2	434,767,467	413,197,056	4.96%	5,732,767	8,301,420	5,331,615	\$18.27	2.44%	2.23%	6.77%
2018 Q2	441,852,145	422,251,360	4.44%	6,990,378	5,031,155	9,136,532	\$19.00	3.95%	1.88%	6.81%
2019 Q2	447,038,582	427,302,976	4.41%	5,175,701	4,570,598	5,091,600	\$19.57	3.00%	3.63%	6.74%
2020 Q2	452,272,884	427,943,424	5.38%	5,209,702	3,808,805	626,371	\$20.01	2.29%	4.48%	6.62%
2021 Q2	454,959,118	428,554,656	5.80%	2,682,012	3,306,255	605,369	\$20.48	2.35%	5.06%	6.43%
2022 Q2	456,609,202	435,697,184	4.58%	1,631,190	4,704,513	7,089,982	\$21.58	5.38%	6.14%	6.32%
2023 Q2	459,742,819	438,960,384	4.52%	3,129,817	0	3,265,557	\$22.35	3.54%	3.61%	6.34%
2024 Q2	464,148,898	442,124,128	4.75%	4,406,079	0	3,173,182	\$22.54	0.88%	-2.99%	6.62%
2025 Q2	468,181,854	445,732,384	4.80%	4,032,956	0	3,543,884	\$22.74	0.86%	-0.34%	6.68%
2026 Q2	472,797,238	449,628,448	4.90%	4,615,384	0	3,826,758	\$23.06	1.44%	1.00%	6.70%
2027 Q2	477,564,639	453,608,256	5.02%	4,767,401	0	3,908,590	\$23.38	1.38%	1.04%	6.71%
2028 Q2	482,372,884	457,695,104	5.12%	4,808,245	0	4,016,284	\$23.70	1.37%	0.98%	6.73%

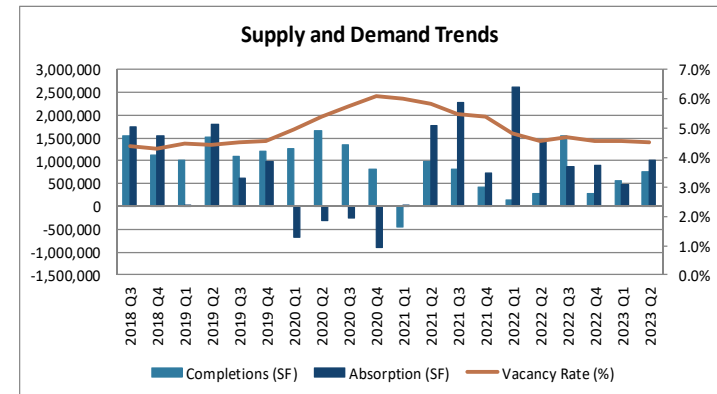
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Dallas-Fort Worth - TX Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 4.52%; the vacancy rate has decreased by 128 bps from 2021 Q2.
- Two-year Base Case forecasts project a 4.80% vacancy rate in the metro area, representing an increase of 27 bps by 2025 Q2.
- Asking rent averages \$22.35/SF in the metro area, and values have increased by 9.13% from 2021 Q2.
- Two-year Base Case forecasts project a \$22.74/SF asking rent in the metro area, representing an increase of 1.74% by 2025 Q2.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.05% from 2021 Q2, while the demand has increased by 2.43%.
- Between 2018 Q3 and 2023 Q2, net completions in the metro area have averaged 3,565,684 SF annually and reached a peak of 1,656,358 SF in 2020 Q2.
- Between 2018 Q3 and 2023 Q2, net absorption in the metro area has averaged 3,335,776 SF annually and reached a peak of 2,615,535 SF in 2022 Q1.



Submarket Overview

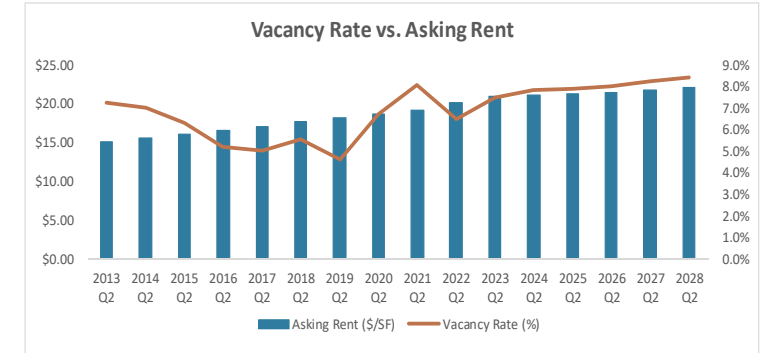
The subject is located in the Central Plano submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2013 Q2	16,273,105	15,085,947	7.30%	50,259	8,320	286,891	\$15.19	2.03%	6.27%	7.72%
2014 Q2	16,295,975	15,151,582	7.02%	22,870	8,858	65,635	\$15.67	3.17%	8.15%	7.48%
2015 Q2	16,347,998	15,314,953	6.32%	52,023	0	163,371	\$16.06	2.49%	11.45%	7.08%
2016 Q2	16,259,335	15,413,869	5.20%	-99,463	67,795	88,489	\$16.62	3.46%	5.17%	6.93%
2017 Q2	16,335,325	15,513,077	5.03%	75,990	22,830	99,208	\$17.07	2.74%	1.72%	6.93%
2018 Q2	16,358,070	15,449,704	5.55%	22,745	24,780	-63,373	\$17.75	3.98%	1.58%	6.97%
2019 Q2	16,391,738	15,632,198	4.63%	33,668	41,531	182,494	\$18.27	2.94%	3.08%	6.93%
2020 Q2	16,435,832	15,331,687	6.72%	44,094	36,089	-299,709	\$18.71	2.38%	4.63%	6.80%
2021 Q2	15,187,659	13,958,510	8.09%	-1,248,173	53,905	-1,373,177	\$19.22	2.73%	3.17%	6.69%
2022 Q2	15,009,779	14,030,165	6.53%	-177,880	94,050	71,655	\$20.24	5.31%	1.18%	6.83%
2023 Q2	15,109,693	13,977,415	7.49%	99,914	0	-52,750	\$21.01	3.80%	3.78%	6.84%
2024 Q2	15,276,910	14,078,108	7.85%	167,217	0	100,919	\$21.16	0.72%	-2.94%	7.12%
2025 Q2	15,412,567	14,194,633	7.90%	135,657	0	115,065	\$21.31	0.70%	-0.43%	7.18%
2026 Q2	15,568,469	14,316,814	8.04%	155,902	0	120,550	\$21.58	1.26%	0.88%	7.20%
2027 Q2	15,729,511	14,431,374	8.25%	161,042	0	112,870	\$21.84	1.21%	0.91%	7.21%
2028 Q2	15,891,928	14,549,131	8.45%	162,417	0	116,065	\$22.10	1.20%	0.86%	7.23%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The Central Plano submarket comprises 3.3% of the metro building stock and 3.2% of the metro building demand.
- The vacancy rate in the Central Plano submarket is 7.49%, which is greater than the metro area's average of 4.52%.
- Central Plano market rate is \$21.01/SF which is less than the metro area's average rate of \$22.35/SF.

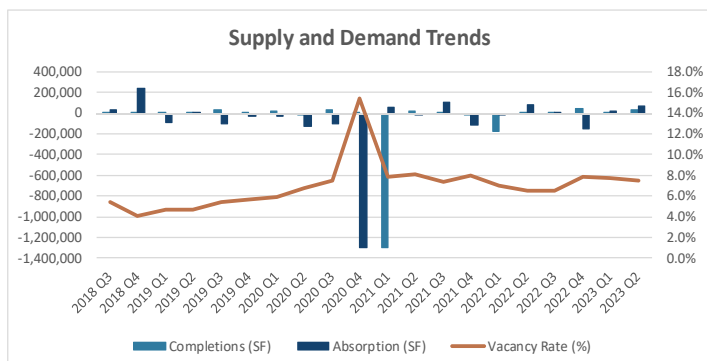
Central Plano Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 7.49%; the vacancy rate has decreased by 60 bps from 2021 Q2.
- Two-year Base Case forecasts project a 7.90% vacancy rate in the submarket area, representing an increase of 41 bps by 2025 Q2.
- Asking rent averages \$21.01/SF in the submarket area, and values have increased by 9.31% from 2021 Q2.
- Two-year Base Case forecasts project a \$21.31/SF asking rent in the submarket area, representing an increase of 1.43% by 2025 Q2.





Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has decreased by 0.51% from 2021 Q2, while the demand has increased by 0.14%.
- Between 2018 Q3 and 2023 Q2, net completions in the submarket area have averaged -249,675 SF annually and reached a peak of 44,000 SF in 2022 Q4.
- Between 2018 Q3 and 2023 Q2, net absorption in the submarket area has averaged -294,297 SF annually and reached a peak of 235,900 SF in 2018 Q4.

Retail Marketplace Profile

Retail sales trends in the market area are a key indicator of demand. Therefore, we have reviewed the Nielsen retail market power (RMP) opportunity gap overview, which is included in the ensuing table. The opportunity gap or surplus available represents the difference between demand and supply. When the demand is greater than supply, there is an opportunity gap, but when demand is less than supply, there is a surplus. A positive value signifies an opportunity gap, while a negative value signifies a surplus.

Opportunity Gap - All Retail Stores	5 min			10 min			15 min		
	2020 Demand (Consumer)	2020 Supply	2020 Opportunity	2020 Demand (Consumer)	2020 Supply	2020 Opportunity	2020 Demand (Consumer)	2020 Supply	2020 Opportunity
Retail Store Type	Expenditure (\$)	Expenditure (\$)	Gap (\$)	Expenditure (\$)	Expenditure (\$)	Gap (\$)	Expenditure (\$)	Expenditure (\$)	Gap (\$)
Motor Vehicle and Parts Dealers	\$84,496,483	\$10,127,081	\$74,369,402	\$103,343,677	\$940,769,936	\$837,426,259	\$1,084,467,821	\$1,428,320,810	\$343,852,989
Non-Store Retailers	\$54,980,372	\$44,636,009	\$10,344,363	\$575,564,453	\$986,308,786	\$410,744,333	\$2,357,301,836	\$4,307,301,596	\$1,949,999,760
Grocery Stores	\$23,146,964	\$56,875,507	\$33,728,543	\$265,724,247	\$294,081,439	\$28,357,192	\$1,075,215,599	\$732,954,349	\$342,261,250
Building Material and Garden Equipment and Supplies Dealers	\$24,684,812	\$27,866,485	\$3,181,673	\$253,912,205	\$189,498,989	\$64,413,216	\$1,038,982,061	\$847,103,220	\$191,878,841
Electronics and Appliance Stores	\$4,182,772	\$10,245,148	\$6,062,376	\$44,078,517	\$93,659,541	\$49,581,024	\$180,316,771	\$280,110,747	\$99,793,976
Miscellaneous Store Retailers	\$6,242,019	\$13,223,980	\$6,981,961	\$73,401,549	\$97,630,705	\$24,229,156	\$298,294,286	\$382,303,022	\$84,008,736
Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$4,370,798	\$12,473,010	\$8,102,212	\$44,829,077	\$107,435,277	\$62,606,200	\$184,072,190	\$275,783,120	\$89,710,930
Food and Beverage Stores	\$43,372,353	\$51,792,415	\$8,420,062	\$466,612,151	\$464,301,882	\$2,310,269	\$1,914,908,707	\$1,706,907,013	\$208,001,694
Health and Personal Care Stores	\$18,953,464	\$30,318,651	\$11,365,187	\$200,675,502	\$221,855,414	\$21,179,912	\$824,651,834	\$696,871,695	\$127,780,139
General Merchandise Stores	\$39,029,667	\$33,351,119	\$5,678,548	\$414,422,936	\$478,626,920	\$64,203,984	\$1,700,364,651	\$1,644,165,882	\$56,198,769
Furniture and Home Furnishings Stores	\$6,235,457	\$23,523,940	\$17,288,483	\$63,724,104	\$185,686,742	\$121,962,638	\$260,317,182	\$633,600,805	\$373,283,623
Food Services and Drinking Places	\$36,483,821	\$58,098,188	\$21,614,367	\$413,153,140	\$126,082,929	\$287,070,211	\$1,467,331,584	\$1,957,888,834	\$490,557,250
Clothing and Clothing Accessories Stores	\$12,326,797	\$9,650,101	\$2,676,696	\$127,094,715	\$111,399,252	\$15,695,463	\$118,510,821	\$783,250,460	\$664,739,639
Total Retail Sales Incl Eating and Drinking Places	\$39,252,659	\$411,877,044	\$372,624,385	\$1,853,636,203	\$4,807,345,782	\$2,953,709,579	\$15,702,339,148	\$17,513,161,613	\$1,810,822,465

Source: Nielsen Analytics, compiled by Integra Realty Resources, Inc.

Retail Opportunity Gap Key Takeaways

- The total retail surplus between consumer demand and retail supply in 5 min is \$52,724,085.
- The Motor Vehicle and Parts Dealers retail category presents the greatest opportunity gap of \$54,574,602 in 5 min.
- The Clothing and Clothing Accessories Stores retail category presents the lowest retail opportunity in 5 min.
- The Motor Vehicle and Parts Dealers and Electronics and Appliance Stores retail categories incurred the highest and lowest consumer demand respectively in 5 min.
- Of the 13 main retail category groups, 3 present an opportunity gap based on consumer demand in 5 min.
- Of the 13 main retail category groups, 10 present a surplus based on the supply in 5 min.

Retail Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the DFW metro area to have a positive impact on the subject property's performance in the near-term.



Federal Reserve Rate Increases Impact on Current Valuations

Transaction indicators are the best measure of any impact on values due to the recent Federal Reserve increases. Since the beginning of the rate increase in mid-year 2022, many transactions were tabled, and market data has been scarce. Since that time period, price discovery has occurred in many markets across different property types and transactions are getting done. However, market instability remains a factor on various levels.

Based upon 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.

Interest Rates

In 2016, the Federal Reserve began slowly raising rates as the economy recovered. Subsequently, the Federal Reserve fed funds rate steadily rose from 0.25% - 0.50% to 2.25% - 2.50% between December 2016 and December 2018. During 2019, inflation was well below the central bank's 2% target, and in response, the rate was lowered three times from 2.0%-2.50% to 1.50%-1.75%. In January 2020, the Federal Open Market Committee (FOMC) released a policy statement in January 2020 indicating that the labor market remains strong, and that economic activity has been rising at a moderate rate. Within weeks, the Covid-19 pandemic spread across the globe and in March of 2020 the target range dropped back to 0.0% to 0.25%. However, with the COVID-19 pandemic basically over, employment rate sub 4.0% nationally and inflation at 40-year highs, the Federal reserve began rapidly increasing the fed funds rate steadily from 0.25% - 0.50% in March of 2022 to 4.25% - 4.50% as of December 2022 pushing borrowing costs to the highest level since 2007. In addition, no FOMC participants anticipated that it would be appropriate to begin reducing the federal funds rate target in 2023.

Macro-Economic Impacts

Not surprisingly, the markets have reacted accordingly. The markets experienced a notable change in 2022, as the economic environment was altered due to a significant increase in interest rates and a continuing increase in the inflation rate. While this had a clear impact on fixed-income investments, stocks were not immune to the effects of the changing environment. Major "repricing" took place in the stock market, and the Standard & Poor's 500 stock index, moved into a bear market, with a decline of 20% from its peak value, as did other major market indices.

As interest rates remain high, personal savers can benefit from elevated earnings on their balances. But the most recent rate hike means that borrowers will continue to see higher interest rates too, on mortgages, credit card debt, and personal loans. Higher prices combined with high-priced debts have consumers and experts still concerned about the future of the job market and the recession possibilities.

Real gross domestic product (GDP) increased at an annual rate of 1.1 percent in the first quarter of 2023, according to the "advance" estimate. In the fourth quarter of 2022, real GDP increased 2.6 percent. The increase in the first quarter primarily reflected an increase in consumer spending that was partly offset by a decrease in inventory investment. The increase in real GDP reflected increases in consumer spending, exports, federal government spending, state and local government spending, and nonresidential fixed investment that were partly offset by decreases in private inventory investment and residential fixed investment. Imports, which are a subtraction in the calculation of GDP, actually increased during 2022 which does not temper prevailing inflationary pressures.

Rates of Return and Valuation Methodology

Offsetting the increased risk due to uncertainty in the property markets is the Federal Reserve's monetary policy of increasing rates down to get a grip on inflation and cooling down the economy. While many financial institutions have raised their loan to value ratios as a risk management tool, the cost of borrowing is at recent historic highs. The result is downward pressure on rates of return where leverage is attainable. As transactions continue to occur, the overall impact on rates of return, by property type and location, is becoming apparent.

Some market participants believe the impact on market value is reflected 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 valuation herein reflects our analysis of current market data.



Market Sentiment/Participant Interviews

In addition to transaction data, which is slowly materializing, we look to market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. Following is a summary of key interviews undertaken:

Market Participant Survey		
	Respondent	Commentary
Date of Survey	6/22/2023	
Name	Trey Sullivan	Still buying Multi-family land but being more selective. Focusing on workforce housing. Current interest rates are challenging development feasibility.
Role/Title	Development Manager	
Company	JPI	
Date of Survey	6/22/2023	
Name	Michael Swaldi	Handles high profile commercial sites. Still seeing demand for these type sites.
Role/Title	Senior Managing Director	
Company	JLL	
Date of Survey	6/23/2023	
Name	Matthew Kiran	Seeing continued interest, albeit at a slower pace. Currently working a large multi-family deal in Plano and recently closed one in Celina. There is still capital looking for good projects. No discounting seen at present time
Role/Title	Agent	
Company	Rex Real Estate	
Date of Survey	6/23/2023	
Name	Eric Seitz	Continues to see demand for retail properties. Developing two large centers in Celina. Fully leased shop space, signed several anchors and has numerous ground leases at strong rates
Role/Title	Principal	
Company	The Seitz Group	

Conclusion

Considering the subject's relative sensitivity to inherent risks as of the effective date of the valuation, the following valuation considerations were developed:

Valuation Approach Implications		Comment
Sales Comparison Approach		
Market conditions adjustment?	Yes	Market conditions adjustment of +10% was applied to the sales pre-mid-year 2022 and 0% from June 1, 2022, forward
Transaction evidence?	Yes	
Marketing Time		
Has marketing time been adjusted?	Yes	Marketing time has been extended by 3-6 months to 9 – 12 months.



Property Analysis

Land Description and Analysis

Location

The subject property is located at the southeast corner of Spring Creek Parkway and Parkwood Boulevard as well as the northwest corner of Spring Creek Parkway and Windhaven Parkway. Overall, the undeveloped site has extensive frontage on both Spring Creek Parkway and Parkwood Boulevard.

Land Area

The following table summarizes the subject's land area.

Land Area Summary			
Tract/Parcel		Acres	Proposed Use
Tract 1, Parcel 1	352,836	8.1	350 multi-family units
Tract 1, Parcel 2	148,104	3.4	office
Tract 1, Parcel 3	500,940	11.5	retail/event center
Tract 1, Parcel 4	217,800	5.0	122 key hotel
Tract 1, Parcel 5	204,732	4.7	office
Tract 1, Parcel 6	217,800	5.0	office
Tract 1, Parcel 7	161,172	3.7	office
Tract 2, Parcel 1	378,972	8.7	350 multi-family units
Tract 2, Parcel 2	113,256	2.6	office
Tract 2, Parcel 3	130,680	3.0	office
Tract 2, Parcel 4	95,832	2.2	retail/event center
Tract 3, Parcel 1	108,900	2.5	office
Tract 3, Parcel 2	139,392	3.2	office
Tract 3, Parcel 3	139,392	3.2	120 assisted living units
Tract 3, Parcel 4	121,968	2.8	107 assisted living units
Tract 3, Parcel 5	178,596	4.1	200 assisted living units
Tract 4, Parcel 1	566,280	13.0	100 townhomes

Source: Engineering Report

Shape and Dimensions

The overall site is irregular in shape. Site utility based on shape and dimensions is average.

Topography

The site is generally level and at street grade. The topography does not result in any particular development limitations.



Drainage

No particular drainage problems were observed or disclosed at the time of field inspection. This appraisal assumes that surface water collection, both on-site and in public streets adjacent to the subject, is adequate.

Flood Hazard Status

The following table indicates applicable flood hazard information for the subject property, as determined by review of available flood maps obtained from the Federal Emergency Management Agency (FEMA).

Flood Hazard Status	
Community Panel Number	48085C0355K, 48085C0365K, and 48085C0370K
Date	June 7, 2017
Zone	AE
Description	Within 100-year floodplain
Insurance Required?	Yes

It is noted that large portions of the overall development are located in a flood hazard area. However, based on the exhibits provided, none of the individual tracts to be valued herein appear to be affected by the flood zone. This is assumed to be correct.

Environmental Hazards

An environmental assessment report was not provided for review, and during the inspection, no obvious signs of contamination on or near the subject were observed. However, environmental issues are beyond the scope of expertise of the assignment participants. It is assumed the property is not adversely affected by environmental hazards.

Ground Stability

A soils report was not provided for review. Based on the inspection of the subject and observation of development on nearby sites, there are no apparent ground stability problems. However, soils analyses are beyond the scope of expertise of the assignment participants. It is assumed the subject's soil bearing capacity is sufficient to support a variety of uses, including those permitted by zoning.



Streets, Access and Frontage

Details pertaining to street access and frontage are provided in the following table.

Streets, Access and Frontage			
Street	Parkwood Boulevard	W. Spring Creek Parkway	Pinehaven Drive (Proposed)
Frontage Feet	2,800±	3,900±	3,600±
Paving	Concrete	Concrete	Concrete
Curbs	Yes	Yes	Yes
Sidewalks	Yes	Yes	Yes
Lanes	2 way, 3 lanes each way	2 way, 3 lanes each way	2 way, 2 lanes each way
Direction of Traffic	North/south	East/west	East/West
Condition	Average	Average	Proposed
Traffic Levels	High	High	Low
Signals/Traffic Control	Traffic light	Traffic light	Traffic light
Access/Curb Cuts	Yes	Yes	Yes
Visibility	Good	Excellent	Average

Utilities

Utilities available to the subject are summarized below.

Utilities	
Service	Provider
Water	City of Plano
Sewer	City of Plano

Zoning

The subject is within the R/O-2 (Office/Retail/MF) zone, which is intended for mixed-use development. The following table summarizes the applicable zoning requirements affecting the subject.

Zoning Summary	
Zoning Jurisdiction	City of Plano
Zoning Designation	PD-51 (Planned Development)
Description	R/O-2 (Office/Retail/MF)
Legally Conforming?	N/A
Zoning Change Likely?	No
Permitted Uses	Retail, office and multi-family
Source: Public Records	

According to the local planning department, there are no pending or prospective zoning changes. The Conveyance Plat (for the infrastructure) was approved at P&Z on May, 15, 2023. The Preliminary Plat is in review and should go to P&Z in August 2023. The Preliminary Plat is for Phase 1 on-site work only. The Final Plat is not recorded until end of construction.



Interpretation of zoning ordinances is beyond the scope of expertise of the assignment participants. An appropriately qualified land use attorney should be engaged if a determination of compliance is required.

Other Land Use Regulations

There are no other known land use regulations that would affect the property.

Easements, Encroachments and Restrictions

A current title report was not provided for review. There are no apparent easements, encroachments, or restrictions that would adversely affect value. This valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include retail, office and multi-family. No other restrictions on development are apparent.

General Description - Haggard Farms Public Improvement District (PID)

The subject represents 90.08 gross acres of saleable land located within the 128.932-acre Public Improvement District (PID) known as Haggard Farms, in Plano, Texas. Upon completion of proposed development, in September of 2024, the "District" will consist of 17 individual tracts planned for a variety of uses including townhome, multi-family, retail, event center, office, and assisted living. The overall development is zoned under the guidelines of PD-51 (Planned Development) which includes the R/O (Office/Retail) district. As requested, the subject has been valued "as complete" with an extraordinary assumption that all development entitlements are in place for the Project to proceed.

Proposed development includes the extension of utilities throughout the overall project along with the construction of Pinehaven Drive through the site providing for additional corner sites (Tract 1, Parcel 6, Tract 2, Parcel 1 and Tract 3, Parcel 1). Additional infrastructure includes an interior roadway/access lanes along the eastern side of Tract 1, Parcel 1 which will also extend westward along the north side of this parcel and Tract 1, Parcel 2 as well as the south side of the adjacent Tract 1, Parcel 3. Additional roadways include a separating street between Tract 1, Parcel 1 and Tract 1, Parcel 2 and a separating street between Tract 1, Parcel 2 / Tract 1, Parcel 3 and Tract 1, Parcel 5 / Tract 1, Parcel 7

The tracts to be valued within Haggard Farms Public Improvement District (PID) and their specific locations are summarized in the following exhibit:

Haggard Farms Public Improvement District				
Tract/Parcel	Location	Acres	Projected	
			Completion Date	Intended Use
Tract 1/Parcel 1	N/S Pinehaven, W of Parkwood	8.1	September 30, 2024	350 Apartment Units
Tract 1/Parcel 2	N/S Pinehaven, W of Parkwood	3.4	September 30, 2024	98,000 SF Office
Tract 1/Parcel 3	E/S Parkwood, S of Spring Creek	11.5	September 30, 2024	46,600 SF Retail/16,450 SF Event
Tract 1/Parcel 4	SEC Spring Creek and Parkwood	5.0	September 30, 2024	122 Key Hotel
Tract 1/Parcel 5	N/S Pinehaven, W of Parkwood	4.7	September 30, 2024	164,000 SF Office
Tract 1/Parcel 6	NEC Parkwood and Pinehaven	5.0	September 30, 2024	144,000 SF Office
Tract 1/Parcel 7	S/S Parkwood, N of Pinehaven	3.7	September 30, 2024	31,500 SF Office
Tract 2/Parcel 1	NWC Spring Creek and Pinehaven	8.7	September 30, 2024	350 Apartment Units
Tract 2/Parcel 2	SW/S Spring Creek, NW of Pinehaven	2.6	September 30, 2024	50,000 SF Office
Tract 2/Parcel 3	SW/S Spring Creek, NW of Pinehaven	3.0	September 30, 2024	50,000 SF Office
Tract 2/Parcel 4	SW/S Spring Creek, NW of Pinehaven	2.2	September 30, 2024	6,600 SF Retail
Tract 3/Parcel 1	SWC Spring Creek and Pinehaven	2.5	September 30, 2024	43,200 SF Office
Tract 3/Parcel 2	SW/S Spring Creek, SE of Pinehaven	3.2	September 30, 2024	43,200 SF Office
Tract 3/Parcel 3	W of Spring Creek, S of Pinehaven	3.2	September 30, 2024	120 Assisted Living Units
Tract 3/Parcel 4	W of Spring Creek, S of Pinehaven	2.8	September 30, 2024	107 Assisted Living Units
Tract 3/Parcel 5	SWQ Spring Creek and Pinehaven	4.1	September 30, 2024	200 Assisted Living Units
Tract 4/Parcel 1	NWC Spring Creek and Windhaven	13.0	September 30, 2024	100 Townhome Lots





Haggard Farms Public Improvement District (PID)



Haggard Farms Public Improvement District (PID)





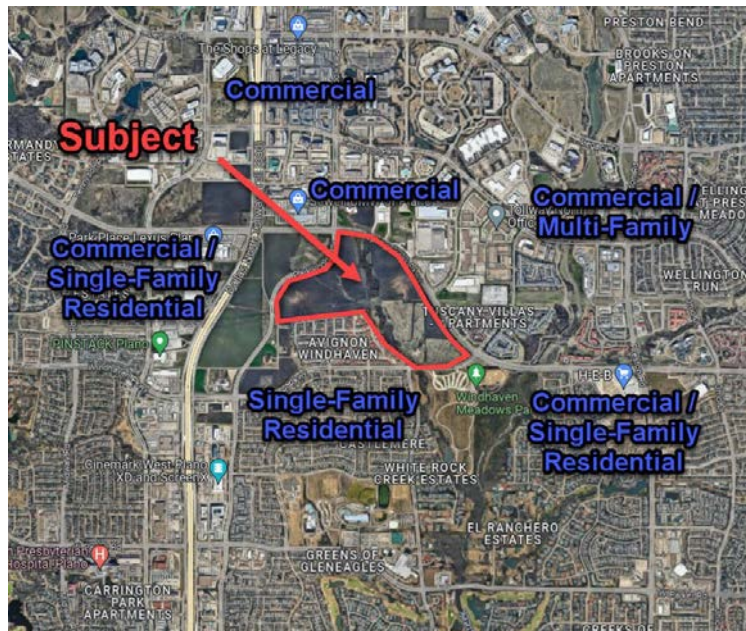
Haggard Farms Public Improvement District (PID)



Haggard Farms Public Improvement District (PID)



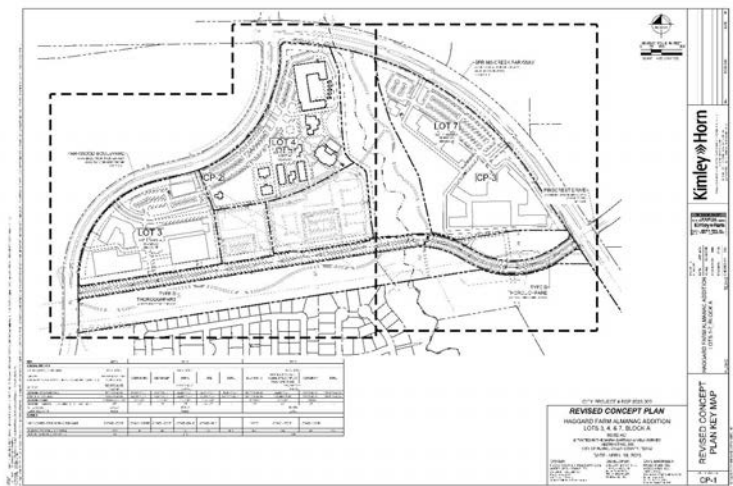
Aerial Photograph



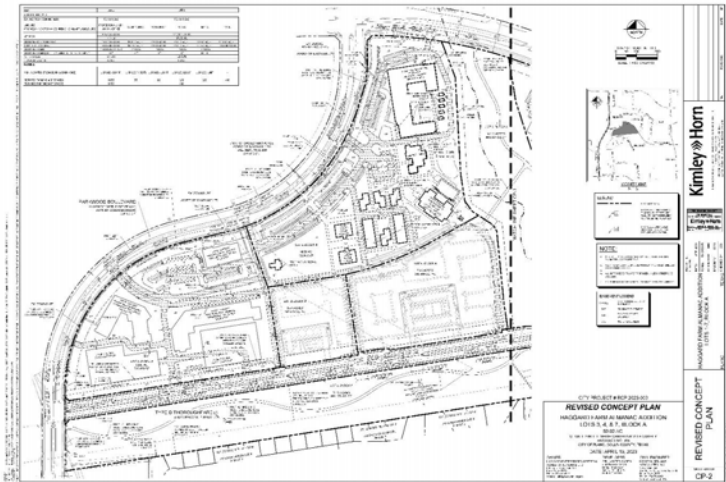
Plat Map



Concept Plans

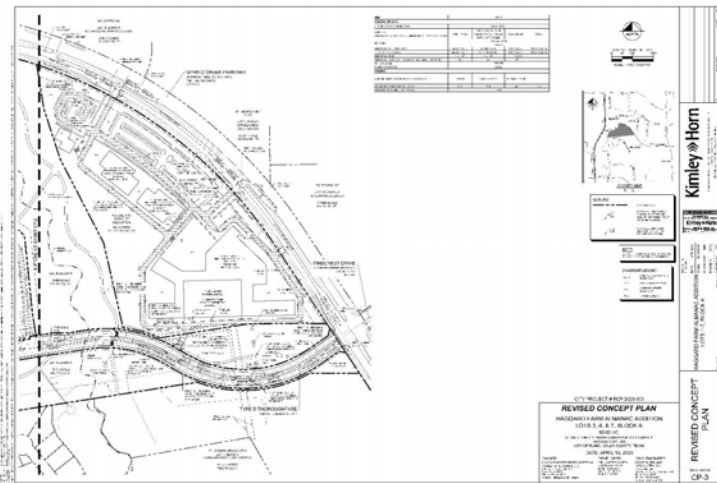


Haggard Farms Public Improvement District (PID)



Haggard Farms Public Improvement District (PID)





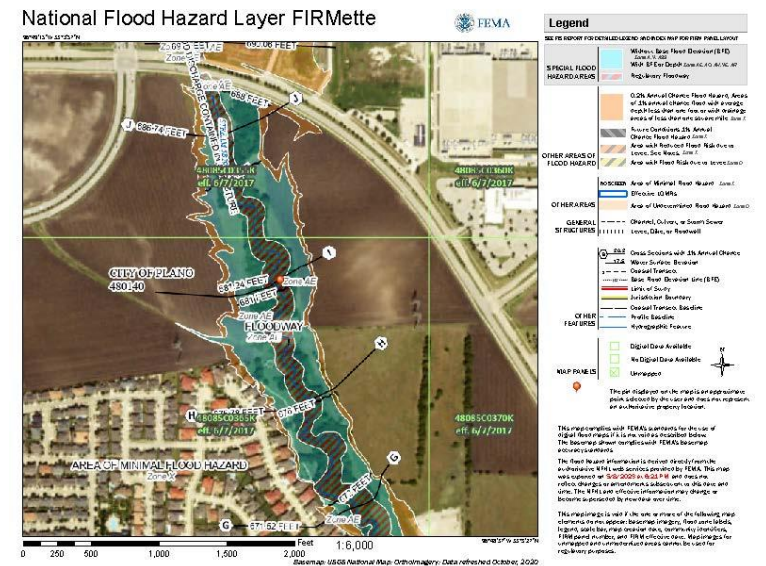
Flood Hazard Map

Haggard Farms Public Improvement District (PID)



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National Flood Hazard Layer FIRMette

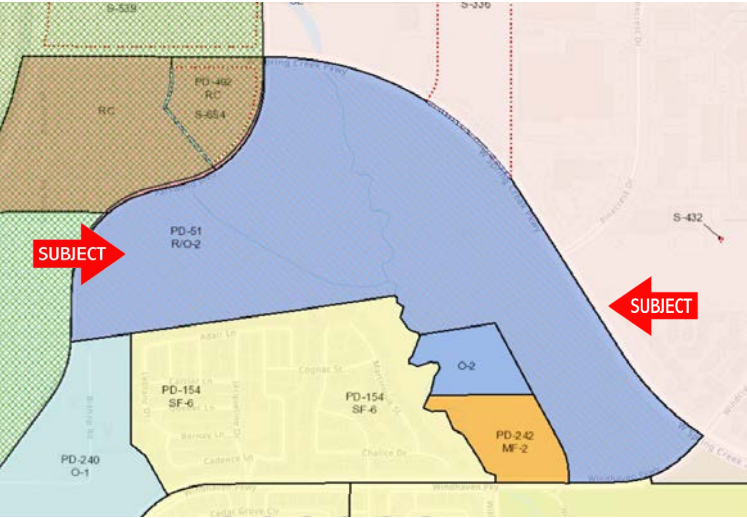


Haggard Farms Public Improvement District (PID)



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Zoning Map (PD-51)



Allocation of Authorized Improvements

The District includes approximately 142.49 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on Exhibit K-1 and depicted on Exhibit A-1. Development of the District is anticipated to include approximately 100 units classified as Townhome Lot Types, 350 units classified as Multi-Family Lot Type – Improvement Area #1, 350 units classified as Multi-Family Lot Type – Major Improvement Area, 122 units classified as Hotel Lot Types, 427 units classified as Assisted Living Lot Type, 69,650 square feet classified as Retail Lot Type, and 98,000 square feet classified as Office Lot Type – Improvement Area #1, and 525,900 square feet classified as Office Lot Type – Major Improvement Area.

Based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City.

Major Improvements

Streets

Improvements including subgrade stabilization, concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalk, landscaping, and streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

Water

Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within the District.

Sewer

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within the District.

Drainage

Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within the District.

Linear Parks

Linear parks with 10-12 foot wide trails, including a 12-foot pedestrian trail located along the creek extending from the northern border of Tract 2 to the southern border of Tract 3, a 10-foot trail connection to Tract 1 over a 12-foot wide pedestrian bridge, a 12-foot wide pedestrian trail meandering



along the south side of Pinehaven Drive spanning from Parkwood Blvd to the creek, and two 10-foot wide trails extending from the creek to Spring Creek Pkwy on either side of Pinehaven Drive.

Soft Costs

Costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, District Formation Costs, legal fees, and consultant fees.

Improvement Area #1 Improvements

Water

Improvements including trench excavation and embedment, trench safety, PVC piping, fire hydrants, valves, service connections, testing, related earthwork, excavation, and erosion control, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

Sewer

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

Drainage

Improvements including earthen channels, swales, inlets, RCP piping and boxes, headwalls, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

Soft Costs

Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal fees, and consultant fees.

Exhibit E -- Allocation of Authorized Improvements

	Total Costs	Developer Contribution	ISD Contribution	Total PID Eligible Costs		Improvement Area #1 ¹		Remainder Area
					%	Cost	%	Cost
Improvement Area #1 Improvements								
Street Improvements ²	\$ 2,363,000	\$ -	\$ -	\$ 2,363,000	100%	\$ 2,363,000	0%	\$ -
Water Improvements ²	830,000	-	-	830,000	100%	830,000	0%	-
Sanitary Sewer Improvements ²	800,000	-	-	800,000	100%	800,000	0%	-
Storm Drainage Improvements ²	732,000	-	-	732,000	100%	732,000	0%	-
Soft Costs ³	730,000	-	-	730,000	100%	730,000	0%	-
Excavation & Retaining Walls ²	830,000	830,000	-	-	0%	-	0%	-
Landscaping ²	1,000,000	1,000,000	-	-	0%	-	0%	-
	\$ 7,285,000	\$ 1,830,000	\$ -	\$ 5,455,000		\$ 5,455,000		\$ -
Major Improvements								
Street Improvements ^{2,3}	\$ 2,337,000	\$ -	\$ 1,168,500	\$ 1,168,500	48%	\$ 563,934	52%	\$ 604,566
Water Distribution Improvements ^{4,5}	8,250,000	-	1,625,000	1,625,000	48%	784,247	52%	840,753
Sanitary Sewer Improvements ^{4,5}	300,000	-	150,000	150,000	48%	72,392	52%	77,608
Storm Drainage Improvements ^{4,5}	416,000	-	208,000	208,000	48%	100,384	52%	107,616
Soft Costs ³	400,000	-	-	400,000	48%	193,045	52%	206,955
Screening Walls ²	1,798,600	1,798,600	-	-	0%	-	0%	-
Entry Features ²	200,000	200,000	-	-	0%	-	0%	-
Landscaping ²	250,000	250,000	-	-	0%	-	0%	-
Avondale Haslet Road ^{2,3,4}	1,234,040	518,350	725,690	-	0%	-	0%	-
	\$ 10,195,640	\$ 2,766,950	\$ 3,877,190	\$ 3,551,500		\$ 1,714,002		\$ 1,837,498
District Formation and Bond Issuance Costs								
Debt Service Reserve Fund	\$ 433,525	\$ -	\$ -	\$ 433,525		\$ 433,525		\$ -
Capitalized Interest	673,488	-	-	673,488		673,488		-
Underwriter's Discount	141,300	-	-	141,300		141,300		-
Cost of Issuance	268,000	-	-	268,000		268,000		-
	\$ 1,516,313	\$ -	\$ -	\$ 1,516,313		\$ 1,516,313		\$ -
Total	\$ 18,996,953	\$ 4,596,950	\$ 3,877,190	\$ 10,522,813		\$ 8,685,315		\$ 1,837,498

Notes:

¹Allocated pursuant to Section V.A of the Service and Assessment Plan.

²\$1,244,040 for Avondale Haslet Road will be escrowed by the City for future construction, and therefore is not an Authorized Improvement.

³Non-Reimbursed to the Developer.

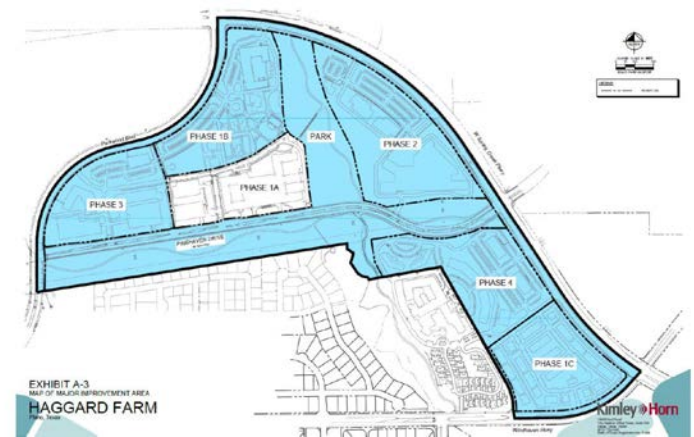
⁴Non-Reimbursed to the ISD.

⁵Allocated pursuant to Section V.B of the Service and Assessment Plan, as shown on Exhibit L.

IA# 1 Exhibit



Major Improvement Area Exhibit



Real Estate Taxes

Real estate tax assessments are administered by the Collin County 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. Real estate taxes and assessments for the current tax year (2023) are shown in the following table.

Taxes and Assessments - 2023							
Tax ID	2023 Assessed Value			Taxes and Assessments			
	Land	Improvements	Total	2022 Tax Rate	Ad Valorem Taxes	Agriculture Assessment	Total
17914	\$841,611	\$0	\$841,611	1.911013%	\$16,083	\$431	\$8
2138041	\$442,913	\$0	\$442,913	1.911013%	\$8,464	\$227	\$4
2551083	\$35,721,901	\$0	\$35,721,901	1.911013%	\$682,650	\$13,207	\$252
2669178	\$10,373,803	\$1,012,770	\$11,386,573	1.911013%	\$217,599	\$1,018,086	\$19,456
2669180	\$21,674,411	\$0	\$21,674,411	1.911013%	\$414,201	\$9,385	\$179
	\$69,054,639	\$1,012,770	\$70,067,409		\$1,338,997	\$1,041,336	\$19,900

The subject is currently assessed as part of five accounts that total of 168.1205 acres. However, as we are valuing the tracts upon completion of proposed development, the assessed value as vacant land is irrelevant.

It is also important to note that all of the subject's undeveloped land is presently taxed under an agricultural exemption which serves to limit the taxable value of the site. As such, under development, the developer of the site may be liable for three years of back real estate taxes, plus interest annually. This is considered typical of properties located in growth corridors such as the subject. The impact of roll-back taxes due to the termination of the agricultural exemption is not reflected herein.

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 individual sites are zoned PD-51 (Planned Development), R/O-2 (Office/Retail/MF). Permitted uses include retail, office and multi-family. 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 mixed-use (retail/multi-family/office) 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 mixed-use (retail/multi-family/office) in the subject's area. It appears a newly developed mixed-use (retail/multi-family/office) on the site would have a value commensurate with its cost. Therefore, mixed-use (retail/multi-family/office) 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 mixed-use (retail/multi-family/office). Accordingly, mixed-use (retail/multi-family/office), developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for mixed-use (retail/multi-family/office) 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 developer / owner-user.

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

Sales Comparison Approach

To develop an opinion of the subject's individual tract values within Haggard Farms Public Improvement District, 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.

The Sales Comparison Approach will be utilized to determine lot values for the individual tracts which are summarized as follows:

Land Parcels					
Name	SF	Acres	Planned Bldg SF	Units/rooms	Unit of Comparison
Tract 1, Parcel 1	352,836	8.1	N/A	350	Units
Tract 1, Parcel 2	148,104	3.4	98,000	N/A	Total SF
Tract 1, Parcel 3	500,940	11.5	63,050	N/A	Total SF
Tract 1, Parcel 4	217,800	5.0	N/A	122	Total SF
Tract 1, Parcel 5	204,732	4.7	164,000	N/A	Total SF
Tract 1, Parcel 6	217,800	5.0	144,000	N/A	Total SF
Tract 1, Parcel 7	161,172	3.7	31,500	N/A	Total SF
Tract 2, Parcel 1	378,972	8.7	N/A	350	Units
Tract 2, Parcel 2	113,256	2.6	50,000	N/A	Total SF
Tract 2, Parcel 3	130,680	3.0	50,000	N/A	Total SF
Tract 2, Parcel 4	95,832	2.2	6,600	N/A	Total SF
Tract 3, Parcel 1	108,900	2.5	43,200	N/A	Total SF
Tract 3, Parcel 2	139,392	3.2	43,200	N/A	Total SF
Tract 3, Parcel 3	139,392	3.2	N/A	120	Total SF
Tract 3, Parcel 4	121,968	2.8	N/A	107	Total SF
Tract 3, Parcel 5	178,596	4.1	N/A	200	Total SF
Tract 4, Parcel 1	566,280	13.0	N/A	100	Units

Tract 1, Parcel 1 (8.1 Acres; 352,836 SF)

To apply the sales comparison approach to Tract 1, Parcel 1, the research focused on transactions within the following parameters:

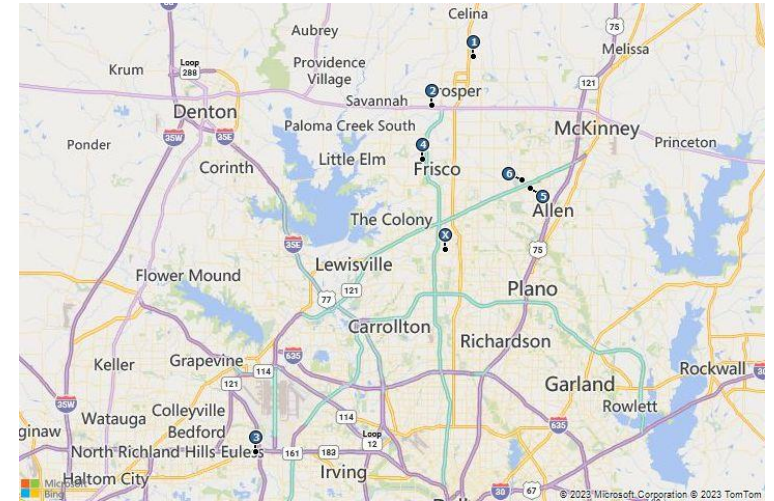
- Location: General Market Area
- Size: 5.0 to 20.0 Acres
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit 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 - Tract 1, Parcel 1								
No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land
1	Multifamily land in Celina South side of Ownsby Parkway, east of Preston Road Celina Collin County TX Comments: This multifamily property has frontage along Ownsby Parkway and is planned to be developed with 400 multifamily units.	Jun-23 Closed	\$10,800,000	653,400 15.00	400 26.7	MF-2	\$27,000	\$16.53
2	Multifamily land in Prosper South side of Prairie Drive, west of Mahard Drive Prosper Collin County TX Comments: Plans are for a 180-unit active adult complex. Property is in Prosper ISD.	Nov-22 Closed	\$4,699,118	447,535 10.27	188 18.3	PD-298	\$24,995	\$10.50
3	13 acres in Euless, TX North Side of SH-183, bisected by American Boulevard Euless Tarrant County TX Comments: This represents an assemblage of two tracts of land purchased together for multifamily development. They allow for a total of 400 units.	Jan-22 Closed	\$10,500,000	566,498 13.01	400 30.8	PD (Planned Development)	\$26,250	\$18.53
4	Proposed Frisco Apartments Phase 2 Southeast corner of Avon Lane and Whistle Stop Lane Frisco Denton County TX Comments: This site was purchased for the development of Jefferson Railhead, Phase 2 apartments (450 units).	Nov-21 Closed	\$11,560,000	325,297 7.47	450 60.3	MF/O/PD-263	\$25,689	\$35.54
5	Multifamily Land - 5.1021 Acres South side of Blue Tractor Lane, east of N. Alma Drive Allen Collin County TX Comments: This rectangular-shaped tract was acquired to be developed with a 325-unit multifamily development to be known as Alta at the Farm. The property is within The Farm master-planned development and is within the Allen ISD.	Oct-21 Closed	\$7,800,000	222,247 5.10	325 63.7	PD-22 (CC)	\$24,000	\$35.10
6	Multi-family Land in McKinney Southwest and Southeast corner of Meyer Road and Van Tuyl Parkway McKinney Collin County TX Comments: This sale represents two non-contiguous properties with frontage along Van Tuyl Parkway. They were purchased as an assemblage for future multi-family use.	Oct-21 Closed	\$14,697,570	489,919 11.25	675 60.0	PD	\$21,774	\$30.00
Subject				352,836	350	PD-51 (Planned Development)		
Haggard Farms Public Improvement District (PID)				8.10	43.2			
Plano, TX								



Comparable Land Sales Map – Tract 1, Parcel 1





Sale 1
Multifamily land in Celina



Sale 3
13 acres in Euless, TX



Sale 5
Multifamily Land - 5.1021 Acres



Sale 2
Multifamily land in Prosper



Sale 4
Proposed Frisco Apartments Phase 2



Sale 6
Multi-family Land in McKinney

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.

Transactional adjustments are applied for property rights conveyed, financing, conditions of sale, expenditures made immediately after purchase, and market conditions. In addition, property adjustments include – but are not limited to – location, access/exposure, size, quality, effective age, economic and legal characteristics, and non-realty components of value. Adjustments are considered for the following factors, in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

The opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat, as well as non-detrimental easements, community facility districts, and conditions, covenants and restrictions (CC&Rs). All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third-party financing (other than the seller) for the purpose of purchasing the property, a cash price is presumed and no adjustment is required. However, in instances where the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below-market financing terms, or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

Adverse conditions of sale can account for a significant discrepancy from the sale price actually paid, compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered non-market and may include the following:

- a seller acting under duress (e.g., eminent domain, foreclosure);
- buyer motivation (e.g., premium paid for assemblage, certain 1031 exchanges);
- a lack of exposure to the open market;
- an unusual tax consideration;
- a sale at legal auction.

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from October 2021 to June 2023. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4	5	6
Sale Date	6/8/2023	11/18/2022	1/25/2022	11/1/2021	10/20/2021	10/7/2021
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	3.48%	5.81%	6.14%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.00%	0.00%	3.48%	5.81%	6.14%	6.49%
Rounded	0%	0%	3%	6%	6%	6%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 4 is similar to the subject. No adjustment is necessary. Sales 1, 2, 3, 5 and 6 are adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1, 3, 4, 5 and 6 are similar to the subject and require no adjustment. Sale 2 is inferior to the subject. An upward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

Sales 1, 2 and 3 are superior to the subject. Downward adjustments are applied. Sales 4, 5 and 6 are inferior to the subject. Upward adjustments are applied.

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 - Tract 1, Parcel 1							
Address	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	South side of Owensby Parkway, east of Preston Road	South side of Prairie Drive, west of Mahard Drive	North Side of SH-183, bisected by American Boulevard	Southeast corner of Avon Lane and Whistle Stop Lane	South side of Blue Tractor Lane, east of N. Alma Drive	Southwest and Southeast corner of Meyer Road and Van Tuyl Parkway
City	Plano	Celina	Prosper	Eufless	Frisco	Allen	McKinney
County	Collin	Collin	Collin	Tarrant	Denton	Collin	Collin
State	Texas	TX	TX	TX	TX	TX	TX
Sale Date	Jun-23	Jun-23	Nov-22	Jan-22	Nov-21	Oct-21	Oct-21
Sale Status	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Sale Price		\$10,800,000	\$4,669,118	\$10,500,000	\$11,560,000	\$7,800,000	\$14,697,570
Effective Sale Price		\$10,800,000	\$4,699,118	\$10,500,000	\$11,560,000	\$7,800,000	\$14,697,570
Acres	8.1	15.0	10.3	13.0	7.5	5.1	11.2
Number of Units	350	400	188	400	450	325	675
Units Per Acre	43.21	26.70	18.40	30.80	60.20	63.70	60.00
Price per Unit		\$27,000	\$24,995	\$26,250	\$25,689	\$24,000	\$21,774
Transactional Adjustments							
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-	-	-
Conditions of Sale		-	-	-	-	-	-
% Adjustment		-	-	-	-	-	-
Market Conditions	9/30/2024	Jun-23	Nov-22	Jan-22	Nov-21	Oct-21	Oct-21
Annual % Adjustment	Variable	-	-	3%	6%	6%	6%
Cumulative Adjusted Price		\$27,000	\$24,995	\$27,038	\$27,230	\$25,440	\$23,081
Property Adjustments							
Location		20%	10%	20%	-	10%	10%
Access/Exposure		-	20%	-	-	-	-
Size		-	-	-	-	-	-
Shape and Topography		-	-	-	-	-	-
Zoning		-5%	-10%	-5%	15%	15%	15%
Net Property Adjustments (\$)		\$4,050	\$4,999	\$4,056	\$4,085	\$6,360	\$5,770
Net Property Adjustments (%)		15%	20%	15%	15%	25%	25%
Final Adjusted Price		\$31,050	\$29,994	\$31,093	\$31,315	\$31,800	\$28,851
Range of Adjusted Prices							
		\$28,851 - \$31,800					
Average		\$30,684					
Indicated Value		\$31,000					

**Land Value Conclusion – Tract 1, Parcel 1**

Prior to adjustments, the sales reflect a range of \$21,774 - \$27,000 per unit. After adjustment, the range is narrowed to \$28,851 - \$31,800 per unit, with an average of \$30,684 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion for the subject is presented as follows:

Land Value Conclusion**Tract 1, Parcel 1**

Indicated Value per Unit	\$31,000
Subject Units	350
Indicated Value	\$10,850,000
Rounded	\$10,850,000



Tract 1, Parcel 2 (3.4 Acres; 148,104 SF)

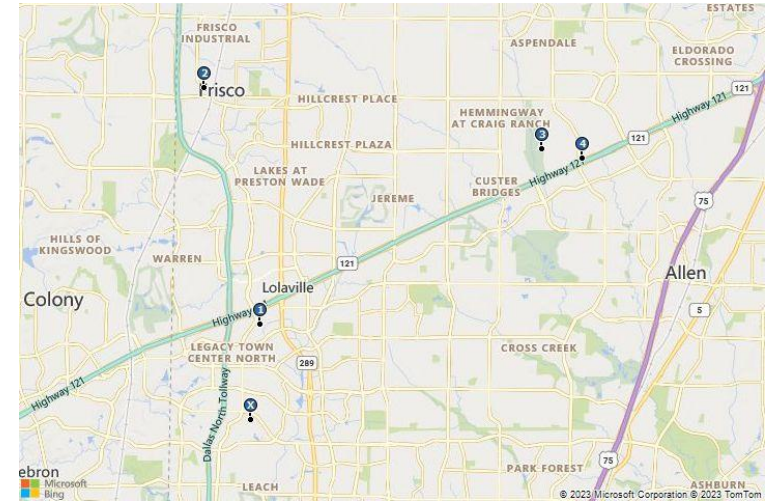
To apply the sales comparison approach to Tract 1, Parcel 2, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 2

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject Haggard Farms Public Improvement Plano, TX				148,104 3.40	PD-51 (Planned Development)	

**Comparable Land Sales Map – Tract 1, Parcel 2**



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 2					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	3.4	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

Land Value Conclusion – Tract 1, Parcel 2

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Square Foot	\$28.00
Subject Square Feet	148,104
Indicated Value	\$4,146,912
Rounded	\$4,150,000

Tract 1, Parcel 3 (11.5 Acres; 500,940 SF)

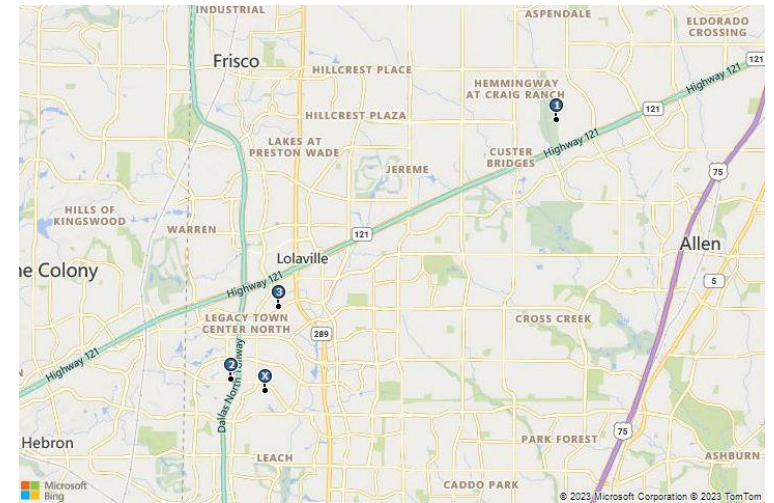
To apply the sales comparison approach to Tract 1, Parcel 3, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 5.0 to 30.0 Acres
- Use: Residential
- Transaction Date: Past 24 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 3

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
2	Mixed use land in Frisco Northwest corner of Dallas North Tollway and Spring Creek Parkway Frisco Collin County TX <i>Comments: This rectangular-shaped commercial property is at the hard corner of Dallas North Tollway and Spring Creek Parkway. The proposed development will consist of a mixture of office, retail, and luxury residential condominiums.</i>	Jan-22 Closed	\$29,227,636	1,124,140 25.81	CE (Dallas North Tollway Overlay)	\$26.00
3	Commercial Land in Plano, TX Northeast corner of Headquarters Drive and Dominion Parkway Plano Collin County TX <i>Comments: The purchased property is zoned to be improved with office uses. It is expected that the site will contain approximately 500,000 square feet of office space. The purchaser plans a life sciences use.</i>	Aug-22 Closed	\$26,265,232	938,043 21.53	CE	\$28.00
Subject Haggard Farms Public Improvement Plano, TX				500,940 11.50	PD-51 (Planned Development)	

Comparable Land Sales Map – Tract 1, Parcel 3



Sale 1
Land in McKinney



Sale 2
Mixed use land in Frisco



Sale 3
Commercial Land in Plano, TX

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from January 2022 to August 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment				
Comp #	1	2	3	
Sale Date	2/24/2022	1/6/2022	8/9/2022	
Date	Annual Growth Rate			
6/1/2022	10%	2.66%	4.00%	0.00%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		2.66%	4.00%	0.00%
Rounded		3%	4%	0%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are similar to the subject. No adjustments are necessary.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sale 1 is similar to the subject and requires no adjustment. Sales 2 and 3 are larger than the subject and require upward adjustments.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 3

	Subject	Comparable 1	Comparable 2	Comparable 3
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northwest corner of Dallas North Tollway and Spring Creek Parkway	Northeast corner of Headquarters Drive and Dominion Parkway
City	Plano	McKinney	Frisco	Plano
County	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX
Sale Date		Feb-22	Jan-22	Aug-22
Sale Status		Closed	Closed	Closed
Sale Price		\$10,635,781	\$29,227,636	\$26,265,232
Acres	11.5	8.0	25.8	21.5
Price per Square Foot		\$30.48	\$26.00	\$28.00
Transactional Adjustments				
Property Rights		Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—
Conditions of Sale		—	—	—
% Adjustment		—	—	—
Market Conditions	9/30/2024	Feb-22	Jan-22	Aug-22
Annual % Adjustment	Variable	3%	4%	—
Cumulative Adjusted Price		\$31.39	\$27.04	\$28.00
Property Adjustments				
Location		—	—	—
Access/Exposure		—	—	—
Size		—	20%	20%
Shape and Topography		—	—	—
Zoning		—	—	—
Net Property Adjustments (\$)		\$0.00	\$5.41	\$5.60
Net Property Adjustments (%)		0%	20%	20%
Final Adjusted Price		\$31.39	\$32.45	\$33.60
Range of Adjusted Prices				
Average		\$32.48		
Indicated Value		\$32.50		

**Land Value Conclusion – Tract 1, Parcel 3**

Prior to adjustments, the sales reflect a range of \$26.00 - \$30.48 per square foot. After adjustment, the range is narrowed to \$31.39 - \$33.60 per square foot, with an average of \$32.48 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 1, Parcel 3**

Indicated Value per Square Foot	\$32.50
Subject Square Feet	500,940
Indicated Value	\$16,280,550
Rounded	\$16,280,000



Tract 1, Parcel 4 (5.0 Acres; 217,800 SF)

To apply the sales comparison approach to Tract 1, Parcel 4, the research focused on transactions within the following parameters:

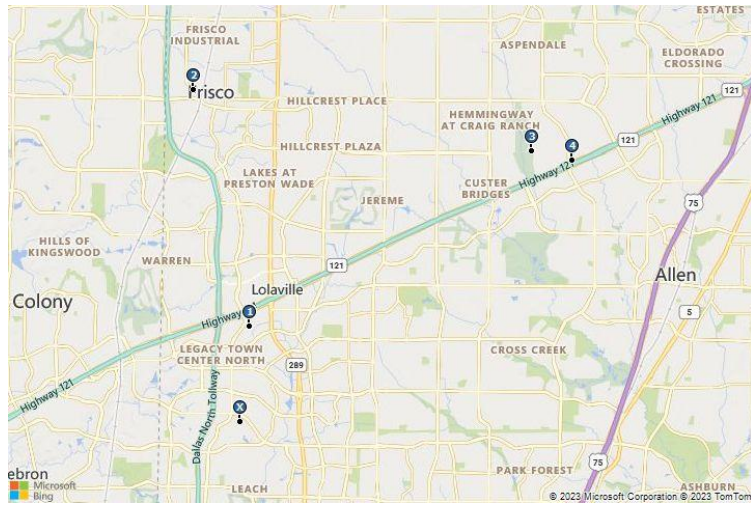
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 4

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
<i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>						
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
<i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>						
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
<i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>						
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
<i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>						
Subject				217,800	PD-51 (Planned Development)	
Haggard Farms Public Improvement Plano, TX				5.00		

Comparable Land Sales Map – Tract 1, Parcel 4



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 3 and 4 are similar to the subject and require no adjustment. Sale 2 is superior to the subject. A downward adjustment is applied. Sale 1 is inferior to the subject. An upward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 4					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Haggard Farms Public Improvement District (PID)	Commercial Land in Plano, TX	Commercial Parking Lot - Block A, Lot 3	Land in McKinney	Land in McKinney
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Square Feet	217,800	139,697	160,998	348,972	149,062
Acres	5.0	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$44.78	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		20%	-10%	—	—
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$5.94	-\$8.96	\$3.14	\$0.00
Net Property Adjustments (%)		20%	-20%	10%	0%
Final Adjusted Price		\$35.62	\$35.83	\$34.53	\$33.39
Range of Adjusted Prices		\$33.39 - \$35.83			
Average		\$34.84			
Indicated Value		\$35.00			

Land Value Conclusion – Tract 1, Parcel 4

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$33.39 - \$35.83 per square foot, with an average of \$34.84 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 1, Parcel 4**

Indicated Value per Square Foot	\$35.00
Subject Square Feet	217,800
Indicated Value	\$7,623,000
Rounded	\$7,620,000

Tract 1, Parcel 5 (4.7 Acres; 204,732 SF)

To apply the sales comparison approach to Tract 1, Parcel 5, the research focused on transactions within the following parameters:

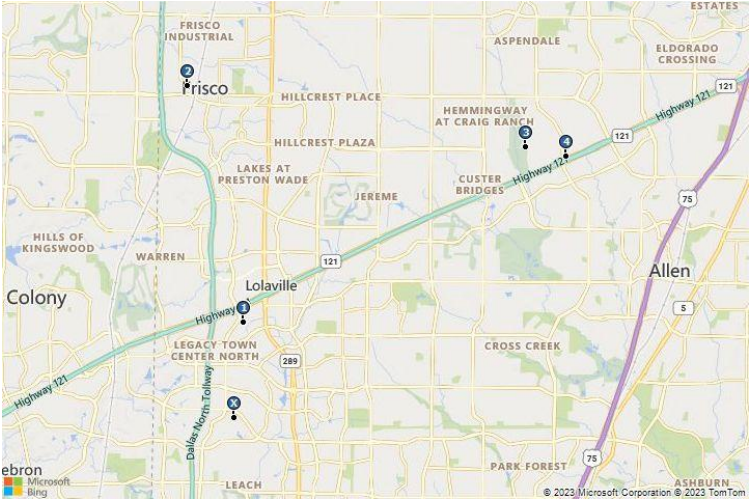
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 5

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
<i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>						
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
<i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>						
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
<i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>						
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
<i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>						
Subject Haggard Farms Public Improvement District Plano, TX				204,732 4.70	PD-51 (Planned Development)	

Comparable Land Sales Map – Tract 1, Parcel 5



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 5					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	4.7	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

Land Value Conclusion – Tract 1, Parcel 5

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 1, Parcel 5**

Indicated Value per Square Foot	\$28.00
Subject Square Feet	204,732
Indicated Value	\$5,732,496
Rounded	\$5,730,000

Tract 1, Parcel 6 (5.0 Acres; 217,800 SF)

To apply the sales comparison approach to Tract 1, Parcel 6, the research focused on transactions within the following parameters:

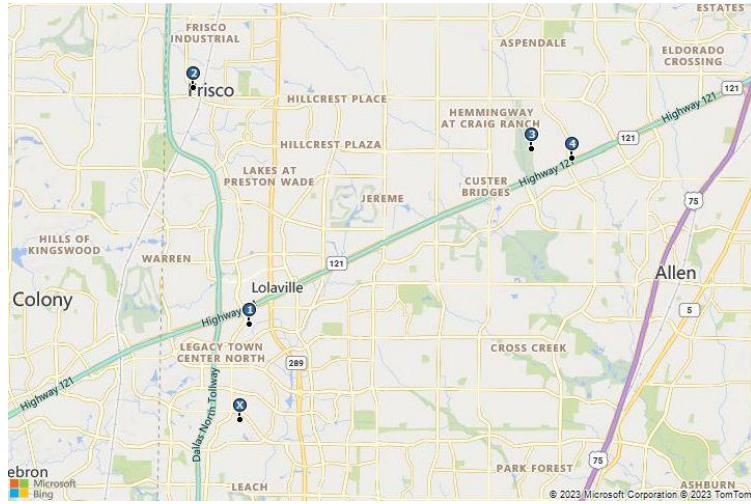
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 6

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject Haggard Farms Public Improvement District Plano, TX				217,800 5.00	PD-51 (Planned Development)	

Comparable Land Sales Map – Tract 1, Parcel 6



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 3 and 4 are similar to the subject and require no adjustment. Sale 2 is superior to the subject. A downward adjustment is applied. Sale 1 is inferior to the subject. An upward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 6					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	5.0	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		10%	-10%	—	—
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$2.97	-\$8.06	\$3.14	\$0.00
Net Property Adjustments (%)		10%	-20%	10%	0%
Final Adjusted Price		\$32.65	\$32.24	\$34.53	\$33.39
Range of Adjusted Prices		\$32.24 - \$34.53			
Average		\$33.20			
Indicated Value		\$33.00			

Land Value Conclusion – Tract 1, Parcel 6

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$32.24 - \$34.53 per square foot, with an average of \$33.20 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 1, Parcel 6**

Indicated Value per Square Foot	\$33.00
Subject Square Feet	217,800
Indicated Value	\$7,187,400
Rounded	\$7,190,000

**Tract 1, Parcel 7 (3.7 Acres; 161,172 SF)**

To apply the sales comparison approach to Tract 1, Parcel 7, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

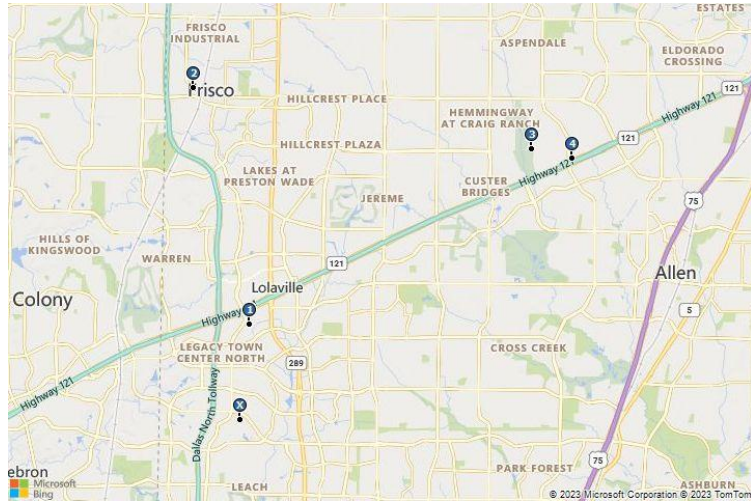
For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 1, Parcel 7

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
<i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>						
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
<i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>						
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
<i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>						
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
<i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>						
Subject Haggard Farms Public Improvement District Plano, TX				161,172 3.70	PD-51 (Planned Development)	



Comparable Land Sales Map – Tract 1, Parcel 7



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 1, Parcel 7					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	3.7	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

Land Value Conclusion – Tract 1, Parcel 7

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 1, Parcel 7**

Indicated Value per Square Foot	\$28.00
Subject Square Feet	161,172
Indicated Value	\$4,512,816
Rounded	\$4,510,000

Tract 2, Parcel 1 (8.7 Acres; 378,972 SF)

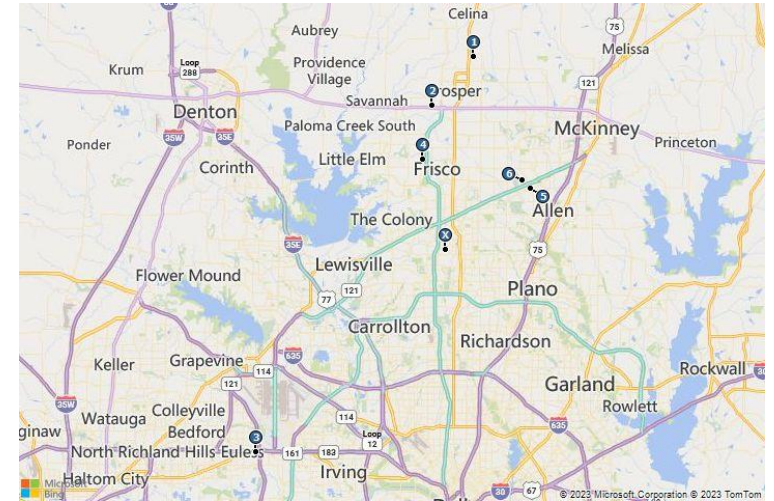
To apply the sales comparison approach to Tract 2, Parcel 1, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 5.0 to 20.0 Acres
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 2, Parcel 1								
No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land
1	Multi-family land in Celina South side of Ownsby Parkway, east of Preston Road Celina Collin County TX <i>Comments: This multifamily property has frontage along Ownsby Parkway and is planned to be developed with 400 multifamily units.</i>	Jun-23 Closed	\$10,800,000	653,400 15.00	400 26.7	MF-2	\$27,000	\$16.53
2	Multi-family land in Prosper South side of Prairie Drive, west of Mahard Drive Prosper Collin County TX <i>Comments: Plans are for a 180-unit active adult complex. Property is in Prosper ISD.</i>	Nov-22 Closed	\$4,699,118	447,535 10.27	188 18.3	PD-298	\$24,995	\$10.50
3	13 acres in Euless, TX North Side of SH-183, bisected by American Boulevard Euless Tarrant County TX <i>Comments: This represents an assemblage of two tracts of land purchased together for multifamily development. They allow for a total of 400 units.</i>	Jan-22 Closed	\$10,500,000	566,498 13.01	400 30.8	PD (Planned Development)	\$26,250	\$18.53
4	Proposed Frisco Apartments Phase 2 Southeast corner of Avon Lane and Whistle Stop Lane Frisco Denton County TX <i>Comments: This site was purchased for the development of Jefferson Railhead, Phase 2 apartments (450 units).</i>	Nov-21 Closed	\$11,560,000	325,297 7.47	450 60.3	MF/O/PD-263	\$25,689	\$35.54
5	Multi-family Land - 5.1021 Acres South side of Blue Tractor Lane, east of N. Alma Drive Allen Collin County TX <i>Comments: This rectangular-shaped tract was acquired to be developed with a 325-unit multifamily development to be known as Alta at the Farm. The property is within The Farm master-planned development and is within the Allen ISD.</i>	Oct-21 Closed	\$7,800,000	222,247 5.10	325 63.7	PD-22 (CC)	\$24,000	\$35.10
6	Multi-family Land in McKinney Southwest and Southeast corner of Meyer Road and Van Tuyl Parkway McKinney Collin County TX <i>Comments: This sale represents two non-contiguous properties with frontage along Van Tuyl Parkway. They were purchased as an assemblage for future multi-family use.</i>	Oct-21 Closed	\$14,697,570	489,919 11.25	675 60.0	PD	\$21,774	\$30.00
Subject				378,972	350	PD-51 (Planned Development)		
Haggard Farms Public Improvement Piano, TX				8.70	40.2			

Comparable Land Sales Map – Tract 2, Parcel 1





Sale 1
Multifamily land in Celina



Sale 3
13 acres in Euless, TX



Sale 5
Multifamily Land - 5.1021 Acres



Sale 2
Multifamily land in Prosper



Sale 4
Proposed Frisco Apartments Phase 2



Sale 6
Multi-family Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from October 2021 to June 2023. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment							
Comp #	1	2	3	4	5	6	
Sale Date	6/8/2023	11/18/2022	1/25/2022	11/1/2021	10/20/2021	10/7/2021	
Date	Annual Growth Rate						
6/1/2022	10%	0.00%	0.00%	3.48%	5.81%	6.14%	6.49%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.00%	0.00%	3.48%	5.81%	6.14%	6.49%	
Rounded	0%	0%	3%	6%	6%	6%	

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 4 is similar to the subject. No adjustment is necessary. Sales 1, 2, 3, 5 and 6 are adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1, 3, 4, 5 and 6 are similar to the subject and require no adjustment. Sale 2 is inferior to the subject. An upward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.



Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

Sales 1, 2 and 3 are superior to the subject. Downward adjustments are applied. Sales 4, 5 and 6 are inferior to the subject. Upward adjustments are applied.

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 - Tract 2, Parcel 1							
Address	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
	South side of Spring Creek Parkway and Parkway and Windhaven Parkway	South side of Owensby Parkway, east of Preston Road	Prairie Drive, west of Mahard Drive	183, bisected by American Boulevard	South side of Blue Whistle Stop Lane	South side of Blue Whistle Stop Lane	Southwest corner of Meyer Road and Van Tuij Parkway
City	Plano	Celina	Prosper	Euless	Frisco	Allen	McKinney
County	Collin	Collin	Collin	Tarrant	Denton	Collin	Collin
State	Texas	TX	TX	TX	TX	TX	TX
Sale Date	Jun-23	Nov-22	Nov-22	Jan-22	Nov-21	Oct-21	Oct-21
Sale Status	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Sale Price	\$10,800,000	\$4,669,118	\$10,500,000	\$11,560,000	\$7,800,000	\$14,697,570	\$14,697,570
Effective Sale Price	\$10,800,000	\$4,669,118	\$10,500,000	\$11,560,000	\$7,800,000	\$14,697,570	\$14,697,570
Acres	8.7	15.0	10.3	13.0	7.5	5.1	11.2
Number of Units	350	400	188	400	450	325	675
Units Per Acre	40.23	26.70	18.40	30.80	60.20	63.70	60.00
Price per Unit	\$27,000	\$24,995	\$26,250	\$25,689	\$24,000	\$21,774	
Transactional Adjustments							
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment	—	—	—	—	—	—	—
Financing Terms	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment	—	—	—	—	—	—	—
Conditions of Sale	—	—	—	—	—	—	—
% Adjustment	—	—	—	—	—	—	—
Market Conditions	9/30/2024	Jun-23	Nov-22	Jan-22	Nov-21	Oct-21	Oct-21
Annual % Adjustment	Variable	—	—	3%	6%	6%	6%
Cumulative Adjusted Price	\$27,000	\$24,995	\$27,038	\$27,230	\$25,440	\$23,081	
Property Adjustments							
Location	20%	10%	20%	—	10%	10%	
Access/Exposure	—	20%	—	—	—	—	
Size	—	—	—	—	—	—	
Shape and Topography	—	—	—	—	—	—	
Zoning	-5%	-10%	-5%	15%	15%	15%	
Net Property Adjustments (\$)	\$4,050	\$4,999	\$4,056	\$4,085	\$6,360	\$5,770	
Net Property Adjustments (%)	15%	20%	15%	15%	25%	25%	
Final Adjusted Price	\$31,050	\$29,994	\$31,093	\$31,315	\$31,800	\$28,851	
Range of Adjusted Prices	\$28,851 - \$31,800						
Average	\$30,684						
Indicated Value	\$31,000						



Land Value Conclusion – Tract 2, Parcel 1

Prior to adjustments, the sales reflect a range of \$21,774 - \$27,000 per unit. After adjustment, the range is narrowed to \$28,851 - \$31,800 per unit, with an average of \$30,684 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 2, Parcel 1**

Indicated Value per Unit	\$31,000
Subject Units	350
Indicated Value	\$10,850,000
Rounded	\$10,850,000

Tract 2, Parcel 2 (2.6 Acres; 113,256 SF)

To apply the sales comparison approach to Tract 2, Parcel 2, the research focused on transactions within the following parameters:

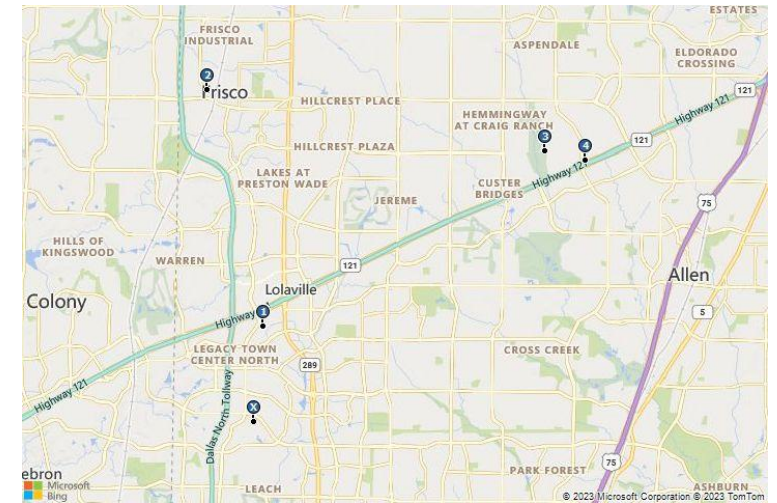
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 2, Parcel 2

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
<i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>						
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
<i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>						
3	Land in McKinney Northwest corner of Van Tuij Parkway and Weiskopf Avenue McKinney Collin County TX	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
<i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>						
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
<i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>						
Subject				113,256	PD-51 (Planned Development)	
Haggard Farms Public Improvement Plano, TX				2.60		

Comparable Land Sales Map – Tract 2, Parcel 2





Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 2, Parcel 2					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	2.6	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices					
		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

**Land Value Conclusion – Tract 2, Parcel 2**

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 2, Parcel 2	
Indicated Value per Square Foot	\$28.00
Subject Square Feet	113,256
Indicated Value	\$3,171,168
Rounded	\$3,170,000



Tract 2, Parcel 3 (3.0 Acres; 130,680 SF)

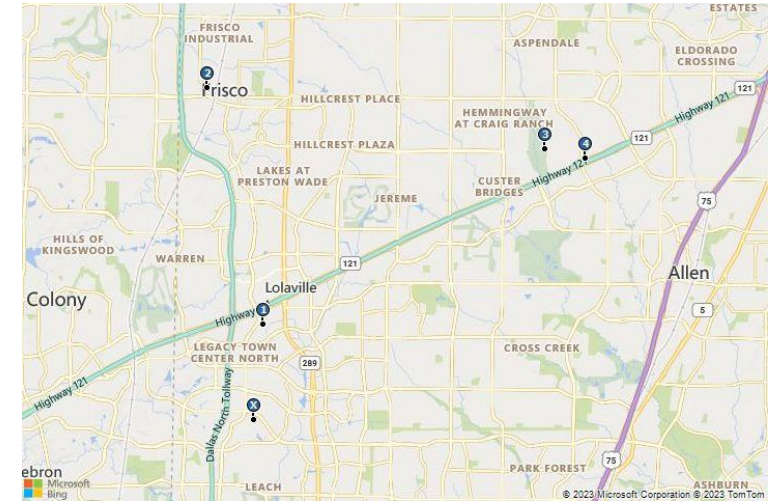
To apply the sales comparison approach to Tract 2, Parcel 3, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 2, Parcel 3

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject				130,680	PD-51 (Planned Development)	
Haggard Farms Public Improvement District Plano, TX				3.00		

**Comparable Land Sales Map – Tract 2, Parcel 3**



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Land - 3.696 Acres, Frisco, TX



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.



Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.



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 - Tract 2, Parcel 3					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Southeast corner of Spring Creek Parkway and Parkwood Boulevard; Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	3.0	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices					
		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

Land Value Conclusion – Tract 2, Parcel 3

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 2, Parcel 3	
Indicated Value per Square Foot	\$28.00
Subject Square Feet	130,680
Indicated Value	\$3,659,040
Rounded	\$3,660,000

Tract 2, Parcel 4 (2.2 Acres; 95,832 SF)

To apply the sales comparison approach to Tract 2, Parcel 4, the research focused on transactions within the following parameters:

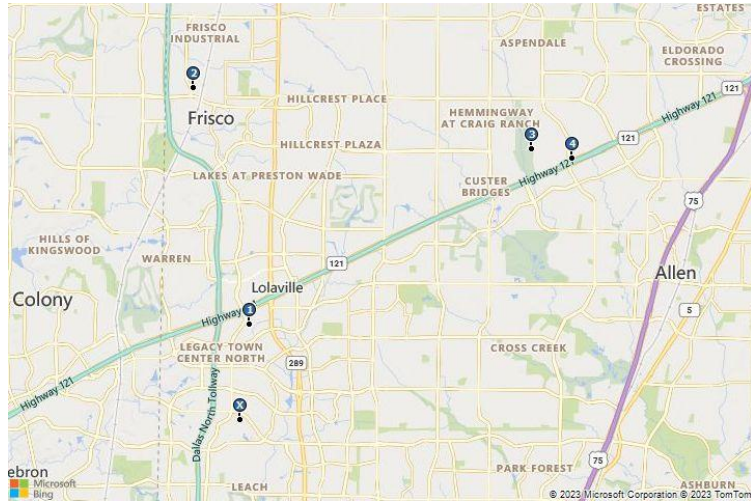
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square 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 - Tract 2, Parcel 4

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
Comments: The purchased property has been improved with a 58,620 square-foot office building.						
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.						
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.						
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.						
Subject				95,832	PD-51 (Planned Development)	
Haggard Farms Public Improvement District (PID)				2.20		
Plano, TX						

Comparable Land Sales Map – Tract 2, Parcel 4



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 2, Parcel 4					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	2.2	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices		\$26.71 - \$29.68			
Average		\$28.21			
Indicated Value		\$28.00			

Land Value Conclusion – Tract 2, Parcel 4

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion for the subject is presented as follows:

Land Value Conclusion	
Tract 2, Parcel 4	
Indicated Value per Square Foot	\$28.00
Subject Square Feet	95,832
Indicated Value	\$2,683,296
Rounded	\$2,680,000

Tract 3, Parcel 1 (2.5 Acres; 108,900 SF)

To apply the sales comparison approach to Tract 3, Parcel 1, the research focused on transactions within the following parameters:

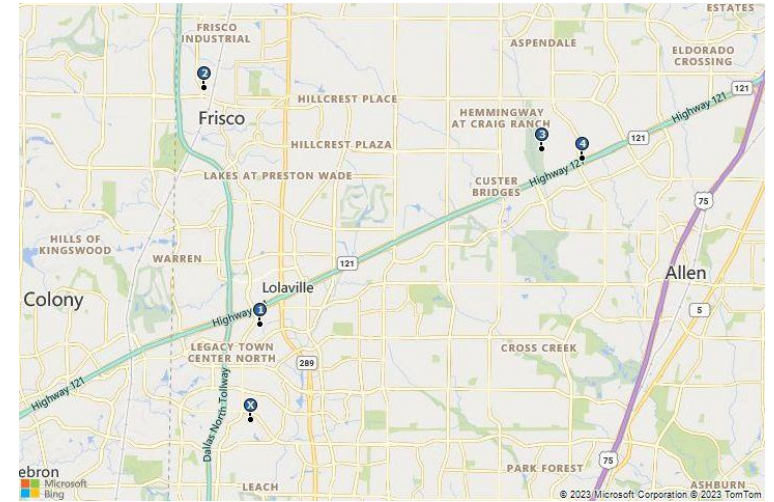
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 3, Parcel 1

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject				108,900	PD-51 (Planned Development)	
Haggard Farms Public Improvement Plano, TX				2.50		

Comparable Land Sales Map – Tract 3, Parcel 1





Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 3, Parcel 1					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	2.5	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices					
Average		\$26.71 - \$29.68			
Indicated Value		\$28.21			
		\$29.25			

Land Value Conclusion – Tract 3, Parcel 1

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 3, Parcel 1	
Indicated Value per Square Foot	\$29.25
Subject Square Feet	108,900
Indicated Value	\$3,185,325
Rounded	\$3,190,000

Tract 3, Parcel 2 (3.2 Acres; 139,392 SF)

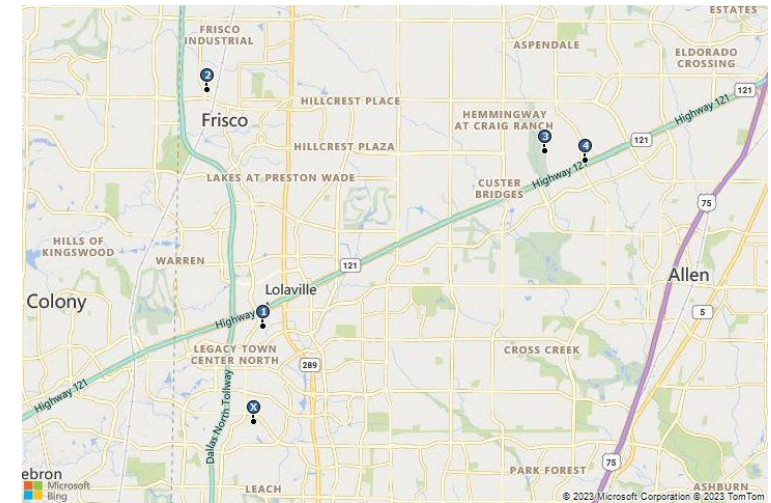
To apply the sales comparison approach to Tract 3, Parcel 2, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 3, Parcel 2

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject Haggard Farms Public Improvement Plano, TX				139,392 3.20	PD-51 (Planned Development)	

**Comparable Land Sales Map – Tract 3, Parcel 2**



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 1 is similar to the subject and requires no adjustment. Sales 2, 3 and 4 are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 3, Parcel 2					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	3.2	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		—	-20%	-20%	-20%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		\$0.00	-\$12.09	-\$3.14	-\$6.68
Net Property Adjustments (%)		0%	-30%	-10%	-20%
Final Adjusted Price		\$29.68	\$28.21	\$28.25	\$26.71
Range of Adjusted Prices					
Average		\$26.71 - \$29.68			
Indicated Value		\$28.21			
		\$28.00			

Land Value Conclusion – Tract 3, Parcel 2

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$26.71 - \$29.68 per square foot, with an average of \$28.21 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 3, Parcel 2	
Indicated Value per Square Foot	\$28.00
Subject Square Feet	139,392
Indicated Value	\$3,902,976
Rounded	\$3,900,000

Tract 3, Parcel 3 (3.2 Acres; 139,392 SF)

To apply the sales comparison approach to Tract 3, Parcel 3, the research focused on transactions within the following parameters:

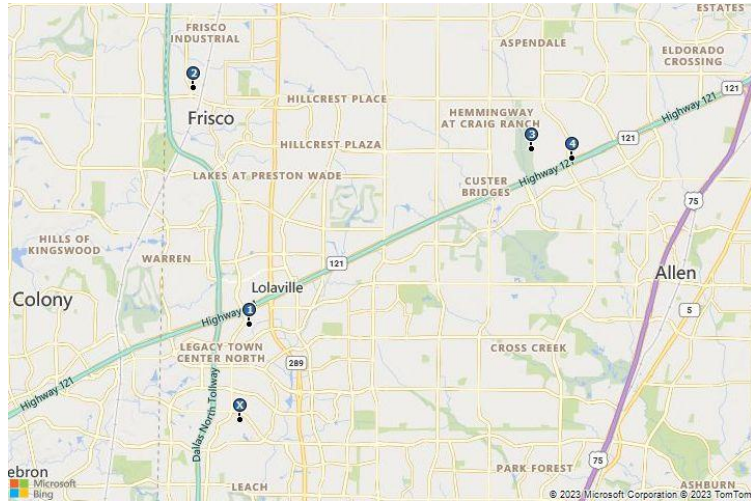
- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 3, Parcel 3

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject Haggard Farms Public Improvement Plano, TX				139,392 3.20	PD-51 (Planned Development)	

Comparable Land Sales Map – Tract 3, Parcel 3



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments**Real Property Rights Conveyed**

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment

Comp #	1	2	3	4
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021
Date	Annual Growth Rate			
6/1/2022	10%	6.16%	3.07%	2.66%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%
Rounded		6%	3%	3%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 3, Parcel 3					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Haggard Farms Public Improvement District (PID)	Commercial Land in Plano, TX	Commercial Parking Lot - Block A, Lot 3	Land in McKinney	Land in McKinney
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Square Feet	139,392	139,697	160,998	348,972	149,062
Acres	3.2	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		-10%	-25%	-25%	-25%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		-\$2.97	-\$14.11	-\$4.71	-\$8.35
Net Property Adjustments (%)		-10%	-35%	-15%	-25%
Final Adjusted Price		\$26.71	\$26.20	\$26.68	\$25.04
Range of Adjusted Prices		\$25.04 - \$26.71			
Average		\$26.16			
Indicated Value		\$26.00			

Land Value Conclusion – Tract 3, Parcel 3

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$25.04 - \$26.71 per square foot, with an average of \$26.16 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 3, Parcel 3**

Indicated Value per Square Foot	\$26.00
Subject Square Feet	139,392
Indicated Value	\$3,624,192
Rounded	\$3,620,000

Tract 3, Parcel 4 (2.8 Acres; 121,968 SF)

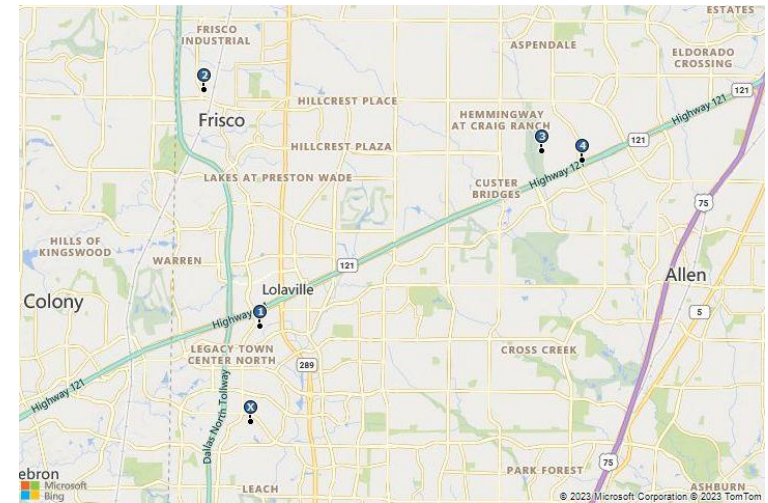
To apply the sales comparison approach to Tract 3, Parcel 4, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 3, Parcel 4

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject				121,968	PD-51 (Planned Development)	
Haggard Farms Public Improvement District Plano, TX				2.80		

Comparable Land Sales Map – Tract 3, Parcel 4



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 3, Parcel 4					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	2.8	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		-10%	-25%	-25%	-25%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		-\$2.97	-\$14.11	-\$4.71	-\$8.35
Net Property Adjustments (%)		-10%	-35%	-15%	-25%
Final Adjusted Price		\$26.71	\$26.20	\$26.68	\$25.04
Range of Adjusted Prices					
		\$25.04 - \$26.71			
Average		\$26.16			
Indicated Value		\$26.00			

Land Value Conclusion – Tract 3, Parcel 4

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$25.04 - \$26.71 per square foot, with an average of \$26.16 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 3, Parcel 4	
Indicated Value per Square Foot	\$26.00
Subject Square Feet	121,968
Indicated Value	\$3,171,168
Rounded	\$3,170,000

Tract 3, Parcel 5 (4.1 Acres; 178,596 SF)

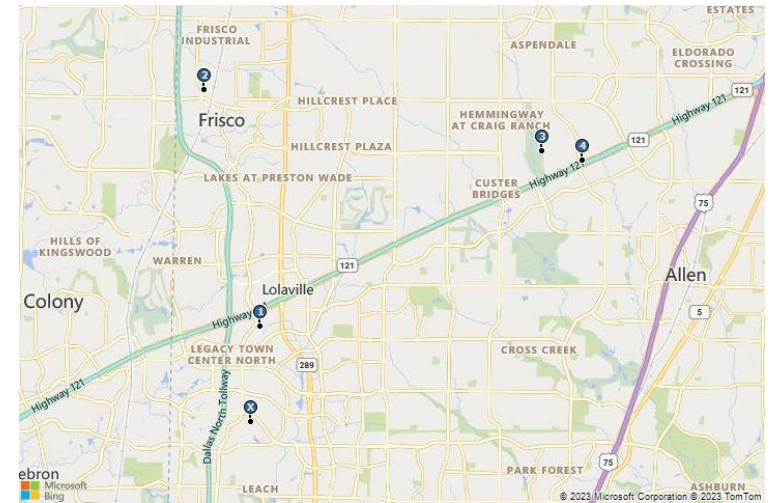
To apply the sales comparison approach to Tract 3, Parcel 5, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2.0 to 10.0 Acres
- Use: Commercial
- Transaction Date: Past 30 months or Pending

For this analysis, price per square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 3, Parcel 5

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land
1	Commercial Land in Plano, TX East side of Parkwood Boulevard north of Dominion Parkway Plano Collin County TX <i>Comments: The purchased property has been improved with a 58,620 square-foot office building.</i>	Oct-21 Closed	\$3,911,516	139,697 3.21	CE	\$28.00
2	Commercial Parking Lot - Block A, Lot 3 Northeast corner of Frisco Street and Farmers Market Way Frisco Collin County TX <i>Comments: This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.</i>	Feb-22 Closed	\$7,000,000	160,998 3.70	PD-253 (Planned Development)	\$43.48
3	Land in McKinney Northwest corner of Van Tuyl Parkway and Weiskopf Avenue McKinney Collin County TX <i>Comments: This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.</i>	Feb-22 Closed	\$10,635,781	348,972 8.01	PD	\$30.48
4	Land in McKinney Northeast corner of SH-121 and Alma Road McKinney Collin County TX <i>Comments: This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.</i>	Apr-21 Closed	\$4,484,010	149,062 3.42	PD (Planned Development)	\$30.08
Subject				178,596	PD-51 (Planned Development)	
Haggard Farms Public Improvement District Plano, TX				4.10		

Comparable Land Sales Map – Tract 3, Parcel 5



Sale 1
Commercial Land in Plano, TX



Sale 2
Commercial Parking Lot - Block A, Lot 3



Sale 3
Land in McKinney



Sale 4
Land in McKinney

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	10/19/2021	2/9/2022	2/24/2022	4/22/2021	
Date	Annual Growth Rate				
6/1/2022	10%	6.16%	3.07%	2.66%	11.10%
9/30/2024	0%	0.00%	0.00%	0.00%	0.00%
Total		6.16%	3.07%	2.66%	11.10%
Rounded		6%	3%	3%	11%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 3 and 4 are similar to the subject. No adjustments are necessary. Sale 2 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are superior to the subject. Downward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 4 are similar to the subject and require no adjustment. Sale 3 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 3, Parcel 5					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	East side of Parkwood Boulevard north of Dominion Parkway	Northeast corner of Frisco Street and Farmers Market Way	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue	Northeast corner of SH-121 and Alma Road
City	Plano	Plano	Frisco	McKinney	McKinney
County	Collin	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX	TX
Sale Date		Oct-21	Feb-22	Feb-22	Apr-21
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$3,911,516	\$7,000,000	\$10,635,781	\$4,484,010
Acres	4.1	3.2	3.7	8.0	3.4
Price per Square Foot		\$28.00	\$43.48	\$30.48	\$30.08
Transactional Adjustments					
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		—	-10%	—	—
% Adjustment		—	—	—	—
Market Conditions	9/30/2024	Oct-21	Feb-22	Feb-22	Apr-21
Annual % Adjustment	Variable	6%	3%	3%	11%
Cumulative Adjusted Price		\$29.68	\$40.30	\$31.39	\$33.39
Property Adjustments					
Location		—	-10%	—	—
Access/Exposure		-10%	-25%	-25%	-25%
Size		—	—	10%	—
Shape and Topography		—	—	—	—
Zoning		—	—	—	—
Net Property Adjustments (\$)		-\$2.97	-\$14.11	-\$4.71	-\$8.35
Net Property Adjustments (%)		-10%	-35%	-15%	-25%
Final Adjusted Price		\$26.71	\$26.20	\$26.68	\$25.04
Range of Adjusted Prices					
Average		\$25.04 - \$26.71			
Indicated Value		\$26.16			
		\$26.00			

Land Value Conclusion – Tract 3, Parcel 5

Prior to adjustments, the sales reflect a range of \$28.00 - \$43.48 per square foot. After adjustment, the range is narrowed to \$25.04 - \$26.71 per square foot, with an average of \$26.16 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Tract 3, Parcel 5	
Indicated Value per Square Foot	\$26.00
Subject Square Feet	178,596
Indicated Value	\$4,643,496
Rounded	\$4,640,000

Tract 4, Parcel 1 (13.0 Acres; 566,280 SF)

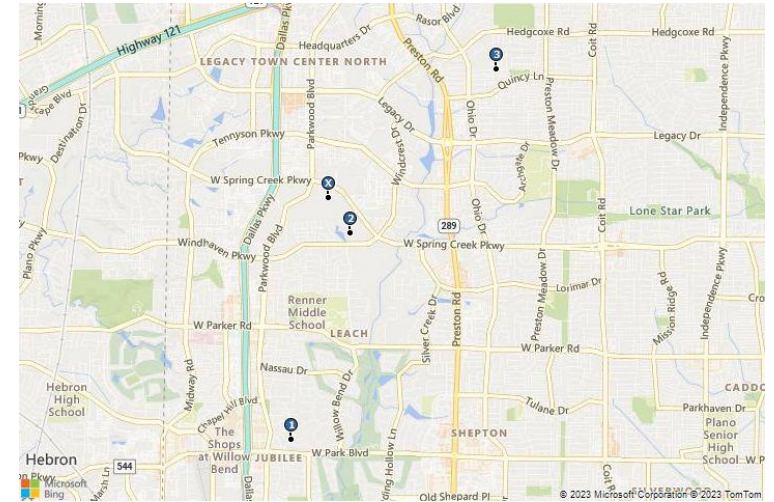
To apply the sales comparison approach to Tract 4, Parcel 1, the research focused on transactions within the following parameters:

- Location: Immediate Market Area
- Size: Any
- Use: Single Family
- Transaction Date: January 2020 to Present

It is noted that the city of Plano is virtually built out in regard to vacant residential land. The sales provided are the only known sales of comparable properties in the city over the past three years.

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract 4, Parcel 1								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land
1	Land - 3.107 Acres, Willow Bend Polo Estates Southeast corner of Shaddock Boulevard and Closed Castle Gate Drive Plano Collin County TX <i>Comments: This property was improved with an older pool and tennis courts constructed in 1978 which were considered to add no contributory value as the salvage value is offset by the demolition costs. This infill tract is within the Willow Bend Polo Estates residential development and is planned to be developed with 19 patio-home lots. The property is within the Plano ISD.</i>	Feb-21	\$3,635,045	135,354 3.11	19 6.1	PD-423 (PH)	\$191,318	\$26.86
2	Mixed use Land in Plano Northwest quadrant of Windhaven Parkway and West Spring Creek Parkway Plano Collin County TX <i>Comments: This mixed-use property is planned to be developed with 153 independent living units.</i>	Dec-20 Closed	\$12,500,000	795,014 18.25	153 8.4	PD 242-MF-2	\$81,699	\$15.72
3	3.707 Acres - Residential Land in Plano, TX East side of Robins Road, south Pine Brook Drive Plano Collin County TX <i>Comments: The property is improved with a homestead. The site is located in the Frisco ISD. The site will be rezoned into SF-6 and is being acquired to be developed with 16 lots with five lots (55'), six lots (60'), and five lots (74'). Development costs were reportedly \$1,063,656 (\$66,479/lot).</i>	Sep-20 Closed	\$1,261,750	161,477 3.71	16 4.3	SF-6	\$78,859	\$7.81
Subject				566,280	100	PD-51 (Planned)		
Haggard Farms Public Improvement District				13.00	7.7	Development		
Plano, TX								

**Comparable Land Sales Map – Tract 4, Parcel 1**



Sale 1
Land - 3.107 Acres, Willow Bend Polo Estates



Sale 3
3.707 Acres - Residential Land in Plano, TX



Sale 2
Mixed use Land in Plano



Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary. Sale 2 was adjusted downward for conditions as it was improved with a parking lot at time of sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

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.

The sales took place from September 2020 to February 2021, April 2021 to February 2022. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.



Market Conditions Adjustment				
Comp #	1	2	3	
Sale Date	2/19/2021	12/28/2020	9/28/2020	
Date	Annual Growth Rate			
6/1/2022	10%	12.79%	14.25%	16.74%
9/30/2024	0%	0.00%	0.00%	0.00%
Total		12.79%	14.25%	16.74%
Rounded		13%	14%	17%

Property Adjustments**Location**

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 2 is similar to the subject. No adjustment is necessary. Sale 1 is adjusted downward for superior location. Sale 3 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are similar to the subject. No adjustments are necessary.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

Sales 1 and 3 are similar to the subject and require no adjustment. Sale 2 is inferior to the subject. An upward adjustment is applied.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PD-51 (Planned Development) - R/O-2 (Office/Retail/MF).

All of the comparables are similar to the subject. No adjustments are necessary.

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 - Tract 4, Parcel 1

	Subject	Comparable 1	Comparable 2	Comparable 3
Address	South corner of Spring Creek Parkway and Parkwood Boulevard; Also, Northwest corner of Spring Creek Parkway and Windhaven Parkway	Southeast corner of Shaddock Boulevard and Castle Gate Drive	Northwest quadrant of Windhaven Parkway and West Spring Creek Parkway	East side of Robinson Road, south Pine Brook Drive
City	Plano	Plano	Plano	Plano
County	Collin	Collin	Collin	Collin
State	Texas	TX	TX	TX
Sale Date		Feb-21	Dec-20	Sep-20
Sale Status		Closed	Closed	Closed
Sale Price		\$3,635,045	\$12,500,000	\$1,261,750
Acres	13.0	3.1	18.3	3.7
Number of Units	100	19	153	16
Units Per Acre	7.69	6.10	8.40	4.45
Price per Unit		\$191,318	\$81,699	\$78,859
Transactional Adjustments				
Property Rights		Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—
Conditions of Sale		—	—	—
% Adjustment		—	—	—
Market Conditions	9/30/2024	Feb-21	Dec-20	Sep-20
Annual % Adjustment	Variable	13%	14%	17%
Cumulative Adjusted Price		\$216,190	\$93,137	\$92,265
Property Adjustments				
Location		-50%	—	20%
Access/Exposure		—	—	—
Size		—	—	—
Shape and Topography		—	20%	—
Zoning		—	—	—
Net Property Adjustments (\$)		-\$108,095	\$18,627	\$18,453
Net Property Adjustments (%)		-50%	20%	20%
Final Adjusted Price		\$108,095	\$111,765	\$110,719
Range of Adjusted Prices				
Average		\$108,095 - \$111,765		
Indicated Value		\$110,193		
		\$110,000		

Land Value Conclusion – Tract 4, Parcel 1

Prior to adjustments, the sales reflect a range of \$78,859 - \$191,318 per unit. After adjustment, the range is narrowed to \$108,095 - \$111,765 per unit, with an average of \$110,193 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion**Tract 4, Parcel 1**

Indicated Value per Unit	\$110,000
Subject Units	100
Indicated Value	\$11,000,000
Rounded	\$11,000,000

Summary of Land Values

Based on this analysis, a summary of the individual values follows:

Summary of Land Values					
Parcel	Unit of Comparison	Units	Indicated Unit Value	Indicated Value	Rounded
Tract 1, Parcel 1	Units	350	\$31,000	\$10,850,000	\$10,850,000
Tract 1, Parcel 2	Total SF	148,104	\$28.00	\$4,146,912	\$4,150,000
Tract 1, Parcel 3	Total SF	500,940	\$32.50	\$16,280,550	\$16,280,000
Tract 1, Parcel 4	Total SF	217,800	\$35.00	\$7,623,000	\$7,620,000
Tract 1, Parcel 5	Total SF	204,732	\$28.00	\$5,732,496	\$5,730,000
Tract 1, Parcel 6	Total SF	217,800	\$33.00	\$7,187,400	\$7,190,000
Tract 1, Parcel 7	Total SF	161,172	\$28.00	\$4,512,816	\$4,510,000
Tract 2, Parcel 1	Units	350	\$31,000	\$10,850,000	\$10,850,000
Tract 2, Parcel 2	Total SF	113,256	\$28.00	\$3,171,168	\$3,170,000
Tract 2, Parcel 3	Total SF	130,680	\$28.00	\$3,659,040	\$3,660,000
Tract 2, Parcel 4	Total SF	95,832	\$28.00	\$2,683,296	\$2,680,000
Tract 3, Parcel 1	Total SF	108,900	\$29.25	\$3,185,325	\$3,190,000
Tract 3, Parcel 2	Total SF	139,392	\$28.00	\$3,902,976	\$3,900,000
Tract 3, Parcel 3	Total SF	139,392	\$26.00	\$3,624,192	\$3,620,000
Tract 3, Parcel 4	Total SF	121,968	\$26.00	\$3,171,168	\$3,170,000
Tract 3, Parcel 5	Total SF	178,596	\$26.00	\$4,643,496	\$4,640,000
Tract 4, Parcel 1	Units	100	\$110,000.00	\$11,000,000	\$11,000,000

Reconciliation and Conclusion of Value

As discussed previously, only the sales comparison approach is used to develop 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, the concluded opinion of value is as follows:

Value Conclusions			
Parcel	Interest Appraised	Date of Value	Value Conclusion
Tract 1, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 1, Parcel 2	Fee Simple	September 30, 2024	\$4,150,000
Tract 1, Parcel 3	Fee Simple	September 30, 2024	\$16,280,000
Tract 1, Parcel 4	Fee Simple	September 30, 2024	\$7,620,000
Tract 1, Parcel 5	Fee Simple	September 30, 2024	\$5,730,000
Tract 1, Parcel 6	Fee Simple	September 30, 2024	\$7,190,000
Tract 1, Parcel 7	Fee Simple	September 30, 2024	\$4,510,000
Tract 2, Parcel 1	Fee Simple	September 30, 2024	\$10,850,000
Tract 2, Parcel 2	Fee Simple	September 30, 2024	\$3,170,000
Tract 2, Parcel 3	Fee Simple	September 30, 2024	\$3,660,000
Tract 2, Parcel 4	Fee Simple	September 30, 2024	\$2,680,000
Tract 3, Parcel 1	Fee Simple	September 30, 2024	\$3,190,000
Tract 3, Parcel 2	Fee Simple	September 30, 2024	\$3,900,000
Tract 3, Parcel 3	Fee Simple	September 30, 2024	\$3,620,000
Tract 3, Parcel 4	Fee Simple	September 30, 2024	\$3,170,000
Tract 3, Parcel 5	Fee Simple	September 30, 2024	\$5,660,000
Tract 4, Parcel 1	Fee Simple	September 30, 2024	\$11,000,000

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, and other pertinent data that was provided by Kimley-Horn, Stillwater Capital, Haggard Enterprises Limited and the Collin Central Central Appraisal District is assumed to be correct.
2. The values presented within this report are prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
3. Our opinions of prospective market value at completion assume that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024, the effective appraisal date.
4. It is noted that large portions of the overall development are located in a flood hazard area. However, based on the exhibits provided, none of the individual tracts to be valued herein appear to be affected by the flood zone. This is assumed to be correct.

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. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

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 review of recent sales transactions for similar properties and analysis of supply and demand in the local land market, the probable exposure time for the subject at the concluded market values stated previously is 9-12 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 no significant changes in market conditions are foreseen in the near term, a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, the subject's marketing period is estimated at 9-12 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 performed no 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 has made a personal inspection of the property that is the subject of this report. Jimmy H. Jackson, MAI has personally inspected the subject.
12. No one provided significant real property appraisal assistance to the persons signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

14. As of the date of this report, Jimmy H. Jackson, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
15. As of the date of this report, Ernest Gatewood has completed the continuing education program for Practicing Affiliates of the Appraisal Institute.



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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. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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.
16. 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.



17. 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.
18. 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.
19. 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.
20. 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 environmental 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.
21. 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.
22. 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.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.



24. **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.**
25. IRR - Dallas is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. 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.
27. 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.
28. 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, and other pertinent data that was provided by Kimley-Horn, Stillwater Capital, Haggard Enterprises Limited and the Collin Central Central Appraisal District is assumed to be correct.
2. The values presented within this report are prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
3. Our opinions of prospective market value at completion assume that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024, the effective appraisal date.
4. It is noted that large portions of the overall development are located in a flood hazard area. However, based on the exhibits provided, none of the individual tracts to be valued herein appear to be affected by the flood zone. This is assumed to be correct.

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. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.



Addendum A

Appraiser Qualifications



Jimmy H. Jackson, MAI

Experience

Senior Managing Director with the Dallas, Lubbock/West Texas and Oklahoma City offices of Integra Realty Resources, a full-service real estate consulting and appraisal firm.

Jimmy H. Jackson, MAI has over 38 years of experience as a commercial appraiser as well as years of experience as a seasoned real estate investor. Prior to joining Integra Realty Resources, Jackson was one of the original two founding partners of Jackson Claborn, Inc. (JCI), a real estate consulting/valuation firm that was established in 1992. JCI grew to have one of the largest staffs of commercial and residential appraisers in the Southwest and has performed valuation and consulting on a vast number of commercial property types across Texas as well as the United States. Mr. Jackson holds the MAI designation and has been involved in the analysis of virtually all types of commercial and residential properties. Mr. Jackson has experience in state and federal courts as an expert witness. Testimony has involved such varied issues as bankruptcy, taxation and condemnation. Mr. Jackson has also been involved in numerous real estate developments and personal real estate investments.

A major philanthropic achievement for Mr. Jackson was consulting with and influencing family members to provide the start-up expertise as well as the seed funding in 1994 for the formation of The Parent Project for Muscular Dystrophy/PPMD (www.parentprojectmd.org). The PPMD organization has developed into a worldwide non-profit centered to provide research funds for children suffering from Duchenne Muscular Dystrophy. Since inception, the PPMD organization has directly funded more than \$50 million in direct research and assisted and helped leverage more than \$500 million of other research related to other genetic diseases through government grants and other private funding sources. In 2008, Mr. Jackson received a Humanitarian Award from Texas Gov. Rick Perry for charitable work associated with National Jewish Hospital/NJH in Denver. Mr. Jackson currently serves as a national trustee for NJH which is the #1 respiratory care hospital in the world.

Mr. Jackson graduated from Texas Tech University in 1984 with a B.B.A. in Finance with a Real Estate Emphasis. Mr. Jackson has served on numerous professional boards, including serving on the Ethics and Counseling Panel of the North Texas Chapter of the Appraisal Institute as well as serving on the Board of Directors as well as being Chair and Co-Chair of the Public Relations Committee.

As a college student, Mr. Jackson was a member of Phi Delta Theta social fraternity and the Texas Tech Finance Association. Mr. Jackson served for eight (8) years on the Advisory Board for the Jerry Rawls College of Business Administration (COBA) at Texas Tech University. Mr. Jackson has also served as a guest lecturer on real estate entrepreneurship to upper-level COBA students at Texas Tech over the years.

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Jimmy H. Jackson, MAI

Experience (Cont'd)

Basic Core Real Estate Appraisal Services

Feasibility Studies, Absorption Studies & Demographic Studies
Highest & Best Use Studies for All Property Types
3rd Party Appraisal Reviews
Detrimental Conditions Valuation & Consulting
Encroachment Analysis
Land Use Studies & Planning/Zoning Studies
Litigation/Litigation Support
In-Depth Market Analysis for All Property Types
Tax Assessment & Mass Appraisal Analysis
Fair & Equitable Appraisal Analysis
Right of Way Analysis Appraisals
Mediation, Arbitration, & Dispute Resolution
Portfolio Valuation & Analysis
Retrospective Valuation Opinions

Appraisal of all property types including the following:

Residential

High-Rise Condominium and Garden-Style Multi-Family and Townhome Projects
High-End Residential Property
Historical Residential Property
All types of Single-Family Appraisals (Conventional, Relocation, Unique / Historical Property)

Land

Acreage (Commercial Mixed-Use)
Subdivided Land (Mixed-Use, Commercial and Industrial)
Standard Single-Family Subdivision Lot development appraisals
PID/MUD Single-Family Subdivision Lot development appraisals

Commercial, Office & Retail

Branch Banks / Financial Building
Convenience Stores / Service Stations
Convention Center / Hotel / Resort /Motel
Office Building (High Rise, over three stories)
Office Building (Low Rise, three stories or less)
Parking Facility (Lot or Garage)
Retail (Single Tenant or Free Standing)
Shopping Center (Local, Strip, Neighborhood, Community, Etc.)
Shopping Center (Power Center, Outlet Center, Lifestyle, Etc.)
Shopping Center (Super Regional, Regional Mall)

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Jimmy H. Jackson, MAI

Experience (Cont'd)

Industrial

Industrial (Heavy (Manufacturing)
Industrial (Small Office Warehouse / Mfg.)
Industrial Light (Distribution, Storage)

Special Purpose

Automobile Dealerships
Church Facilities
Collegiate Student Housing
Self-Serve and Full-Service Car Wash Facilities
Self-Storage Facilities

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute

Licenses

Texas, Certified General Real Estate Appraiser, TX 1324004 G, Expires November 2024
Oklahoma, Certified General Real Estate Appraiser, 13279CGA, Expires September 2023
New Mexico, Certified General Real Estate Appraiser, 03819-G, Expires April 2025

Education

Mr. Jackson is a graduate of Texas Tech University where he received a Bachelor of Business Administration in Finance with a Real Estate Emphasis.

Miscellaneous

Member of Region 8 Ethics and Counseling Regional Panel (1992-1995)
Chair - Public Relations North Texas Chapter (2003, 2004)
Co-Chair - Public Relations North Texas Chapter (2005)
Board Member - North Texas Chapter (2005-2007)



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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 2024
Texas, Licensed Real Estate Salesman, 277705, Expires December 2023

Education

Richland Junior College, Dallas, Texas
The University of North Texas, Denton, Texas

Miscellaneous

An affiliate of the Appraisal Institute

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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! 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

Addendum C

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 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 opinion applies. (SVP)
2. The date to which an appraiser's analysis, opinions, and conclusions apply; also referred to as *date of value*. (USPAP, 2020-2021 ed.)
3. The date that a 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 or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a past project to compensate for his or her time, effort, knowledge, 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 innovation 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. An opinion, based on supporting market data, of the 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.

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 given individual investment or operational objectives (may also be known as worth). (IVS)

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 Estate

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 to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes 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

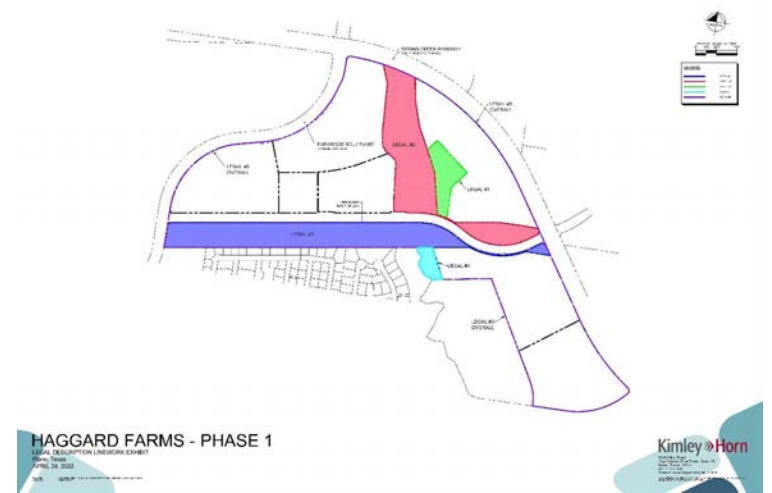
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Addendum D

Property Information



DESCRIPTION
TRACT 5, OVERALL

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd. recorded in Volume 4227, Page 835, Deed Records of Collin County, Texas, and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited Ltd. recorded in Volume 2523, Page 172, Land Records, Collin County, Texas, and being a part of a remainder of a 3.912 acre tract of land described in Special Warranty Deed to Haggard Enterprises Limited, Ltd. recorded in Volume 2739, Page 967, Official Public Records, Collin County, Texas and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for corner at the northeast end of a right-of-way corner clip at the intersection of the south right-of-way line of Spring Creek Parkway (a 160-foot wide right-of-way) recorded in Instrument No. 92-0038495, of said Official Public Records, and east right-of-way line of Parkwood Boulevard (a variable width right-of-way) recorded in Instrument No. 20080123000089940, of said Official Public Records, and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 56°05'23", and a chord bearing and distance of South 61°27'05" East, 2,059.64 feet;

THENCE with said south right-of-way line of Spring Creek Parkway, the following courses and distances:

In a southeasterly direction, with said non-tangent curve to the right, an arc distance of 2,144.25 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner;
South 33°24'23" East, a distance of 1,403.36 feet to a point for corner at the beginning of a tangent curve to the left with a radius of 2,233.88 feet, a central angle of 21°30'13", and a chord bearing and distance of South 44°09'30" East, 833.48 feet;
In a southeasterly direction, with said tangent curve to the left, an arc distance of 838.40 feet to a point for the north end of a corner clip of the southwest right-of-way line of Spring Creek Parkway and north right-of-way line of Windhaven Parkway (a variable width right-of-way);

THENCE with said corner clip, South 06°24'01" East, a distance of 32.91 feet to a point for the south end of said corner clip;

THENCE with said north right-of-way line of Windhaven Parkway, the following courses and distances:

South 42°25'48" West, a distance of 33.08 feet to a point for corner at the beginning of a non-tangent curve to the right with a radius of 745.00 feet, a central angle of 46°51'24", and a chord bearing and distance of South 65°48'30" West, 592.43 feet;
In a northerly direction, with said non-tangent curve to the right, an arc distance of 609.26 feet to a point for corner;
South 89°14'12" West, a distance of 336.78 feet to a point the southeast corner of Lot 1, Block A, Haggard Farm CCRC Addition, an addition to the City of Plano, according to the plat recorded in Instrument No. 2020-852, of said Official Public Records;

THENCE with the east line of said Lot 1, Block A, the following courses and distances:

North 00°00'00" East, a distance of 8.46 feet to a point for corner at the beginning of a tangent curve to the left with a radius of 450.00 feet, a central angle of 29°35'57", and a chord bearing and distance of North 14°47'58" West, 229.89 feet;
In a westerly direction, with said tangent curve to the left, an arc distance of 232.47 feet to a point for corner;

North 29°35'55" West, a distance of 1,016.42 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" found for corner at the beginning of a tangent curve to the right with a radius of 450.00 feet, a central angle of 05°13'41", and a chord bearing and distance of North 26°59'05" West, 41.05 feet;
In a northwesterly direction, with said tangent curve to the right, an arc distance of 41.06 feet to an aluminum disk found for the northeast corner of said Lot 1, Block A;

THENCE with the north line of said Lot 1, Block A, South 80°06'01" West, a distance of 584.19 feet to a point for the northwest corner of said Lot 1, Block A, and being in the east line of Lot 58, Block A, Avignon Windhaven Phase 3, an addition to the City of Plano, according to the plat recorded in Instrument No. 20111209010002540, Official Public Records, Collin County, Texas;

THENCE with said east line of said Lot 58, Block A, the following courses and distances:

North 24°51'19" West, a distance of 18.42 feet to a point for corner;
North 75°16'30" West, a distance of 53.86 feet to a point for corner;
North 55°20'01" West, a distance of 34.91 feet to a point for corner;
North 34°00'20" West, a distance of 99.90 feet to a point for corner;
North 15°47'59" East, a distance of 80.20 feet to a point for corner;
North 56°16'37" West, a distance of 62.96 feet to a point for corner;
North 01°52'23" West, a distance of 42.45 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" found for the northeast corner of said Lot 58, Block A;

THENCE with the north lines of said Avignon Windhaven Phase 3, and Avignon Windhaven Phase 2, an addition to the City of Plano, according to the plat recorded in Instrument No. 20091008010002560, of said Official Public Records, and Avignon Windhaven Phase 1, an addition to the City of Plano, according to the Plat recorded in Cabinet R, Page 204, of said Official Public Records, South 81°03'52" West, a distance of 2,448.75 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner in said east right-of-way line of Parkwood Boulevard at the beginning of a non-tangent curve to the left with a radius of 830.00 feet, a central angle of 01°52'15", and a chord bearing and distance of North 00°57'33" East, 27.10 feet;

THENCE with said east right-of-way line of Parkwood Boulevard, the following courses and distances:

In a westerly direction, with said non-tangent curve to the left, an arc distance of 27.10 feet to a point for corner;
North 00°00'44" East, a distance of 216.84 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the right with a radius of 734.72 feet, a central angle of 76°22'00", and a chord bearing and distance of North 38°11'44" East, 908.38 feet;
In a northeasterly direction, with said tangent curve to the right, an arc distance of 979.27 feet to an Aluminum Disk found for corner;
North 76°22'45" East, a distance of 230.20 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the left with a radius of 860.00 feet, a central angle of 48°22'32", and a chord bearing and distance of North 52°11'29" East, 704.73 feet;
In a northerly direction, with said tangent curve to the left, an arc distance of 726.11 feet to an Aluminum Disk found for corner;
North 28°00'13" East, a distance of 26.52 feet to a 5/8-inch iron rod with red plastic cap stamped "KHA" set for corner at the beginning of a tangent curve to the left with a radius of 795.00 feet, a central angle of 10°08'29", and a chord bearing and distance of North 22°55'59" East, 140.53 feet;
In a northerly direction, with said tangent curve to the left, an arc distance of 140.72 feet to an Aluminum Disk found for corner;

North 17°21'48" East, a distance of 115.92 feet to an Aluminum Disk found for corner at the beginning of a tangent curve to the left with a radius of 262.00 feet, a central angle of 11°33'27", and a chord bearing and distance of North 11°35'04" East, 52.76 feet;
 In a northerly direction, with said tangent curve to the left, an arc distance of 52.85 feet to a 1/2-inch iron rod found for corner at the beginning of a compound curve to the left with a radius of 876.20 feet, a central angle of 06°25'16", and a chord bearing and distance of North 02°35'43" East, 98.14 feet;
 In a northerly direction, with said compound curve to the left, an arc distance of 98.20 feet to an Aluminum Disk found for corner;
 North 00°36'55" West, a distance of 75.62 feet to a 1/2-inch iron rod found for corner at the southwest end of said right-of-way corner clip;

THENCE with said right-of-way-corner clip North 44°46'06" East, a distance of 35.16 feet to a point for corner; to the **POINT OF BEGINNING** and containing 5,616,279 square feet or 128.9320 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

PROPERTY DESCRIPTION **PROPOSED LOT 5**

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd. recorded in Volume 4227, Page 835, Deed Records of Collin County, Texas, and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited Ltd. recorded in Volume 2523, Page 172, Land Records, Collin County, Texas, and being a part of a remainder of a 3.912 acre tract of land described in Special Warranty Deed to Haggard Enterprises Limited, Ltd. recorded in Volume 2739, Page 967, Official Public Records, Collin County, Texas and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod found for corner at the northeast end of a right-of-way corner clip at the intersection of the south right-of-way line of Spring Creek Parkway (a 160-foot wide right-of-way) recorded in Instrument No. 92-0038495, of said Official Public Records, and east right-of-way line of Parkwood Boulevard (a variable width right-of-way) recorded in Instrument No. 20080123000089940, of said Official Public Records, and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 56°05'23", and a chord bearing and distance of South 61°27'05" East, 2,059.64 feet;

THENCE with said south right-of-way line of Spring Creek Parkway, the following courses and distances:

In a southeasterly direction, with said non-tangent curve to the right, an arc distance of 2,144.25 feet to a point for corner;
 South 33°24'23" East, a distance of 616.74 feet to the **POINT OF BEGINNING**;

THENCE continuing with said south right-of-way line of Spring Creek Parkway, South 33°24'23" East, a distance of 119.59 feet to a point for corner;

THENCE departing said south right-of-way line of Spring Creek Parkway, over and across said the Haggard Enterprises Limited, Ltd. tract, recorded in Volume 2523, Page 172, and said called 108.9 acre tract to Acres of Sunshine, Ltd., and with the north lines of Avignon Windhaven Phase 3, an addition to the City of Plano, according to the plat recorded in Instrument No. 20111209010002540, of said Official Public Records, and Avignon Windhaven Phase 2, an addition to the City of Plano, according to the plat recorded in Instrument No. 20091008010002560, of said Official Public Records, and Avignon Windhaven Phase 1, an addition to the City of Plano, according to the Plat recorded in Cabinet R, Page 204, of said Official Public Records, the following courses and distances:

North 89°55'59" West, a distance of 240.61 feet to a point for corner at the beginning of a non-tangent curve to the right with a radius of 656.00 feet, a central angle of 49°03'32", and a chord bearing and distance of South 85°26'40" West, 544.69 feet;
In a northerly direction, with said non-tangent curve to the right, an arc distance of 561.69 feet to a point for corner;
South 81°03'52" West, a distance of 2,950.37 feet to a point for corner in said east right-of-way line of Parkwood Boulevard at the beginning of a non-tangent curve to the left with a radius of 830.00 feet, a central angle of 01°52'15", and a chord bearing and distance of North 00°57'33" East, 27.10 feet;

THENCE with said east right-of-way line of Parkwood Boulevard, the following courses and distances:

In a westerly direction, with said non-tangent curve to the left, an arc distance of 27.10 feet to a point for corner;
North 00°00'44" East, a distance of 195.93 feet to a point for corner;

THENCE departing said east right-of-way line of Parkwood Boulevard, over and across said 108.9 acre tract and said remainder of the called 3.912 acre tract and said Haggard Enterprises Limited, Ltd., the following courses and distances:

North 00°00'44" East, a distance of 195.93 feet to a point for corner;
North 40°32'18" East, a distance of 30.40 feet to a point for corner;
North 81°03'52" East, a distance of 2,398.55 feet to a point for corner at the beginning of a tangent curve to the right with a radius of 554.00 feet, a central angle of 38°37'13", and a chord bearing and distance of South 79°37'32" East, 366.40 feet;
In a southerly direction, with said tangent curve to the right, an arc distance of 373.42 feet to a point for corner;
South 60°18'55" East, a distance of 79.00 feet to a point for corner;
the beginning of a tangent curve to the left with a radius of 646.00 feet, a central angle of 64°35'28", and a chord bearing and distance of North 87°23'21" East, 690.30 feet;
In a northerly direction, with said tangent curve to the left, an arc distance of 728.25 feet to a point for corner;
North 55°05'37" East, a distance of 109.41 feet to a point for corner;
South 79°09'23" East, a distance of 34.89 feet to the **POINT OF BEGINNING** and containing 684,178 square feet or 15.7066 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

PROPERTY DESCRIPTION PROPOSED LOT 6

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd. recorded in Volume 4227, Page 835, Deed Records of Collin County, Texas, and being part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited Ltd. recorded in Volume 2523, Page 172, Land Records, Collin County, Texas, and being a part of a remainder of a 3.912 acre tract of land described in Special Warranty Deed to Haggard Enterprises Limited, Ltd. recorded in Volume 2739, Page 967, Official Public Records, Collin County, Texas and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod found for corner at the northeast end of a right-of-way corner clip at the intersection of the south right-of-way line of Spring Creek Parkway (a 160-foot wide right-of-way) recorded in Instrument No. 92-0038495, of said Official Public Records, and east right-of-way line of Parkwood Boulevard (a variable width right-of-way) recorded in Instrument No. 20080123000089940, of said Official Public Records, and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 08°47'14", and a chord bearing and distance of South 85°06'10" East, 335.59 feet;

THENCE with said south right-of-way line of Spring Creek Parkway, in a southeasterly direction, with said non-tangent curve to the right, an arc distance of 335.92 feet to the **POINT OF BEGINNING** and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 08°43'39", and a chord bearing and distance of South 76°20'43" East, 333.32 feet;

THENCE in a southerly direction continuing with said south right-of-way line of Spring Creek Parkway, with said non-tangent curve to the right, an arc distance of 333.65 feet to a point for corner;

THENCE departing said south right-of-way line of Spring Creek Parkway, over and across said 108.9 acre tract and said remainder of the called 3.912 acre tract, the following courses and distances:

South 09°14'00" East, a distance of 215.83 feet to a point for corner;
South 18°00'02" East, a distance of 257.16 feet to a point for corner;
South 27°19'42" East, a distance of 454.11 feet to a point for corner;
South 12°51'05" East, a distance of 420.13 feet to a point for corner at the beginning of a non-tangent curve to the right with a radius of 656.00 feet, a central angle of 16°15'25", and a chord bearing and distance of South 74°41'01" East, 185.51 feet;
In a southerly direction, with said non-tangent curve to the right, an arc distance of 186.13 feet to a point for corner;
North 81°03'52" East, a distance of 432.79 feet to a point for corner;
North 89°13'59" East, a distance of 283.75 feet to a point for corner;
South 00°02'35" East, a distance of 2.74 feet to a point for corner;
South 89°55'59" East, a distance of 91.73 feet to a point for corner in said south right-of-way line of Spring Creek Parkway;

THENCE with said south right-of-way line of Spring Creek Parkway, South 33°24'23" East, a distance of 26.10 feet to a point for corner;

THENCE departing said south right-of-way line of Spring Creek Parkway, over and across said 108.9 acre tract and said remainder of the called 3.912 acre tract and said Haggard Enterprises Limited, Ltd., the following courses and distances:

South 10°50'37" West, a distance of 35.82 feet to a point for corner;
South 55°05'37" West, a distance of 111.82 feet to a point for corner at the beginning of a tangent curve to the right with a radius of 554.00 feet, a central angle of 64°35'28", and a chord bearing and distance of South 87°23'21" West, 591.99 feet;
In a northerly direction, with said tangent curve to the right, an arc distance of 624.54 feet to a point for corner;
North 60°18'55" West, a distance of 79.00 feet to a point for corner;
the beginning of a tangent curve to the left with a radius of 646.00 feet, a central angle of 38°37'13", and a chord bearing and distance of North 79°37'32" West, 427.24 feet;
In a southerly direction, with said tangent curve to the left, an arc distance of 435.44 feet to a point for corner;
South 81°03'52" West, a distance of 62.13 feet to a point for corner;
the beginning of a tangent curve to the right with a radius of 238.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 52.14 feet;
In a northerly direction, with said tangent curve to the right, an arc distance of 52.25 feet to a point for corner;
the beginning of a reverse curve to the left with a radius of 262.00 feet, a central angle of 12°34'41", and a chord bearing and distance of South 87°21'12" West, 57.40 feet;
In a southerly direction, with said reverse curve to the left, an arc distance of 57.52 feet to a point for corner;
South 81°03'52" West, a distance of 67.44 feet to a point for corner;
North 08°56'08" West, a distance of 114.41 feet to a point for corner;
North 05°44'07" West, a distance of 360.88 feet to a point for corner;
North 31°23'23" West, a distance of 36.06 feet to a point for corner;
North 57°02'39" West, a distance of 116.88 feet to a point for corner;
North 36°25'01" West, a distance of 61.69 feet to a point for corner;
North 08°56'08" West, a distance of 131.76 feet to a point for corner;
North 03°09'08" West, a distance of 466.56 feet to a point for corner;
North 20°50'33" West, a distance of 187.35 feet to the **POINT OF BEGINNING** and containing 609,641 square feet or 13.9954 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

PROPERTY DESCRIPTION PART OF PROPOSED LOT 7

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a called 108.9 acre tract of land described in Special Warranty Deed to Acres of Sunshine, Ltd. recorded in Volume 4227, Page 835, Deed Records of Collin County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod found for corner at the northeast end of a right-of-way corner clip at the intersection of the south right-of-way line of Spring Creek Parkway (a 160-foot wide right-of-way) recorded in Instrument No. 92-0038495, of said Official Public Records, and east right-of-way line of Parkwood Boulevard (a variable width right-of-way) recorded in Instrument No. 20080123000089940, of said Official Public Records, and being at the beginning of a non-tangent curve to the right with a radius of 2,190.35 feet, a central angle of 17°30'53", and a chord bearing and distance of South 80°44'20" East, 666.96 feet;

THENCE with said south right-of-way line of Spring Creek Parkway, in a southeasterly direction, with said non-tangent curve to the right, an arc distance of 669.57 feet to a point for corner;

THENCE departing said south right-of-way line of Spring Creek Parkway, over and across said Acres of Sunshine, Ltd. tract, the following courses and distances:

South 09°14'00" East, a distance of 215.83 feet to a point for corner;
South 18°00'02" East, a distance of 257.16 feet to a point for corner;
South 27°19'42" East a distance of 84.76 feet to the **POINT OF BEGINNING**;
North 62°40'18" East, a distance of 20.16 feet to a point for corner;
North 62°40'54" East, a distance of 57.65 feet to a point for corner;
South 51°37'01" East, a distance of 531.50 feet to a point for corner;
South 38°22'59" West, a distance of 208.17 feet to a point for corner;
South 00°16'18" East, a distance of 299.43 feet to a point for corner at the beginning of a non-tangent curve to the left with a radius of 656.00 feet, a central angle of 08°27'55", and a chord bearing and distance of North 78°34'46" West, 96.83 feet;
In a southerly direction, with said non-tangent curve to the left, an arc distance of 96.92 feet to a point for corner;
North 12°51'05" West, a distance of 420.13 feet to a point for corner;
North 27°19'42" West, a distance of 369.35 feet to the **POINT OF BEGINNING** and containing 143,528 square feet or 3.2950 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

PROPERTY DESCRIPTION

BEING a tract of land situated in the Maria Cantalina Vela Survey, Abstract No. 935, Collin County, Texas and being a part of a tract of land described in Special Warranty Deed to Haggard Enterprises Limited, Ltd. recorded in Volume 2523, Page 172, Land Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with plastic cap stamped "KHA" found for the northeast corner of Lot 58, Block A, Avignon Windhaven Phase 3, an addition to the City of Plano, according to the plat recorded in Instrument No. 20111209010002540, Official Public Records, Collin County, Texas;

THENCE over and across said Haggard Enterprises Limited, Ltd. tract, the following courses and distances:

North 81°03'52" East, a distance of 142.77 feet to a point for corner;
South 25°22'38" East, a distance of 322.97 feet to a point for corner in the north line of Lot 1, Block A, Haggard Farm CCRC Addition, an addition to the City of Plano, according to the plat recorded in Instrument No. 2020-852, of said Official Public Records, from which an aluminum disk found for the northeast corner of said Lot 1, Block A, bears North 80°06'01" East, a distance of 479.51 feet;

THENCE with said north line of Lot 1, Block A, South 80°06'01" West, a distance of 104.68 feet to a point for the northwest corner of said Lot 1, Block A and being in the east line of said Lot 58, Block A;

THENCE with the east line of said Lot 58, Block A, the following courses and distances:

North 24°51'19" West, a distance of 18.42 feet to a point for corner;
North 75°16'30" West, a distance of 53.86 feet to a point for corner;
North 55°20'01" West, a distance of 34.91 feet to a point for corner;
North 34°00'20" West, a distance of 99.90 feet to a point for corner;
North 15°47'59" East, a distance of 80.20 feet to a point for corner;
North 56°16'37" West, a distance of 62.96 feet to a point for corner;
North 01°52'23" West, a distance of 42.45 feet to the **POINT OF BEGINNING** and containing 47,772 square feet or 1.0967 acres of land.

Bearing system based on the Texas Coordinate System, North Central Zone (4202), North American Datum of 1983.(2011)

Addendum E

Land Sales - Tract 1, Parcel 1

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Multifamily land in Celina
Sub-Property Type:	Residential, Multifamily
Address:	South side of Ownsby Parkway, east of Preston Road
City/State/Zip:	Celina, TX 75009
County:	Collin
Submarket:	Celina
Market Orientation:	Suburban
IRR Event ID:	3020016



Sale Information

Sale Price:	\$10,800,000
Effective Sale Price:	\$10,800,000
Sale Date:	06/08/2023
Sale Status:	Closed
\$/Acre(Gross):	\$720,000
\$/Land SF(Gross):	\$16.53
\$/Acre(Usable):	\$720,000
\$/Land SF(Usable):	\$16.53
\$/Unit (Potential):	\$27,000 /Unit
Grantor/Seller:	Celina East R MF LLC
Grantee/Buyer:	JPI
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	Not yet filed
Rent Controlled:	No
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Eric Seitz (214-223-9077)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Part of Lindsey Lewis Survey, Abstract 532/ Part of Tax #2528804
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Acres(Usable/Gross):	15.00/15.00
Land-SF(Usable/Gross):	653,400/653,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	400
Shape:	Rectangular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	MF-2
Zoning Desc.:	Multifamily
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This multifamily property has frontage along Ownsby Parkway and is planned to be developed with 400 multifamily units.

Multifamily land in Celina

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Multifamily land in Prosper
 Sub-Property Type: Residential, Multifamily
 Address: South side of Prairie Drive, west of Mahard Drive
 City/State/Zip: Prosper, TX 75078
 County: Collin
 Submarket: Prosper
 Market Orientation: Suburban
 IRR Event ID: 3019622



Sale Information

Sale Price: \$4,669,118
 Effective Sale Price: \$4,699,118
 Sale Date: 11/18/2022
 Contract Date: 12/13/2021
 Sale Status: Closed
 \$/Acre(Gross): \$457,380
 \$/Land SF(Gross): \$10.50
 \$/Acre(Usable): \$457,380
 \$/Land SF(Usable): \$10.50
 \$/Unit (Potential): \$24,995 /Unit
 Grantor/Seller: Prosper Villages at Legacy LLC
 Grantee/Buyer: Alders at Prosper Property LLC
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202200016670920
 Rent Controlled: No
 Verified By: Ernest Gatewood
 Verification Date: 06/22/2023
 Confirmation Source: Charles Dannis
 Verification Type: Confirmed-Other

Legal/Tax/Parcel ID: Lot 5, Block D, Prosper Center / Tax #2806084
 Acres(Usable/Gross): 10.27/10.27
 Land-SF(Usable/Gross): 447,535/447,535
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 188
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 2 lanes each way
 Zoning Code: PD-298 (Planned Development)
 Zoning Desc.: MF-2 (Multifamily)
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Engineering Report

Comments

Plans are for a 180-unit active adult complex. Property is in Prosper ISD.

Improvement and Site Data

Multifamily land in Prosper



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: 13 acres in Euless, TX
 Sub-Property Type: Residential, Multifamily
 Address: North Side of SH-183, bisected by American Boulevard
 City/State/Zip: Euless, TX 76039
 County: Tarrant
 Submarket: Euless
 Market Orientation: Suburban
 IRR Event ID: 2934553



Sale Information

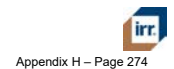
Sale Price: \$10,500,000
 Effective Sale Price: \$10,500,000
 Sale Date: 01/25/2022
 Recording Date: 01/25/2022
 Contract Date: 01/25/2022
 Sale Status: Closed
 \$/Acre(Gross): \$807,382
 \$/Land SF(Gross): \$18.53
 \$/Acre(Usable): \$807,382
 \$/Land SF(Usable): \$18.53
 \$/Unit (Potential): \$26,250 /Unit
 Grantor/Seller: MM Euless 66, LLC
 Grantee/Buyer: LG Euless 360, LLC
 Assemblage: Yes
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Deed
 Recording No.: D222021946
 Rent Controlled: No
 Verified By: Amber Ainsworth
 Verification Date: 10/19/2022
 Confirmation Source: MM Euless 66, LLC
 Verification Type: Confirmed-Seller

MSA: Dallas-Fort Worth-Arlington, TX
 Legal/Tax/Parcel ID: Abstract 152 Tract 4B01A1 & ABST 152 TR 4B2A, Tax #42855801
 Abstract 152 Tract 4B3, Tax #42855797
 Acres(Usable/Gross): 13.01/13.01
 Land-SF(Usable/Gross): 566,497/566,497
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 400
 Shape: Rectangular
 Topography: Level
 Corner Lot: Yes
 Frontage Desc.: E. Airport Freeway and American Boulevard
 Frontage Type: 2 way, 1 lane each way
 Traffic Control at Entry: None
 Traffic Flow: High
 Visibility Rating: Average
 Zoning Code: PD (Planned Development)
 Zoning Desc.: Multi-family
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

Improvement and Site Data

13 acres in Euless, TX



Land Sale Profile

Sale No. 3

Comments (Cont'd)

This represents an assemblage of two tracts of land purchased together for multifamily development. They allow for a total of 400 units.

This property includes two parcels of vacant land with planned multifamily development.

13 acres in Euless, TX



Appendix H – Page 275

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Proposed Frisco Apartments Phase 2
Sub-Property Type:	Residential, Multifamily
Address:	Southeast corner of Avon Lane and Whistle Stop Lane
City/State/Zip:	Frisco, TX 75033
County:	Denton
Market Orientation:	Suburban
IRR Event ID:	2956869



Sale Information

Sale Price:	\$11,560,000
Effective Sale Price:	\$11,560,000
Sale Date:	11/01/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,547,979
\$/Land SF(Gross):	\$35.54
\$/Acre(Usable):	\$1,547,523
\$/Land SF(Usable):	\$35.53
\$/Unit (Potential):	\$25,689 /Unit
Grantor/Seller:	Saddlebred, LTD
Grantee/Buyer:	Jefferson Railhead (Phase 2), LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2021-207276
Verified By:	Michael Tull
Verification Date:	12/22/2022
Verification Type:	Confirmed-Buyer

Improvement and Site Data

MSA:	DFW
Legal/Tax/Parcel ID:	Lot 4, Block A, Railhead, Phase 1 / Tax #310064
Acres(Usable/Gross):	7.47/7.47

Proposed Frisco Apartments Phase 2

Land-SF(Usable/Gross):	325,393/325,297
Usable/Gross Ratio:	1.00
No. of Units (Potential):	450
Total Parking Spaces:	722
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 1 lane each way
Zoning Code:	MF/O/PD-263
Zoning Desc.:	Multifamily/Office
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This site was purchased for the development of Jefferson Railhead, Phase 2 apartments (450 units).



Appendix H – Page 276

Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name: Multifamily Land - 5.1021 Acres
Sub-Property Type: Residential, Multifamily
Address: South side of Blue Tractor Lane, east of N. Alma Drive
City/State/Zip: Allen, TX 75013
County: Collin
Submarket: Allen
Market Orientation: Suburban
Property Location: 1287 Blue Tractor Lane
IRR Event ID: 2971422



Sale Information

Sale Price: \$7,800,000
Effective Sale Price: \$7,800,000
Sale Date: 10/20/2021
Sale Status: Closed
\$/Acre(Gross): \$1,528,782
\$/Land SF(Gross): \$35.10
\$/Acre(Usable): \$1,528,782
\$/Land SF(Usable): \$35.10
\$/Unit (Potential): \$24,000 /Unit
Grantor/Seller: The Farm Development Company
Grantee/Buyer: CRP/WP Alta Farm Owner LP
Property Rights: Fee Simple
Financing: Cash to seller
Terms of Sale Comments: The exact sales price was not provided due to a confidentiality agreement; however, the sales price utilized is believed to be near the sales price.
Document Type: Deed
Recording No.: 20211025002174420

Verified By: Shelley Sivakumar
Verification Date: 02/07/2023
Confirmation Source: Bruce Heller (214-495-8581)
Verification Type: Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID: The Farm Subdivision, Block H, Lot 1/Tax ID 2831927
Acres(Usable/Gross): 5.10/5.10
Land-SF(Usable/Gross): 222,247/222,247
Usable/Gross Ratio: 1.00
No. of Units (Potential): 325
Shape: Rectangular
Topography: Level
Corner Lot: No
Frontage Desc.: Blue Tractor Lane
Zoning Code: PD-22 (CC)
Zoning Desc.: Planned Development-22 (Corridor Commercial)
Flood Plain: No
Utilities: Electricity, Water Public, Sewer, Gas, Telephone, Fiber Optics
Source of Land Info.: Engineering Report

Comments

This rectangular-shaped tract was acquired to be

Multifamily Land - 5.1021 Acres



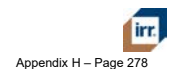
Land Sale Profile

Sale No. 5

Comments (Cont'd)

developed with a 325-unit multifamily development to be known as Alta at the Farm. The property is within The Farm master-planned development and is within the Allen ISD.

Multifamily Land - 5.1021 Acres



Land Sale Profile

Sale No. 6

Addenda

Location & Property Identification

Property Name: Multi-family Land in McKinney

Sub-Property Type: Residential, Multifamily

Address: Southwest and Southeast corner of Meyer Road and Van Tuyl Parkway

City/State/Zip: McKinney, TX 75070

County: Collin

Submarket: McKinney

Market Orientation: Suburban

IRR Event ID: 2768786



Sale Information

Sale Price: \$14,697,570

Effective Sale Price: \$14,697,570

Sale Date: 10/07/2021

Sale Status: Closed

\$/Acre(Gross): \$1,306,799

\$/Land SF(Gross): \$30.00

\$/Acre(Usable): \$1,306,799

\$/Land SF(Usable): \$30.00

\$/Unit (Potential): \$21,774 /Unit

Grantor/Seller: MC22C L/P

Grantee/Buyer: DD Van Tuyl East LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20211007002063510

Verified By: Ernest Gatewood

Verification Date: 02/04/2022

Confirmation Source: David Craig

Verification Type: Confirmed-Buyer

Legal/Tax/Parcel ID: Corporate Center Addition, Block A, Lot 2 and Block B, Lot 1/ Tax #2832470 and 2841736

Acres(Usable/Gross): 11.25/11.25

Land-SF(Usable/Gross): 489,919/489,919

Usable/Gross Ratio: 1.00

No. of Units (Potential): 675

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 1 lane each way

Zoning Code: PD

Zoning Desc.: Planned Development

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

This sale represents two non-contiguous properties with frontage along Van Tuyl Parkway. They were purchased as an assemblage for future multi-family use.

Site is zoned to allow a maximum of 60 units per acre.

Land Sales - Tract 1, Parcel 2

Multi-family Land in McKinney

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

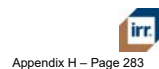
Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

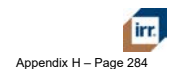
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 1, Parcel 3

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northwest corner of Van Tuyl Parkway and Weiskopf Avenue
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2763822



Sale Information

Sale Price:	\$10,635,781
Effective Sale Price:	\$10,635,781
Sale Date:	02/24/2022
Contract Date:	11/16/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,327,597
\$/Land SF(Gross):	\$30.48
\$/Acre(Usable):	\$1,327,597
\$/Land SF(Usable):	\$30.48
Grantor/Seller:	Craig Ranch Hotel, LLC
Grantee/Buyer:	CR JW Hotel, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	20220225000315830
Rent Controlled:	No
Verified By:	Ernest Gatewood
Verification Date:	01/25/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross):	8.01/8.01

Land in McKinney

Land-SF(Usable/Gross):	348,972/348,972
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	Collin McKinney Parkway
Frontage Type:	2 way, 1 lane each way
Traffic Control at Entry:	Stop sign
Traffic Flow:	Moderate
Visibility Rating:	Average
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Flood Zone Designation:	X
Comm. Panel No.:	48085C0265J
Date:	06/02/2009
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Mixed use land in Frisco
 Sub-Property Type: Commercial
 Address: Northwest corner of Dallas North Tollway and Spring Creek Parkway
 City/State/Zip: Frisco, TX 75024
 County: Collin
 Submarket: Plano
 Market Orientation: Suburban



IRR Event ID: 2759400

Sale Information

Sale Price: \$29,227,636
 Effective Sale Price: \$29,227,636
 Sale Date: 01/06/2022
 Sale Status: Closed
 \$/Acre(Gross): \$1,132,560
 \$/Land SF(Gross): \$26.00
 \$/Acre(Usable): \$1,132,560
 \$/Land SF(Usable): \$26.00
 Grantor/Seller: Nacona LP
 Grantee/Buyer: NWC Spring Creek &DNT L/P
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 20220106000030400
 Verified By: Ernest Gatewood
 Verification Date: 12/23/2021
 Confirmation Source: Jim Duggan (214) 801-9940
 Verification Type: Confirmed-Seller Broker

Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: Yes
 Frontage Type: 2 way, 2 lanes each way
 Zoning Code: CE (Dallas North Tollway Overlay)
 Zoning Desc.: Commercial Employment
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This rectangular-shaped commercial property is at the hard corner of Dallas North Tollway and Spring Creek Parkway. The proposed development will consist of a mixture of office, retail, and luxury residential condominiums.

Improvement and Site Data

Legal/Tax/Parcel ID: Henry B Miller Survey, Abstract A0614/ Tax #2780836

Acres(Usable/Gross): 25.81/25.81
 Land-SF(Usable/Gross): 1,124,139/1,124,139

Mixed use land in Frisco



Appendix H – Page 287

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Commercial Land in Plano, TX
 Sub-Property Type: Commercial
 Address: Northeast corner of Headquarters Drive and Dominion Parkway
 City/State/Zip: Plano, TX 75024
 County: Collin
 Submarket: Plano
 Market Orientation: Suburban



IRR Event ID: 3019553

Sale Information

Sale Price: \$26,265,232
 Effective Sale Price: \$26,265,232
 Sale Date: 08/09/2022
 Sale Status: Closed
 \$/Acre(Gross): \$1,219,682
 \$/Land SF(Gross): \$28.00
 \$/Acre(Usable): \$1,219,682
 \$/Land SF(Usable): \$28.00
 \$/Building SF: \$52.53
 Grantor/Seller: Gabriel Legacy LLC
 Grantee/Buyer: Nexpoint Dominion Land LLC

Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 2022000122393
 Verified By: Ernest Gatewood
 Verification Date: 06/22/2023
 Confirmation Source: Michael Swaldi (214) 438-6219
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lot 2, Block A, NWC Headquarters and Bellevue Addition / Tax #2801664

Acres(Usable/Gross): 21.53/21.53
 Land-SF(Usable/Gross): 938,042/938,042
 Usable/Gross Ratio: 1.00
 Potential Building SF: 500,000
 Shape: Rectangular
 Topography: Level
 Corner Lot: Yes
 Frontage Type: 2 way, 2 lanes each way
 Zoning Code: CE
 Zoning Desc.: Commercial Employment
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

The purchased property is zoned to be improved with office uses. It is expected that the site will contain approximately 500,000 square feet of office space. The purchaser plans a life sciences use.

Improvement and Site Data

Commercial Land in Plano, TX



Appendix H – Page 288

Land Sales - Tract 1, Parcel 4



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban



IRR Event ID: 3019566

Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX



Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX
Sub-Property Type: Commercial
Address: Northeast corner of Frisco Street and Farmers Market Way
City/State/Zip: Frisco, TX 75034
County: Collin
Submarket: Frisco
Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000
Effective Sale Price: \$7,000,000
Sale Date: 02/09/2022
Sale Status: Closed
\$/Acre(Gross): \$1,893,939
\$/Land SF(Gross): \$43.48
\$/Acre(Usable): \$1,893,939
\$/Land SF(Usable): \$43.48
Grantor/Seller: Frisco FM I LLC
Grantee/Buyer: WH Frisco Holdings LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20220210000229880
Verified By: Stephen M. Lechtenberg
Verification Date: 06/15/2022
Confirmation Source: Paul Cheng
Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897
Acres(Usable/Gross): 3.70/3.70
Land-SF(Usable/Gross): 160,997/160,997
Usable/Gross Ratio: 1.00
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD-253 (Planned Development)
Zoning Desc.: OTC/C-1/R/RES
Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue
City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

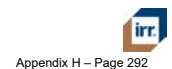
Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Addenda

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



Appendix H – Page 293

Land Sales - Tract 1, Parcel 5

Haggard Farms Public Improvement District (PID)



Appendix H – Page 294

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX



Appendix H – Page 295

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Appendix H – Page 296

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

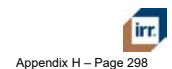
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 1, Parcel 6



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Commercial Land in Plano, TX
Sub-Property Type:	Commercial
Address:	East side of Parkwood Boulevard north of Dominion Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban



IRR Event ID: 3019566

Sale Information

Sale Price:	\$3,911,516
Effective Sale Price:	\$3,911,516
Sale Date:	10/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,219,681
\$/Land SF(Gross):	\$28.00
\$/Acre(Usable):	\$1,219,947
\$/Land SF(Usable):	\$28.01
\$/Building SF:	\$66.73
Grantor/Seller:	Parkwood 122 Village LP
Grantee/Buyer:	BBD Parkwood Heights Development LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20220323000464050
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Jim Williams (Land Plan)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275
Acres(Usable/Gross):	3.21/3.21
Land-SF(Usable/Gross):	139,667/139,697
Usable/Gross Ratio:	1.00
Potential Building SF:	58,620
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	CE
Zoning Desc.:	Commercial Employment
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Commercial Land in Plano, TX



Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX
Sub-Property Type: Commercial
Address: Northeast corner of Frisco Street and Farmers Market Way
City/State/Zip: Frisco, TX 75034
County: Collin
Submarket: Frisco
Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000
Effective Sale Price: \$7,000,000
Sale Date: 02/09/2022
Sale Status: Closed
\$/Acre(Gross): \$1,893,939
\$/Land SF(Gross): \$43.48
\$/Acre(Usable): \$1,893,939
\$/Land SF(Usable): \$43.48
Grantor/Seller: Frisco FM I LLC
Grantee/Buyer: WH Frisco Holdings LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20220210000229880
Verified By: Stephen M. Lechtenberg
Verification Date: 06/15/2022
Confirmation Source: Paul Cheng
Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897
Acres(Usable/Gross): 3.70/3.70
Land-SF(Usable/Gross): 160,997/160,997
Usable/Gross Ratio: 1.00
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD-253 (Planned Development)
Zoning Desc.: OTC/C-1/R/RES
Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue
City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 2022025000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Addenda

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



Appendix H – Page 303

Land Sales - Tract 1, Parcel 7

Haggard Farms Public Improvement District (PID)



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Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX



Appendix H – Page 305

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Appendix H – Page 306

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

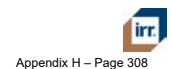
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 2, Parcel 1



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Multifamily land in Celina
Sub-Property Type:	Residential, Multifamily
Address:	South side of Ownsby Parkway, east of Preston Road
City/State/Zip:	Celina, TX 75009
County:	Collin
Submarket:	Celina
Market Orientation:	Suburban
IRR Event ID:	3020016



Sale Information

Sale Price:	\$10,800,000
Effective Sale Price:	\$10,800,000
Sale Date:	06/08/2023
Sale Status:	Closed
\$/Acre(Gross):	\$720,000
\$/Land SF(Gross):	\$16.53
\$/Acre(Usable):	\$720,000
\$/Land SF(Usable):	\$16.53
\$/Unit (Potential):	\$27,000 /Unit
Grantor/Seller:	Celina East R MF LLC
Grantee/Buyer:	JPI
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	Not yet filed
Rent Controlled:	No
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Eric Seitz (214-223-9077)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Part of Lindsey Lewis Survey, Abstract 532/ Part of Tax #2528804
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Acres(Usable/Gross):	15.00/15.00
Land-SF(Usable/Gross):	653,400/653,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	400
Shape:	Rectangular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	MF-2
Zoning Desc.:	Multifamily
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This multifamily property has frontage along Ownsby Parkway and is planned to be developed with 400 multifamily units.

Multifamily land in Celina



Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Multifamily land in Prosper
 Sub-Property Type: Residential, Multifamily
 Address: South side of Prairie Drive, west of Mahard Drive
 City/State/Zip: Prosper, TX 75078
 County: Collin
 Submarket: Prosper
 Market Orientation: Suburban
 IRR Event ID: 3019622



Sale Information

Sale Price: \$4,669,118
 Effective Sale Price: \$4,699,118
 Sale Date: 11/18/2022
 Contract Date: 12/13/2021
 Sale Status: Closed
 \$/Acre(Gross): \$457,380
 \$/Land SF(Gross): \$10.50
 \$/Acre(Usable): \$457,380
 \$/Land SF(Usable): \$10.50
 \$/Unit (Potential): \$24,995 /Unit
 Grantor/Seller: Prosper Villages at Legacy LLC
 Grantee/Buyer: Alders at Prosper Property LLC
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202200016670920
 Rent Controlled: No
 Verified By: Ernest Gatewood
 Verification Date: 06/22/2023
 Confirmation Source: Charles Dannis
 Verification Type: Confirmed-Other

Legal/Tax/Parcel ID: Lot 5, Block D, Prosper Center / Tax #2806084
 Acres(Usable/Gross): 10.27/10.27
 Land-SF(Usable/Gross): 447,535/447,535
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 188
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 2 lanes each way
 Zoning Code: PD-298 (Planned Development)
 Zoning Desc.: MF-2 (Multifamily)
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Engineering Report

Comments

Plans are for a 180-unit active adult complex. Property is in Prosper ISD.

Improvement and Site Data

Multifamily land in Prosper



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: 13 acres in Euless, TX
 Sub-Property Type: Residential, Multifamily
 Address: North Side of SH-183, bisected by American Boulevard
 City/State/Zip: Euless, TX 76039
 County: Tarrant
 Submarket: Euless
 Market Orientation: Suburban
 IRR Event ID: 2934553



Sale Information

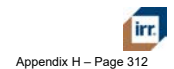
Sale Price: \$10,500,000
 Effective Sale Price: \$10,500,000
 Sale Date: 01/25/2022
 Recording Date: 01/25/2022
 Contract Date: 01/25/2022
 Sale Status: Closed
 \$/Acre(Gross): \$807,382
 \$/Land SF(Gross): \$18.53
 \$/Acre(Usable): \$807,382
 \$/Land SF(Usable): \$18.53
 \$/Unit (Potential): \$26,250 /Unit
 Grantor/Seller: MM Euless 66, LLC
 Grantee/Buyer: LG Euless 360, LLC
 Assemblage: Yes
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Deed
 Recording No.: D222021946
 Rent Controlled: No
 Verified By: Amber Ainsworth
 Verification Date: 10/19/2022
 Confirmation Source: MM Euless 66, LLC
 Verification Type: Confirmed-Seller

MSA: Dallas-Fort Worth-Arlington, TX
 Legal/Tax/Parcel ID: Abstract 152 Tract 4B01A1 & ABST 152 TR 4B2A, Tax #42855801
 Abstract 152 Tract 4B3, Tax #42855797
 Acres(Usable/Gross): 13.01/13.01
 Land-SF(Usable/Gross): 566,497/566,497
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 400
 Shape: Rectangular
 Topography: Level
 Corner Lot: Yes
 Frontage Desc.: E. Airport Freeway and American Boulevard
 Frontage Type: 2 way, 1 lane each way
 Traffic Control at Entry: None
 Traffic Flow: High
 Visibility Rating: Average
 Zoning Code: PD (Planned Development)
 Zoning Desc.: Multi-family
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

Improvement and Site Data

13 acres in Euless, TX



Land Sale Profile

Sale No. 3

Comments (Cont'd)

This represents an assemblage of two tracts of land purchased together for multifamily development. They allow for a total of 400 units.

This property includes two parcels of vacant land with planned multifamily development.

13 acres in Euless, TX



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Proposed Frisco Apartments Phase 2
Sub-Property Type:	Residential, Multifamily
Address:	Southeast corner of Avon Lane and Whistle Stop Lane
City/State/Zip:	Frisco, TX 75033
County:	Denton
Market Orientation:	Suburban
IRR Event ID:	2956869



Sale Information

Sale Price:	\$11,560,000
Effective Sale Price:	\$11,560,000
Sale Date:	11/01/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,547,979
\$/Land SF(Gross):	\$35.54
\$/Acre(Usable):	\$1,547,523
\$/Land SF(Usable):	\$35.53
\$/Unit (Potential):	\$25,689 /Unit
Grantor/Seller:	Saddlebred, LTD
Grantee/Buyer:	Jefferson Railhead (Phase 2), LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2021-207276
Verified By:	Michael Tull
Verification Date:	12/22/2022
Verification Type:	Confirmed-Buyer

Improvement and Site Data

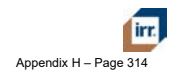
MSA:	DFW
Legal/Tax/Parcel ID:	Lot 4, Block A, Railhead, Phase 1 / Tax #310064
Acres(Usable/Gross):	7.47/7.47

Proposed Frisco Apartments Phase 2

Land-SF(Usable/Gross):	325,393/325,297
Usable/Gross Ratio:	1.00
No. of Units (Potential):	450
Total Parking Spaces:	722
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 1 lane each way
Zoning Code:	MF/O/PD-263
Zoning Desc.:	Multifamily/Office
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This site was purchased for the development of Jefferson Railhead, Phase 2 apartments (450 units).



Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name: Multifamily Land - 5.1021 Acres
Sub-Property Type: Residential, Multifamily
Address: South side of Blue Tractor Lane, east of N. Alma Drive
City/State/Zip: Allen, TX 75013
County: Collin
Submarket: Allen
Market Orientation: Suburban
Property Location: 1287 Blue Tractor Lane
IRR Event ID: 2971422



Sale Information

Sale Price: \$7,800,000
Effective Sale Price: \$7,800,000
Sale Date: 10/20/2021
Sale Status: Closed
\$/Acre(Gross): \$1,528,782
\$/Land SF(Gross): \$35.10
\$/Acre(Usable): \$1,528,782
\$/Land SF(Usable): \$35.10
\$/Unit (Potential): \$24,000 /Unit
Grantor/Seller: The Farm Development Company
Grantee/Buyer: CRP/WP Alta Farm Owner LP
Property Rights: Fee Simple
Financing: Cash to seller
Terms of Sale Comments: The exact sales price was not provided due to a confidentiality agreement; however, the sales price utilized is believed to be near the sales price.
Document Type: Deed
Recording No.: 20211025002174420

Verified By: Shelley Sivakumar
Verification Date: 02/07/2023
Confirmation Source: Bruce Heller (214-495-8581)
Verification Type: Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID: The Farm Subdivision, Block H, Lot 1/Tax ID 2831927
Acres(Usable/Gross): 5.10/5.10
Land-SF(Usable/Gross): 222,247/222,247
Usable/Gross Ratio: 1.00
No. of Units (Potential): 325
Shape: Rectangular
Topography: Level
Corner Lot: No
Frontage Desc.: Blue Tractor Lane
Zoning Code: PD-22 (CC)
Zoning Desc.: Planned Development-22 (Corridor Commercial)
Flood Plain: No
Utilities: Electricity, Water Public, Sewer, Gas, Telephone, Fiber Optics
Source of Land Info.: Engineering Report

Comments

This rectangular-shaped tract was acquired to be

Multifamily Land - 5.1021 Acres



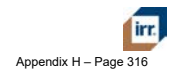
Land Sale Profile

Sale No. 5

Comments (Cont'd)

developed with a 325-unit multifamily development to be known as Alta at the Farm. The property is within The Farm master-planned development and is within the Allen ISD.

Multifamily Land - 5.1021 Acres



Land Sale Profile

Sale No. 6

Addenda

Location & Property Identification

Property Name: Multi-family Land in McKinney

Sub-Property Type: Residential, Multifamily

Address: Southwest and Southeast corner of Meyer Road and Van Tuyl Parkway

City/State/Zip: McKinney, TX 75070

County: Collin

Submarket: McKinney

Market Orientation: Suburban

IRR Event ID: 2768786



Sale Information

Sale Price: \$14,697,570

Effective Sale Price: \$14,697,570

Sale Date: 10/07/2021

Sale Status: Closed

\$/Acre(Gross): \$1,306,799

\$/Land SF(Gross): \$30.00

\$/Acre(Usable): \$1,306,799

\$/Land SF(Usable): \$30.00

\$/Unit (Potential): \$21,774 /Unit

Grantor/Seller: MC22C L/P

Grantee/Buyer: DD Van Tuyl East LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20211007002063510

Verified By: Ernest Gatewood

Verification Date: 02/04/2022

Confirmation Source: David Craig

Verification Type: Confirmed-Buyer

Legal/Tax/Parcel ID: Corporate Center Addition, Block A, Lot 2 and Block B, Lot 1/ Tax #2832470 and 2841736

Acres(Usable/Gross): 11.25/11.25

Land-SF(Usable/Gross): 489,919/489,919

Usable/Gross Ratio: 1.00

No. of Units (Potential): 675

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 1 lane each way

Zoning Code: PD

Zoning Desc.: Planned Development

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

This sale represents two non-contiguous properties with frontage along Van Tuyl Parkway. They were purchased as an assemblage for future multi-family use.

Site is zoned to allow a maximum of 60 units per acre.

Land Sales - Tract 2, Parcel 2

Multi-family Land in McKinney

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

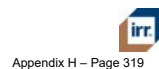
Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX



Appendix H – Page 319

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Appendix H – Page 320

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

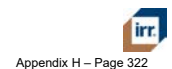
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 2, Parcel 3



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Commercial Land in Plano, TX
Sub-Property Type:	Commercial
Address:	East side of Parkwood Boulevard north of Dominion Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban



IRR Event ID: 3019566

Sale Information

Sale Price:	\$3,911,516
Effective Sale Price:	\$3,911,516
Sale Date:	10/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,219,681
\$/Land SF(Gross):	\$28.00
\$/Acre(Usable):	\$1,219,947
\$/Land SF(Usable):	\$28.01
\$/Building SF:	\$66.73
Grantor/Seller:	Parkwood 122 Village LP
Grantee/Buyer:	BBD Parkwood Heights Development LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20220323000464050
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Jim Williams (Land Plan)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275
Acres(Usable/Gross):	3.21/3.21
Land-SF(Usable/Gross):	139,667/139,697
Usable/Gross Ratio:	1.00
Potential Building SF:	58,620
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	CE
Zoning Desc.:	Commercial Employment
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Commercial Land in Plano, TX



Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Land - 3.696 Acres, Frisco, TX
Sub-Property Type: Commercial
Address: Northeast corner of Frisco Street and Farmers Market Way
City/State/Zip: Frisco, TX 75034
County: Collin
Submarket: Frisco
Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000
Effective Sale Price: \$7,000,000
Sale Date: 02/09/2022
Sale Status: Closed
\$/Acre(Gross): \$1,893,939
\$/Land SF(Gross): \$43.48
\$/Acre(Usable): \$1,893,939
\$/Land SF(Usable): \$43.48
Grantor/Seller: Frisco FM I LLC
Grantee/Buyer: WH Frisco Holdings LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20220210000229880
Verified By: Stephen M. Lechtenberg
Verification Date: 06/15/2022
Confirmation Source: Paul Cheng
Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897
Acres(Usable/Gross): 3.70/3.70
Land-SF(Usable/Gross): 160,997/160,997
Usable/Gross Ratio: 1.00
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD-253 (Planned Development)
Zoning Desc.: OTC/C-1/R/RES
Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Land - 3.696 Acres, Frisco, TX



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue
City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 2022025000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Land Sales - Tract 2, Parcel 4

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Parking Lot - Block A, Lot 3

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

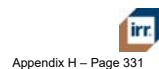
Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban



IRR Event ID: 2769201

Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

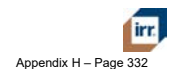
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 3, Parcel 1

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Commercial Land in Plano, TX
Sub-Property Type:	Commercial
Address:	East side of Parkwood Boulevard north of Dominion Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban
IRR Event ID:	3019566



Sale Information

Sale Price:	\$3,911,516
Effective Sale Price:	\$3,911,516
Sale Date:	10/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,219,681
\$/Land SF(Gross):	\$28.00
\$/Acre(Usable):	\$1,219,947
\$/Land SF(Usable):	\$28.01
\$/Building SF:	\$66.73
Grantor/Seller:	Parkwood 122 Village LP
Grantee/Buyer:	BBD Parkwood Heights Development LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20220323000464050
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Jim Williams (Land Plan)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275
Acres(Usable/Gross):	3.21/3.21
Land-SF(Usable/Gross):	139,667/139,697
Usable/Gross Ratio:	1.00
Potential Building SF:	58,620
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	CE
Zoning Desc.:	Commercial Employment
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking
Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco
Street and Farmers Market
Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh
Market Addition / Tax
#2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned
Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

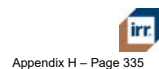
Comments

This site was purchased to redevelop for retail/restaurant use.
The property was previously used as a parking lot and was
improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington,
TX MSA

Commercial Parking Lot - Block A, Lot 3



Appendix H – Page 335

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney

Sub-Property Type: Commercial

Address: Northwest corner of Van Tuyl
Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070

County: Collin

Submarket: McKinney

Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781

Effective Sale Price: \$10,635,781

Sale Date: 02/24/2022

Contract Date: 11/16/2021

Sale Status: Closed

\$/Acre(Gross): \$1,327,597

\$/Land SF(Gross): \$30.48

\$/Acre(Usable): \$1,327,597

\$/Land SF(Usable): \$30.48

Grantor/Seller: Craig Ranch Hotel, LLC

Grantee/Buyer: CR JW Hotel, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: 20220225000315830

Rent Controlled: No

Verified By: Ernest Gatewood

Verification Date: 01/25/2022

Confirmation Source: David Craig

Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972

Usable/Gross Ratio: 1.00

Shape: Irregular

Topography: Level

Corner Lot: Yes

Frontage Desc.: Collin McKinney Parkway

Frontage Type: 2 way, 1 lane each way

Traffic Control at Entry: Stop sign

Traffic Flow: Moderate

Visibility Rating: Average

Zoning Code: PD

Zoning Desc.: Planned Development

Flood Plain: No

Flood Zone Designation: X

Comm. Panel No.: 48085C0265J

Date: 06/02/2009

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course
views of TPC Craig Ranch on two sides of the property.
Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition,
Block A, Lot 1/ Tax #2781147

Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Appendix H – Page 336

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Land Sales - Tract 3, Parcel 2

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Parking Lot - Block A, Lot 3

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

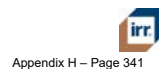
Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 3, Parcel 3

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Commercial Land in Plano, TX
Sub-Property Type:	Commercial
Address:	East side of Parkwood Boulevard north of Dominion Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban



IRR Event ID: 3019566

Sale Information

Sale Price:	\$3,911,516
Effective Sale Price:	\$3,911,516
Sale Date:	10/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,219,681
\$/Land SF(Gross):	\$28.00
\$/Acre(Usable):	\$1,219,947
\$/Land SF(Usable):	\$28.01
\$/Building SF:	\$66.73
Grantor/Seller:	Parkwood 122 Village LP
Grantee/Buyer:	BBD Parkwood Heights Development LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20220323000464050
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Jim Williams (Land Plan)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275
Acres(Usable/Gross):	3.21/3.21
Land-SF(Usable/Gross):	139,667/139,697
Usable/Gross Ratio:	1.00
Potential Building SF:	58,620
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	CE
Zoning Desc.:	Commercial Employment
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking
Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco
Street and Farmers Market
Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh
Market Addition / Tax
#2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned
Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use.
The property was previously used as a parking lot and was
improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington,
TX MSA

Commercial Parking Lot - Block A, Lot 3



Appendix H – Page 345

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney

Sub-Property Type: Commercial

Address: Northwest corner of Van Tuyl
Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070

County: Collin

Submarket: McKinney

Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781

Effective Sale Price: \$10,635,781

Sale Date: 02/24/2022

Contract Date: 11/16/2021

Sale Status: Closed

\$/Acre(Gross): \$1,327,597

\$/Land SF(Gross): \$30.48

\$/Acre(Usable): \$1,327,597

\$/Land SF(Usable): \$30.48

Grantor/Seller: Craig Ranch Hotel, LLC

Grantee/Buyer: CR JW Hotel, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: 20220225000315830

Rent Controlled: No

Verified By: Ernest Gatewood

Verification Date: 01/25/2022

Confirmation Source: David Craig

Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972

Usable/Gross Ratio: 1.00

Shape: Irregular

Topography: Level

Corner Lot: Yes

Frontage Desc.: Collin McKinney Parkway

Frontage Type: 2 way, 1 lane each way

Traffic Control at Entry: Stop sign

Traffic Flow: Moderate

Visibility Rating: Average

Zoning Code: PD

Zoning Desc.: Planned Development

Flood Plain: No

Flood Zone Designation: X

Comm. Panel No.: 48085C0265J

Date: 06/02/2009

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course
views of TPC Craig Ranch on two sides of the property.
Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition,
Block A, Lot 1/ Tax #2781147

Acres(Usable/Gross): 8.01/8.01

Land in McKinney



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Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Land Sales - Tract 3, Parcel 4

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name: Commercial Land in Plano, TX

Sub-Property Type: Commercial

Address: East side of Parkwood Boulevard north of Dominion Parkway

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 3019566



Sale Information

Sale Price: \$3,911,516

Effective Sale Price: \$3,911,516

Sale Date: 10/19/2021

Sale Status: Closed

\$/Acre(Gross): \$1,219,681

\$/Land SF(Gross): \$28.00

\$/Acre(Usable): \$1,219,947

\$/Land SF(Usable): \$28.01

\$/Building SF: \$66.73

Grantor/Seller: Parkwood 122 Village LP

Grantee/Buyer: BBD Parkwood Heights Development LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220323000464050

Verified By: Ernest Gatewood

Verification Date: 06/22/2023

Confirmation Source: Jim Williams (Land Plan)

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275

Acres(Usable/Gross): 3.21/3.21

Land-SF(Usable/Gross): 139,667/139,697

Usable/Gross Ratio: 1.00

Potential Building SF: 58,620

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Type: 2 way, 3 lanes each way

Zoning Code: CE

Zoning Desc.: Commercial Employment

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco Street and Farmers Market Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban

IRR Event ID: 2827611



Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh Market Addition / Tax #2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use. The property was previously used as a parking lot and was improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX MSA

Commercial Parking Lot - Block A, Lot 3

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northwest corner of Van Tuyl Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2763822



Sale Information

Sale Price: \$10,635,781
Effective Sale Price: \$10,635,781
Sale Date: 02/24/2022
Contract Date: 11/16/2021
Sale Status: Closed
\$/Acre(Gross): \$1,327,597
\$/Land SF(Gross): \$30.48
\$/Acre(Usable): \$1,327,597
\$/Land SF(Usable): \$30.48
Grantor/Seller: Craig Ranch Hotel, LLC
Grantee/Buyer: CR JW Hotel, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: 20220225000315830
Rent Controlled: No
Verified By: Ernest Gatewood
Verification Date: 01/25/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972
Usable/Gross Ratio: 1.00
Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Desc.: Collin McKinney Parkway
Frontage Type: 2 way, 1 lane each way
Traffic Control at Entry: Stop sign
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: PD
Zoning Desc.: Planned Development
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48085C0265J
Date: 06/02/2009
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course views of TPC Craig Ranch on two sides of the property. Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition, Block A, Lot 1/ Tax #2781147
Acres(Usable/Gross): 8.01/8.01

Land in McKinney



Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name: Land in McKinney
Sub-Property Type: Commercial
Address: Northeast corner of SH-121 and Alma Road

City/State/Zip: McKinney, TX 75070
County: Collin
Submarket: McKinney
Market Orientation: Suburban

IRR Event ID: 2769201



Sale Information

Sale Price: \$4,484,010
Effective Sale Price: \$4,484,010
Sale Date: 04/22/2021
Sale Status: Closed
\$/Acre(Gross): \$1,310,348
\$/Land SF(Gross): \$30.08
\$/Acre(Usable): \$1,310,348
\$/Land SF(Usable): \$30.08
\$/Building SF: \$22.52
Grantor/Seller: District 121 LLC
Grantee/Buyer: KDP D-121 I LP
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 20210423000824660
Verified By: Ernest Gatewood
Verification Date: 02/04/2022
Confirmation Source: David Craig
Verification Type: Confirmed-Buyer

Usable/Gross Ratio: 1.00
Potential Building SF: 199,115
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Type: 2 way, 2 lanes each way
Zoning Code: PD (Planned Development)
Zoning Desc.: Regional Employment Center

Flood Plain: No
Utilities: Water Public, Sewer
Source of Land Info.: Engineering Report

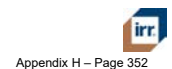
Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Improvement and Site Data

Legal/Tax/Parcel ID: District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross): 3.42/3.42
Land-SF(Usable/Gross): 149,062/149,062

Land in McKinney



Land Sales - Tract 3, Parcel 5

Land Sale Profile

Sale No. 1

Location & Property Identification	
Property Name:	Commercial Land in Plano, TX
Sub-Property Type:	Commercial
Address:	East side of Parkwood Boulevard north of Dominion Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban
IRR Event ID:	3019566



Sale Information	
Sale Price:	\$3,911,516
Effective Sale Price:	\$3,911,516
Sale Date:	10/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,219,681
\$/Land SF(Gross):	\$28.00
\$/Acre(Usable):	\$1,219,947
\$/Land SF(Usable):	\$28.01
\$/Building SF:	\$66.73
Grantor/Seller:	Parkwood 122 Village LP
Grantee/Buyer:	BBD Parkwood Heights Development LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20220323000464050
Verified By:	Ernest Gatewood
Verification Date:	06/22/2023
Confirmation Source:	Jim Williams (Land Plan)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	Lot 7R, Block A, The Village at Stonebriar Addition / Tax #2803275
Acres(Usable/Gross):	3.21/3.21
Land-SF(Usable/Gross):	139,667/139,697
Usable/Gross Ratio:	1.00
Potential Building SF:	58,620
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	CE
Zoning Desc.:	Commercial Employment
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The purchased property has been improved with a 58,620 square-foot office building.

Improvement and Site Data

Commercial Land in Plano, TX

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name: Commercial Parking
Lot - Block A, Lot 3

Sub-Property Type: Commercial

Address: Northeast corner of Frisco
Street and Farmers Market
Way

City/State/Zip: Frisco, TX 75034

County: Collin

Submarket: Frisco

Market Orientation: Suburban



IRR Event ID: 2827611

Sale Information

Sale Price: \$7,000,000

Effective Sale Price: \$7,000,000

Sale Date: 02/09/2022

Sale Status: Closed

\$/Acre(Gross): \$1,893,939

\$/Land SF(Gross): \$43.48

\$/Acre(Usable): \$1,893,939

\$/Land SF(Usable): \$43.48

Grantor/Seller: Frisco FM I LLC

Grantee/Buyer: WH Frisco Holdings LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Warranty Deed

Recording No.: 20220210000229880

Verified By: Stephen M. Lechtenberg

Verification Date: 06/15/2022

Confirmation Source: Paul Cheng

Verification Type: Confirmed-Seller

Legal/Tax/Parcel ID: Lot 3, Block A, Frisco Fresh
Market Addition / Tax
#2730897

Acres(Usable/Gross): 3.70/3.70

Land-SF(Usable/Gross): 160,997/160,997

Usable/Gross Ratio: 1.00

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-253 (Planned
Development)

Zoning Desc.: OTC/C-1/R/RES

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This site was purchased to redevelop for retail/restaurant use.
The property was previously used as a parking lot and was
improved with 98,113 SF of concrete pavement.

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington,
TX MSA

Commercial Parking Lot - Block A, Lot 3



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Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: Land in McKinney

Sub-Property Type: Commercial

Address: Northwest corner of Van Tuyl
Parkway and Weiskopf Avenue

City/State/Zip: McKinney, TX 75070

County: Collin

Submarket: McKinney

Market Orientation: Suburban



IRR Event ID: 2763822

Sale Information

Sale Price: \$10,635,781

Effective Sale Price: \$10,635,781

Sale Date: 02/24/2022

Contract Date: 11/16/2021

Sale Status: Closed

\$/Acre(Gross): \$1,327,597

\$/Land SF(Gross): \$30.48

\$/Acre(Usable): \$1,327,597

\$/Land SF(Usable): \$30.48

Grantor/Seller: Craig Ranch Hotel, LLC

Grantee/Buyer: CR JW Hotel, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: 20220225000315830

Rent Controlled: No

Verified By: Ernest Gatewood

Verification Date: 01/25/2022

Confirmation Source: David Craig

Verification Type: Confirmed-Seller

Land-SF(Usable/Gross): 348,972/348,972

Usable/Gross Ratio: 1.00

Shape: Irregular

Topography: Level

Corner Lot: Yes

Frontage Desc.: Collin McKinney Parkway

Frontage Type: 2 way, 1 lane each way

Traffic Control at Entry: Stop sign

Traffic Flow: Moderate

Visibility Rating: Average

Zoning Code: PD

Zoning Desc.: Planned Development

Flood Plain: No

Flood Zone Designation: X

Comm. Panel No.: 48085C0265J

Date: 06/02/2009

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

This irregular-shaped commercial property has golf course
views of TPC Craig Ranch on two sides of the property.
Property is planned to be developed with a hotel.

Improvement and Site Data

Legal/Tax/Parcel ID: Craig Ranch Hotel Addition,
Block A, Lot 1/ Tax #2781147

Acres(Usable/Gross): 8.01/8.01

Land in McKinney



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Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Land in McKinney
Sub-Property Type:	Commercial
Address:	Northeast corner of SH-121 and Alma Road
City/State/Zip:	McKinney, TX 75070
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	2769201



Sale Information

Sale Price:	\$4,484,010
Effective Sale Price:	\$4,484,010
Sale Date:	04/22/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,310,348
\$/Land SF(Gross):	\$30.08
\$/Acre(Usable):	\$1,310,348
\$/Land SF(Usable):	\$30.08
\$/Building SF:	\$22.52
Grantor/Seller:	District 121 LLC
Grantee/Buyer:	KDP D-121 I LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20210423000824660
Verified By:	Ernest Gatewood
Verification Date:	02/04/2022
Confirmation Source:	David Craig
Verification Type:	Confirmed-Buyer

Usable/Gross Ratio:	1.00
Potential Building SF:	199,115
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Regional Employment Center

Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This rectangular-shaped commercial tract has frontage along SH-121 and is planned to be developed with an eight-story, Class AA office building with structured parking.

Land Sales - Tract 4, Parcel 1

Improvement and Site Data

Legal/Tax/Parcel ID:	District 121 Addition, Block A, Lots 3 and 4/ Tax #2833975 and 2833974
Acres(Usable/Gross):	3.42/3.42
Land-SF(Usable/Gross):	149,062/149,062

Land in McKinney



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Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Land - 3.107 Acres, Willow Bend Polo Estates
Sub-Property Type:	Residential, Single Family Land
Address:	Southeast corner of Shaddock Boulevard and Castle Gate Drive
City/State/Zip:	Plano, TX 75093
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban
IRR Event ID:	2738933



Sale Information

Sale Price:	\$3,635,045
Effective Sale Price:	\$3,635,045
Sale Date:	02/19/2021
Sale Status:	Closed
\$/Acre(Gross):	\$1,169,840
\$/Land SF(Gross):	\$26.86
\$/Acre(Usable):	\$1,169,840
\$/Land SF(Usable):	\$26.86
\$/Unit (Potential):	\$191,318 /Unit
Grantor/Seller:	GCC Asset Management, Inc.

Grantee/Buyer:	Shaddock Acquisitions, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	20210223000349620
Verified By:	Shelley Sivakumar
Verification Date:	12/02/2021
Confirmation Source:	Bill Shaddock
Verification Type:	Confirmed-Buyer

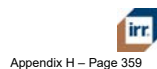
Improvement and Site Data

Legal/Tax/Parcel ID:	Willow Bend Polo Estates, Phase B, Block B, Lot 1/Tax ID 2015453
Acres(Usable/Gross):	3.11/3.11
Land-SF(Usable/Gross):	135,354/135,354
Usable/Gross Ratio:	1.00
No. of Units (Potential):	19
Shape:	Rectangular
Topography:	Level
Zoning Code:	PD-423 (PH)
Zoning Desc.:	Patio Home
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was improved with an older pool and tennis courts constructed in 1978 which were considered to add no contributory value as the salvage value is offset by the demolition costs. This infill tract is within the Willow Bend Polo Estates residential development and is planned to be developed with 19 patio-home lots. The property is within the Plano ISD.

Land - 3.107 Acres, Willow Bend Polo Estates



Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name:	Mixed use Land in Plano
Sub-Property Type:	Residential, Multifamily
Address:	Northwest quadrant of Windhaven Parkway and West Spring Creek Parkway
City/State/Zip:	Plano, TX 75024
County:	Collin
Submarket:	Plano
Market Orientation:	Suburban
IRR Event ID:	2760152



Sale Information

Sale Price:	\$12,500,000
Effective Sale Price:	\$12,500,000
Sale Date:	12/28/2020
Sale Status:	Closed
\$/Acre(Gross):	\$684,894
\$/Land SF(Gross):	\$15.72
\$/Acre(Usable):	\$684,894
\$/Land SF(Usable):	\$15.72
\$/Unit (Potential):	\$81,699 /Unit
Grantor/Seller:	Haggard Enterprises Limited
Grantee/Buyer:	Forefront Living Plano
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20201228002332470
Verified By:	Ernest Gatewood
Verification Date:	01/18/2022
Confirmation Source:	Russell Jones
Verification Type:	Confirmed-Buyer

Improvement and Site Data

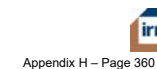
MSA:	Dallas-Fort Worth-Arlington, TX
------	---------------------------------

Legal/Tax/Parcel ID:	Haggard Farm CCRC Addition, Block A, Lot 1/ Tax #2827202
Acres(Usable/Gross):	18.25/18.25
Land-SF(Usable/Gross):	795,014/795,014
Usable/Gross Ratio:	1.00
No. of Units (Potential):	153
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PD 242-MF-2
Zoning Desc.:	Multifamily
Flood Plain:	Yes
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This mixed-use property is planned to be developed with 153 independent living units.

Mixed use Land in Plano



Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name: 3.707 Acres - Residential Land in Plano, TX

Sub-Property Type: Residential, Residential Subdivision

Address: East side of Robinson Road, south Pine Brook Drive

City/State/Zip: Plano, TX 75024

County: Collin

Submarket: Plano

Market Orientation: Suburban

IRR Event ID: 2339865



Sale Information

Sale Price: \$1,261,750

Effective Sale Price: \$1,261,750

Sale Date: 09/28/2020

Contract Date: 01/31/2020

Sale Status: Closed

\$/Acre(Gross): \$340,370

\$/Land SF(Gross): \$7.81

\$/Acre(Usable): \$340,370

\$/Land SF(Usable): \$7.81

\$/Unit (Potential): \$78,859 /Unit

Grantor/Seller: Marion G. Spurlin - Estate of George Phil Spurlin - Independent

Grantee/Buyer: Northbrook-Plano LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: 20200929001673320

Verified By: Shelley Sivakumar

Verification Date: 07/01/2020

Confirmation Source: American National Bank of Texas/Stacey Bable

Verification Type: Confirmed-Lender

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 11, Sheet 2, Collin County School Land #07 Survey, Abstract #153 / Tax #2517570

Acres(Usable/Gross): 3.71/3.71

Land-SF(Usable/Gross): 161,476/161,476

Usable/Gross Ratio: 1.00

No. of Units (Potential): 16

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Desc.: Robinson Road

Frontage Type: 2 way, 1 lane each way

Zoning Code: SF-6

Zoning Desc.: Single-family residential

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Engineering Report

Comments

The property is improved with a homestead. The site is located in the Frisco ISD. The site will be rezoned into SF-6 and is being acquired to be developed with 16 lots with five lots (55'), six lots (60'), and five lots (74').

3.707 Acres - Residential Land in Plano, TX



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Land Sale Profile

Sale No. 3

Comments (Cont'd)

Development costs were reportedly \$1,063,656 (\$66,479/lot).

3.707 Acres - Residential Land in Plano, TX



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