

SPIARS
ENGINEERING & SURVEYING
10000 Cedar Road - Suite 1000 • Irving, TX 75039 • 972.455.2077
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**DIRECT PAVING
IMPROVEMENTS**
MOSAIC PHASE 3C
CITY OF CELINA, DENTON COUNTY,
TEXAS

APPENDIX E
PID ASSESSMENT NOTICE

AFTER RECORDING RETURN TO:

_____]

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

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$ _____

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

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

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

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

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

STATE OF TEXAS §
 §
COUNTY OF DENTON §

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 Denton 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 DENTON

§

§

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 Denton County.

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

Appendix F

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

“Lot Type 1” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 70 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 3” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 4” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet, as provided by the development standards shown in the Development Agreement.

“Lot Type 5” means lots identified as such on the Assessment Roll, which are referred to as “Townhomes” and being generally lots for an attached single family dwelling unit on individually platted lots, as provided by the development standards shown in the Development Agreement.

“Lot Type 6” means lots identified as such on the Assessment Roll, which are referred to as multi-family units and being generally dwelling units or suite of rooms on one or more floors of a multi-family building, as provided by the development standards shown in the Development Agreement.

“Lot Type 7” means lots identified as such on the Assessment Roll, being lots typically zoned as commercial, as provided by the development standards shown in the Development Agreement.

A) Proposed Development

Table F-1.1 shows the original proposed residential units to be developed within the PID.

Table F-1.1
Proposed Development within the PID – Original

Proposed Development	Quantity	Measurement
<i>Residential:</i>		
Single-Family - 70 Ft	161	Units
Single-Family - 60 Ft	488	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	356	Units
Townhomes	210	Units
Multi-Family	336	Units
Subtotal - Residential	2,016	Units
<i>Non-Residential:</i>		
Commercial	56	1,000 GSF
Subtotal – Non-Residential	56	1,000 GSF

Table F-1.2 shows the 2024 revised proposed residential units to be developed within the PID.

Table F-1.2
Proposed Development within the PID – 2024 Revised

Proposed Development	Quantity	Measurement
<i>Residential:</i>		
Single-Family - 70 Ft	184	Units
Single-Family - 60 Ft	456	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	355	Units
Townhomes	210	Units
Multi-Family	341	Units
Subtotal - Residential	2,011	Units
<i>Non-Residential:</i>		
Commercial	30	1,000 GSF
Subtotal – Non-Residential	30	1,000 GSF

Table F-2 shows the proposed residential units within Phase #1.

Table F-2
Proposed Development – Phase #1

Description	Proposed Development	
Single-Family - 70 Ft	62	Units
Single-Family - 60 Ft	109	Units
Single-Family - 50 Ft	110	Units
Single-Family - 40 Ft	86	Units
Townhomes	68	Units
Total	435	Units

Table F-3 shows the proposed residential units within Improvement Area #2.

Table F-3
Proposed Development – Improvement Area #2

Description	Phase #2	Phase #3C	Proposed Development	
Single-Family - 70 Ft	60	62	122	Units
Single-Family - 60 Ft	114	68	182	Units
Single-Family - 50 Ft	141	0	141	Units
Single-Family - 40 Ft	99	0	99	Units
Townhomes	47	0	47	Units
Total	461	130	591	Units

Table F-4 shows the proposed residential units within Phases #3A, 3B, 4, and 5.

Table F-4
Proposed Development – Phases #3A, 3B, 4, and 5

Description	Proposed Development	
<i>Residential:</i>		
Single-Family - 60 Ft	165	Units
Single-Family - 50 Ft	214	Units
Single-Family - 40 Ft	170	Units
Townhomes	95	Units
Total	644	Units

B) Calculation of Equivalent Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvements to be allocated to the Assessed Property receiving benefit from such Authorized Improvements by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares

of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 70 Ft, 60 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These original classifications (from Lot Type 1 (70 Ft Lots) representing the highest value to Lot Type 5 (Townhomes) representing the lowest value for single-family residential lots as well as Lot Type 6 (Multi-Family), and Lot Type 7 (Commercial)) are set forth in Table F-5.1. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (70 Ft Lots) to 1.0.

Table F-5.1
Equivalent Unit Factors – Original

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (70 Ft)	\$798,000	1.00	per dwelling unit
Lot Type 2 (60 Ft)	\$670,000	0.84	per dwelling unit
Lot Type 3 (50 Ft)	\$633,000	0.79	per dwelling unit
Lot Type 4 (40 Ft)	\$468,000	0.59	per dwelling unit
Lot Type 5 (Townhomes)	\$374,000	0.47	per dwelling unit
Lot Type 6 (Multi-Family)	\$145,000	0.18	per dwelling unit
Lot Type 7 (Commercial)	\$225,000	0.28	per 1,000 GSF

The Equivalent Unit calculations described above were revised by the City Council in 2024 following changes to the development process and the request from the Developer. These classifications were reduced to remove Lot Type 6 (Multi-Family) and Lot Type 7 (Commercial), as shown in Table F-5.2.

Table F-5.2
Equivalent Unit Factors – Phases #1-5 - 2024 Revised

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (70 Ft)	\$798,000	1.00	per dwelling unit
Lot Type 2 (60 Ft)	\$670,000	0.84	per dwelling unit
Lot Type 3 (50 Ft)	\$633,000	0.79	per dwelling unit
Lot Type 4 (40 Ft)	\$468,000	0.59	per dwelling unit
Lot Type 5 (Townhomes)	\$374,000	0.47	per dwelling unit

The original total estimated Equivalent Units for the Future Phases are shown in Table F-6.1 as calculated based on the Equivalent Unit factors shown in Table F-5.1, estimated Lot Types and the original number of units estimated to be built within the Future Phases.

Table F-6.1
Estimated Equivalent Units – Future Phases - Original

Lot Type	Planned No. of Units/1,000 GSF	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	99	1.00	99.00
Lot Type 2 (60 Ft)	379	0.84	318.21
Lot Type 3 (50 Ft)	355	0.79	281.60
Lot Type 4 (40 Ft)	270	0.59	158.35
Lot Type 5 (Townhomes)	142	0.47	66.55
Lot Type 6 (Multi-Family)	336	0.18	61.05
Lot Type 7 (Commercial)	56	0.28	15.79
Total	1,637		1,000.55

The updated total estimated Equivalent Units for the Phases #3A, 3B, 4, and 5 are shown in Table F-6.2 as calculated based on the Equivalent Unit factors shown in Table F-5.2, estimated Lot Types and the 2024 revised number of units estimated to be built within the Phases #3A, 3B, 4, and 5.

Table F-6.2
Estimated Equivalent Units –Phases #3A, 3B, 4, and 5 – 2024 Revised

Lot Type	Planned No. of Units/1,000 GSF	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	0	1.00	0.00
Lot Type 2 (60 Ft)	165	0.84	138.53
Lot Type 3 (50 Ft)	214	0.79	169.75
Lot Type 4 (40 Ft)	170	0.59	99.70
Lot Type 5 (Townhomes)	95	0.47	44.52
Total	644		452.51

The total estimated Equivalent Units for Phase #1 are shown in Table F-7 as calculated based on the Equivalent Unit factors shown in Table F-5.2, estimated Lot Types and number of units estimated to be built within Phase #1.

Table F-7
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	62	1.00	62.00
Lot Type 2 (60 Ft)	109	0.84	91.52
Lot Type 3 (50 Ft)	110	0.79	87.26
Lot Type 4 (40 Ft)	86	0.59	50.44
Lot Type 5 (Townhomes)	68	0.47	31.87
Total	435		323.08

The total estimated Equivalent Units for Improvement Area #2 are shown in Table F-8 as calculated based on the Equivalent Unit factors shown in Table F-5.2, estimated Lot Types and number of units estimated to be built within Improvement Area #2.

Table F-8
Estimated Equivalent Units - Improvement Area #2 (Major Improvements)

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	122	1.00	122.00
Lot Type 2 (60 Ft)	182	0.84	152.81
Lot Type 3 (50 Ft)	141	0.79	111.85
Lot Type 4 (40 Ft)	99	0.59	58.06
Lot Type 5 (Townhomes)	47	0.47	22.03
Total	591		466.74

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

As shown in Section IV of this Service and Assessment Plan, the total amount of the Series 2023 Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation, which represents the total Assessment originally to be allocated on all Parcels within Phase #1, is \$22,348,000. As shown in Table F-7, there are a total of 323.08 estimated Equivalent Units in Phase #1, resulting in an original Assessment per Equivalent Unit of \$69,172.22.

The original Assessment per dwelling unit or acre within Phase #1 is calculated as the product of (i) \$69,172.22 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the original Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$69,172.22 (i.e., \$69,172.22 x 1.00). The original Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$58,076.92 (i.e., \$69,172.22 x 0.84). The original Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is \$54,869.69 (i.e., \$69,172.22 x 0.79). The original Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is \$40,567.16 (i.e., \$69,172.22 x 0.59). The original Assessment for a Lot Type 5 (Townhomes) dwelling unit is \$32,419.06 (i.e., \$69,172.22 x 0.47). Table F-9 sets forth the original Assessment per dwelling unit for each Lot Type in Phase #1.

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

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (70 Ft)	62	\$69,172.22	1.00	\$69,172.22 per dwelling unit	\$4,288,677
Lot Type 2 (60 Ft)	109	\$69,172.22	0.84	\$58,076.92 per dwelling unit	\$6,330,385
Lot Type 3 (50 Ft)	110	\$69,172.22	0.79	\$54,869.69 per dwelling unit	\$6,035,666
Lot Type 4 (40 Ft)	86	\$69,172.22	0.59	\$40,567.16 per dwelling unit	\$3,488,776
Lot Type 5 (Townhomes)	68	\$69,172.22	0.47	\$32,419.06 per dwelling unit	\$2,204,496
Total	435				\$22,348,000

The original projected leverage calculated based on the original estimated land values, finished lot values and home values for each unit is shown in Table F-10.

Table F-10
Projected Leverage – Phase #1 – Original

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$69,172.22	2.09	11.54
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$58,076.92	2.14	11.54
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$54,869.69	1.89	11.54
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$40,567.16	2.04	11.54
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$32,419.06	2.22	11.54

The original projected tax rate equivalent per unit calculated based on the original estimated finished lot values and home values for each unit is shown in Table F-11.

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

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value) ¹
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$5,207.36	\$3.5938	\$0.6526
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$4,372.09	\$3.5202	\$0.6526
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$4,130.65	\$3.9910	\$0.6526
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$3,053.94	\$3.6883	\$0.6526
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$2,440.54	\$3.3896	\$0.6526

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

As shown in Section IV of this Service and Assessment Plan, the total amount of the Series 2023 Phase #1 Bonds and Series 2024 Phase #1 Bonds, which represents the revised total Assessment to be allocated on all Parcels within Phase #1, is \$22,162,000. As shown in Table F-7, there are a total of 323.08 estimated Equivalent Units in Phase #1, resulting in a revised Assessment per Equivalent Unit of \$68,596.50.

The revised Assessment per dwelling unit or acre within Phase #1 is calculated as the product of (i) \$68,596.50 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the revised Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$68,596.50 (i.e., \$68,596.50 x 1.00). The revised Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$57,593.56 (i.e., \$68,596.50 x 0.84). The revised Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is \$54,413.02 (i.e., \$68,596.50 x 0.79). The revised Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is \$40,229.53 (i.e., \$68,596.50 x 0.59). The revised Assessment for a Lot Type 5 (Townhomes) dwelling unit is \$32,149.24 (i.e., \$68,596.50 x 0.47). Table F-12 sets forth the revised Assessment per dwelling unit for each Lot Type in Phase #1.

Table F-12
Assessment Per Unit – Phase #1 – Revised

Type	Planned No. of Units	Assessment		Assessment per Unit		Total Assessments
		per Equivalent Unit	Equivalent Unit Factor			
Lot Type 1 (70 Ft)	62	\$68,596.50	1.00	\$68,596.50	per dwelling unit	\$4,252,983
Lot Type 2 (60 Ft)	109	\$68,596.50	0.84	\$57,593.56	per dwelling unit	\$6,277,698
Lot Type 3 (50 Ft)	110	\$68,596.50	0.79	\$54,413.02	per dwelling unit	\$5,985,432
Lot Type 4 (40 Ft)	86	\$68,596.50	0.59	\$40,229.53	per dwelling unit	\$3,459,739
Lot Type 5 (Townhomes)	68	\$68,596.50	0.47	\$32,149.24	per dwelling unit	\$2,186,148
Total	435					\$22,162,000

The revised projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-13.

Table F-13
Projected Leverage – Phase #1 – Revised

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$68,596.50	2.11	11.63
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$57,593.56	2.16	11.63
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$54,413.02	1.90	11.63
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$40,229.53	2.06	11.63
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$32,149.24	2.24	11.63

The revised projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table F-14.

Table F-14
Estimated Tax Rate Equivalent per unit – Phase #1 – Revised

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)¹
Lot Type 1 (70 Ft)	62	\$144,900	\$798,000	\$5,247.00	\$3.6211	\$0.6575
Lot Type 2 (60 Ft)	109	\$124,200	\$670,000	\$4,405.38	\$3.5470	\$0.6575
Lot Type 3 (50 Ft)	110	\$103,500	\$633,000	\$4,162.10	\$4.0213	\$0.6575
Lot Type 4 (40 Ft)	86	\$82,800	\$468,000	\$3,077.19	\$3.7164	\$0.6575
Lot Type 5 (Townhomes)	68	\$72,000	\$374,000	\$2,459.12	\$3.4154	\$0.6575

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

E) Allocation of Assessments to Lots within Improvement Area #2

According to the Developer, the average home prices in Improvement Area #2 have substantially increased as compared to Phase #1. This increase in average home prices for Improvement Area #2 is disproportional between the different Lot Types as compared with Phase #1. As a result, new Equivalent Unit factors are calculated as shown in Table F-15.

Table F-15
Equivalent Unit Factors – Improvement Area #2 Projects

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (70 Ft)	\$1,100,000	1.00 per dwelling unit
Lot Type 2 (60 Ft)	\$965,000	0.88 per dwelling unit
Lot Type 3 (50 Ft)	\$830,000	0.75 per dwelling unit
Lot Type 4 (40 Ft)	\$655,000	0.60 per dwelling unit
Lot Type 5 (Townhomes)	\$490,000	0.45 per dwelling unit

As shown in Section IV of this Service and Assessment Plan, the total amount of the Series 2024 Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation, which represents the total Assessment to be allocated on all Parcels within Improvement Area #2, is \$47,690,847. As shown in Table F-16 there are a total of 467.94 estimated Equivalent Units in Improvement Area #2, resulting in an Assessment per Equivalent Unit of \$101,916.39.

The Assessment per dwelling unit or acre within Improvement Area #2 is calculated as the product of (i) \$101,916.39 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, The Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$101,916.39 (i.e., \$101,916.39 x 1.00). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$89,408.47 (i.e., \$101,916.39 x 0.88). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is \$76,900.55 (i.e., \$101,916.39 x 0.75). The Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is \$60,686.58 (i.e., \$101,916.39 x 0.60). The Assessment for a Lot Type 5 (Townhomes) dwelling unit is \$45,399.12 (i.e., \$101,916.39 x 0.47). Table F-17 sets forth the Assessment per dwelling unit for each Lot Type in Improvement Area #2.

Table F-16
Estimated Equivalent Units - Improvement Area #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	122	1.00	122.00
Lot Type 2 (60 Ft)	182	0.88	159.66
Lot Type 3 (50 Ft)	141	0.75	106.39
Lot Type 4 (40 Ft)	99	0.60	58.95
Lot Type 5 (Townhomes)	47	0.45	20.94
Total	591		467.94

Table F-17
Assessment Per Unit – Improvement Area #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (70 Ft)	122	\$101,916.39	1.00	\$101,916.39 per dwelling unit	\$12,433,799
Lot Type 2 (60 Ft)	182	\$101,916.39	0.88	\$89,408.47 per dwelling unit	\$16,272,341
Lot Type 3 (50 Ft)	141	\$101,916.39	0.75	\$76,900.55 per dwelling unit	\$10,842,977
Lot Type 4 (40 Ft)	99	\$101,916.39	0.60	\$60,686.58 per dwelling unit	\$6,007,971
Lot Type 5 (Townhomes)	47	\$101,916.39	0.45	\$45,399.12 per dwelling unit	\$2,133,759
Total	591				\$47,690,847

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-18.

Table F-18
Projected Leverage – Improvement Area #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (70 Ft)	122	\$252,000	\$1,100,000	\$101,916.39	2.47	10.79
Lot Type 2 (60 Ft)	182	\$215,000	\$965,000	\$89,408.47	2.40	10.79
Lot Type 3 (50 Ft)	141	\$177,500	\$830,000	\$76,900.55	2.31	10.79
Lot Type 4 (40 Ft)	99	\$142,000	\$655,000	\$60,686.58	2.34	10.79
Lot Type 5 (Townhomes)	47	\$122,500	\$490,000	\$45,399.12	2.70	10.79

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table F-19.

Table F-19
Estimated Tax Rate Equivalent per unit – Improvement Area #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)¹
Lot Type 1 (70 Ft)	122	\$252,000	\$1,100,000	\$7,448.24	\$2.9557	\$0.6771
Lot Type 2 (60 Ft)	182	\$215,000	\$965,000	\$6,534.14	\$3.0391	\$0.6771
Lot Type 3 (50 Ft)	141	\$177,500	\$830,000	\$5,620.04	\$3.1662	\$0.6771
Lot Type 4 (40 Ft)	99	\$142,000	\$655,000	\$4,435.09	\$3.1233	\$0.6771
Lot Type 5 (Townhomes)	47	\$122,500	\$490,000	\$3,317.85	\$2.7085	\$0.6771

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #2 is shown on the Improvement Area #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

APPENDIX G
REVISED PHASE #1 ASSESSMENT ROLL

Appendix G-1
Revised Phase #1 Assessment Roll

**Parcel
Equivalent Units
Assessment**

See Assessment Roll Summary
323.08
\$22,162,000

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,092,123	\$469,828	\$51,000	\$79,615	(\$1,092,123)	\$600,443
9/30/25	\$1,085,744	\$463,949	\$52,020	\$79,615	\$0	\$1,681,328
9/30/26	\$1,085,763	\$434,313	\$53,060	\$108,735	\$0	\$1,681,871
9/30/27	\$1,086,300	\$434,425	\$54,122	\$107,000	\$0	\$1,681,847
9/30/28	\$1,086,313	\$435,250	\$55,204	\$105,180	\$0	\$1,681,947
9/30/29	\$1,086,800	\$435,730	\$56,308	\$103,270	\$0	\$1,682,108
9/30/30	\$1,086,719	\$436,865	\$57,434	\$101,265	\$0	\$1,682,283
9/30/31	\$1,087,069	\$436,598	\$58,583	\$99,160	\$0	\$1,681,409
9/30/32	\$1,087,361	\$436,985	\$59,755	\$96,955	\$0	\$1,681,056
9/30/33	\$1,087,783	\$437,970	\$60,950	\$94,630	\$0	\$1,681,332
9/30/34	\$1,088,281	\$438,495	\$62,169	\$92,175	\$0	\$1,681,120
9/30/35	\$1,089,806	\$439,560	\$63,412	\$89,585	\$0	\$1,682,363
9/30/36	\$1,090,255	\$440,108	\$64,680	\$86,845	\$0	\$1,681,888
9/30/37	\$1,090,628	\$441,138	\$65,974	\$83,955	\$0	\$1,681,694
9/30/38	\$1,091,873	\$441,593	\$67,293	\$80,905	\$0	\$1,681,663
9/30/39	\$1,092,888	\$442,473	\$68,639	\$77,685	\$0	\$1,681,684
9/30/40	\$1,093,621	\$443,720	\$70,012	\$74,285	\$0	\$1,681,638
9/30/41	\$1,095,023	\$444,278	\$71,412	\$70,695	\$0	\$1,681,407
9/30/42	\$1,095,989	\$445,145	\$72,841	\$66,905	\$0	\$1,680,879
9/30/43	\$1,097,469	\$447,265	\$74,297	\$62,905	\$0	\$1,681,936
9/30/44	\$1,099,360	\$448,523	\$75,783	\$58,675	\$0	\$1,682,341
9/30/45	\$1,101,160	\$448,918	\$77,299	\$54,205	\$0	\$1,681,581
9/30/46	\$1,102,925	\$450,450	\$78,845	\$49,475	\$0	\$1,681,695
9/30/47	\$1,104,545	\$453,005	\$80,422	\$44,465	\$0	\$1,682,437
9/30/48	\$1,106,910	\$453,468	\$82,030	\$39,155	\$0	\$1,681,563
9/30/49	\$1,109,855	\$454,895	\$83,671	\$33,535	\$0	\$1,681,956
9/30/50	\$1,112,215	\$457,173	\$85,344	\$27,580	\$0	\$1,682,312
9/30/51	\$1,114,880	\$458,185	\$87,051	\$21,270	\$0	\$1,681,386
9/30/52	\$1,117,685	\$459,933	\$88,792	\$14,590	\$0	\$1,681,000
9/30/53	\$1,121,465	\$465,300	\$90,568	\$7,515	\$0	\$1,684,848
Total	\$32,888,804	\$13,395,532	\$2,068,972	\$2,111,830	(\$1,092,123)	\$49,373,016

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 6.25%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

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

Lot Type
Equivalent Units
Assessment

Lot Type 1 (70 Ft)
1.00
\$68,596.50

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$3,380	\$1,454	\$158	\$246	(\$3,380)	\$1,859
9/30/25	\$3,361	\$1,436	\$161	\$246	\$0	\$5,204
9/30/26	\$3,361	\$1,344	\$164	\$337	\$0	\$5,206
9/30/27	\$3,362	\$1,345	\$168	\$331	\$0	\$5,206
9/30/28	\$3,362	\$1,347	\$171	\$326	\$0	\$5,206
9/30/29	\$3,364	\$1,349	\$174	\$320	\$0	\$5,207
9/30/30	\$3,364	\$1,352	\$178	\$313	\$0	\$5,207
9/30/31	\$3,365	\$1,351	\$181	\$307	\$0	\$5,204
9/30/32	\$3,366	\$1,353	\$185	\$300	\$0	\$5,203
9/30/33	\$3,367	\$1,356	\$189	\$293	\$0	\$5,204
9/30/34	\$3,368	\$1,357	\$192	\$285	\$0	\$5,203
9/30/35	\$3,373	\$1,361	\$196	\$277	\$0	\$5,207
9/30/36	\$3,375	\$1,362	\$200	\$269	\$0	\$5,206
9/30/37	\$3,376	\$1,365	\$204	\$260	\$0	\$5,205
9/30/38	\$3,380	\$1,367	\$208	\$250	\$0	\$5,205
9/30/39	\$3,383	\$1,370	\$212	\$240	\$0	\$5,205
9/30/40	\$3,385	\$1,373	\$217	\$230	\$0	\$5,205
9/30/41	\$3,389	\$1,375	\$221	\$219	\$0	\$5,204
9/30/42	\$3,392	\$1,378	\$225	\$207	\$0	\$5,203
9/30/43	\$3,397	\$1,384	\$230	\$195	\$0	\$5,206
9/30/44	\$3,403	\$1,388	\$235	\$182	\$0	\$5,207
9/30/45	\$3,408	\$1,390	\$239	\$168	\$0	\$5,205
9/30/46	\$3,414	\$1,394	\$244	\$153	\$0	\$5,205
9/30/47	\$3,419	\$1,402	\$249	\$138	\$0	\$5,208
9/30/48	\$3,426	\$1,404	\$254	\$121	\$0	\$5,205
9/30/49	\$3,435	\$1,408	\$259	\$104	\$0	\$5,206
9/30/50	\$3,443	\$1,415	\$264	\$85	\$0	\$5,207
9/30/51	\$3,451	\$1,418	\$269	\$66	\$0	\$5,204
9/30/52	\$3,459	\$1,424	\$275	\$45	\$0	\$5,203
9/30/53	\$3,471	\$1,440	\$280	\$23	\$0	\$5,215
Total	\$98,327	\$40,022	\$6,124	\$6,513	(\$3,380)	\$147,606

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.75%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

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

Lot Type
Equivalent Units
Assessment

Lot Type 2 (60 Ft)
0.84
\$57,593.56

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$2,838	\$1,221	\$133	\$207	(\$2,838)	\$1,560
9/30/25	\$2,822	\$1,206	\$135	\$207	\$0	\$4,369
9/30/26	\$2,822	\$1,129	\$138	\$283	\$0	\$4,371
9/30/27	\$2,823	\$1,129	\$141	\$278	\$0	\$4,371
9/30/28	\$2,823	\$1,131	\$143	\$273	\$0	\$4,371
9/30/29	\$2,824	\$1,132	\$146	\$268	\$0	\$4,371
9/30/30	\$2,824	\$1,135	\$149	\$263	\$0	\$4,372
9/30/31	\$2,825	\$1,135	\$152	\$258	\$0	\$4,370
9/30/32	\$2,826	\$1,136	\$155	\$252	\$0	\$4,369
9/30/33	\$2,827	\$1,138	\$158	\$246	\$0	\$4,369
9/30/34	\$2,828	\$1,140	\$162	\$240	\$0	\$4,369
9/30/35	\$2,832	\$1,142	\$165	\$233	\$0	\$4,372
9/30/36	\$2,833	\$1,144	\$168	\$226	\$0	\$4,371
9/30/37	\$2,834	\$1,146	\$171	\$218	\$0	\$4,370
9/30/38	\$2,838	\$1,148	\$175	\$210	\$0	\$4,370
9/30/39	\$2,840	\$1,150	\$178	\$202	\$0	\$4,370
9/30/40	\$2,842	\$1,153	\$182	\$193	\$0	\$4,370
9/30/41	\$2,846	\$1,155	\$186	\$184	\$0	\$4,370
9/30/42	\$2,848	\$1,157	\$189	\$174	\$0	\$4,368
9/30/43	\$2,852	\$1,162	\$193	\$163	\$0	\$4,371
9/30/44	\$2,857	\$1,166	\$197	\$152	\$0	\$4,372
9/30/45	\$2,862	\$1,167	\$201	\$141	\$0	\$4,370
9/30/46	\$2,866	\$1,171	\$205	\$129	\$0	\$4,370
9/30/47	\$2,870	\$1,177	\$209	\$116	\$0	\$4,372
9/30/48	\$2,877	\$1,178	\$213	\$102	\$0	\$4,370
9/30/49	\$2,884	\$1,182	\$217	\$87	\$0	\$4,371
9/30/50	\$2,890	\$1,188	\$222	\$72	\$0	\$4,372
9/30/51	\$2,897	\$1,191	\$226	\$55	\$0	\$4,370
9/30/52	\$2,905	\$1,195	\$231	\$38	\$0	\$4,369
9/30/53	\$2,914	\$1,209	\$235	\$20	\$0	\$4,379
Total	\$82,555	\$33,602	\$5,141	\$5,469	(\$2,838)	\$123,930

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.75%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

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

Lot Type
Equivalent Units
Assessment

Lot Type 3 (50 Ft)
0.79
\$54,413.02

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$2,681	\$1,154	\$125	\$195	(\$2,681)	\$1,474
9/30/25	\$2,666	\$1,139	\$128	\$195	\$0	\$4,128
9/30/26	\$2,666	\$1,066	\$130	\$267	\$0	\$4,129
9/30/27	\$2,667	\$1,067	\$133	\$263	\$0	\$4,129
9/30/28	\$2,667	\$1,069	\$136	\$258	\$0	\$4,130
9/30/29	\$2,668	\$1,070	\$138	\$254	\$0	\$4,130
9/30/30	\$2,668	\$1,073	\$141	\$249	\$0	\$4,130
9/30/31	\$2,669	\$1,072	\$144	\$243	\$0	\$4,128
9/30/32	\$2,670	\$1,073	\$147	\$238	\$0	\$4,127
9/30/33	\$2,671	\$1,075	\$150	\$232	\$0	\$4,128
9/30/34	\$2,672	\$1,077	\$153	\$226	\$0	\$4,128
9/30/35	\$2,676	\$1,079	\$156	\$220	\$0	\$4,131
9/30/36	\$2,677	\$1,081	\$159	\$213	\$0	\$4,129
9/30/37	\$2,678	\$1,083	\$162	\$206	\$0	\$4,129
9/30/38	\$2,681	\$1,084	\$165	\$199	\$0	\$4,129
9/30/39	\$2,683	\$1,086	\$169	\$191	\$0	\$4,129
9/30/40	\$2,685	\$1,089	\$172	\$182	\$0	\$4,129
9/30/41	\$2,689	\$1,091	\$175	\$174	\$0	\$4,128
9/30/42	\$2,691	\$1,093	\$179	\$164	\$0	\$4,127
9/30/43	\$2,695	\$1,098	\$182	\$154	\$0	\$4,130
9/30/44	\$2,699	\$1,101	\$186	\$144	\$0	\$4,131
9/30/45	\$2,704	\$1,102	\$190	\$133	\$0	\$4,129
9/30/46	\$2,708	\$1,106	\$194	\$121	\$0	\$4,129
9/30/47	\$2,712	\$1,112	\$197	\$109	\$0	\$4,131
9/30/48	\$2,718	\$1,113	\$201	\$96	\$0	\$4,129
9/30/49	\$2,725	\$1,117	\$205	\$82	\$0	\$4,130
9/30/50	\$2,731	\$1,122	\$210	\$68	\$0	\$4,130
9/30/51	\$2,737	\$1,125	\$214	\$52	\$0	\$4,128
9/30/52	\$2,744	\$1,129	\$218	\$36	\$0	\$4,127
9/30/53	\$2,753	\$1,142	\$222	\$18	\$0	\$4,137
Total	\$77,996	\$31,747	\$4,857	\$5,167	(\$2,681)	\$117,086

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.75%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

Appendix G-5
Revised Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 4 (40 Ft)
0.59
\$40,229.53

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,982	\$853	\$93	\$145	(\$1,982)	\$1,090
9/30/25	\$1,971	\$842	\$94	\$145	\$0	\$3,052
9/30/26	\$1,971	\$788	\$96	\$197	\$0	\$3,053
9/30/27	\$1,972	\$789	\$98	\$194	\$0	\$3,053
9/30/28	\$1,972	\$790	\$100	\$191	\$0	\$3,053
9/30/29	\$1,973	\$791	\$102	\$187	\$0	\$3,053
9/30/30	\$1,973	\$793	\$104	\$184	\$0	\$3,054
9/30/31	\$1,973	\$793	\$106	\$180	\$0	\$3,052
9/30/32	\$1,974	\$793	\$108	\$176	\$0	\$3,052
9/30/33	\$1,975	\$795	\$111	\$172	\$0	\$3,052
9/30/34	\$1,976	\$796	\$113	\$167	\$0	\$3,052
9/30/35	\$1,978	\$798	\$115	\$163	\$0	\$3,054
9/30/36	\$1,979	\$799	\$117	\$158	\$0	\$3,053
9/30/37	\$1,980	\$801	\$120	\$152	\$0	\$3,053
9/30/38	\$1,982	\$802	\$122	\$147	\$0	\$3,053
9/30/39	\$1,984	\$803	\$125	\$141	\$0	\$3,053
9/30/40	\$1,985	\$805	\$127	\$135	\$0	\$3,053
9/30/41	\$1,988	\$806	\$130	\$128	\$0	\$3,052
9/30/42	\$1,989	\$808	\$132	\$121	\$0	\$3,051
9/30/43	\$1,992	\$812	\$135	\$114	\$0	\$3,053
9/30/44	\$1,996	\$814	\$138	\$107	\$0	\$3,054
9/30/45	\$1,999	\$815	\$140	\$98	\$0	\$3,052
9/30/46	\$2,002	\$818	\$143	\$90	\$0	\$3,053
9/30/47	\$2,005	\$822	\$146	\$81	\$0	\$3,054
9/30/48	\$2,009	\$823	\$149	\$71	\$0	\$3,052
9/30/49	\$2,015	\$826	\$152	\$61	\$0	\$3,053
9/30/50	\$2,019	\$830	\$155	\$50	\$0	\$3,054
9/30/51	\$2,024	\$832	\$158	\$39	\$0	\$3,052
9/30/52	\$2,029	\$835	\$161	\$26	\$0	\$3,051
9/30/53	\$2,036	\$845	\$164	\$14	\$0	\$3,058
Total	\$57,666	\$23,472	\$3,591	\$3,820	(\$1,982)	\$86,566

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.75%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

Appendix G-6
Revised Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 5 (Townhomes)
0.47
\$32,149.24

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	\$0	\$0	\$0	\$0	\$0	\$0
9/30/24	\$1,584	\$682	\$74	\$115	(\$1,584)	\$871
9/30/25	\$1,575	\$673	\$75	\$115	\$0	\$2,439
9/30/26	\$1,575	\$630	\$77	\$158	\$0	\$2,440
9/30/27	\$1,576	\$630	\$79	\$155	\$0	\$2,440
9/30/28	\$1,576	\$631	\$80	\$153	\$0	\$2,440
9/30/29	\$1,577	\$632	\$82	\$150	\$0	\$2,440
9/30/30	\$1,576	\$634	\$83	\$147	\$0	\$2,440
9/30/31	\$1,577	\$633	\$85	\$144	\$0	\$2,439
9/30/32	\$1,577	\$634	\$87	\$141	\$0	\$2,439
9/30/33	\$1,578	\$635	\$88	\$137	\$0	\$2,439
9/30/34	\$1,579	\$636	\$90	\$134	\$0	\$2,439
9/30/35	\$1,581	\$638	\$92	\$130	\$0	\$2,441
9/30/36	\$1,582	\$638	\$94	\$126	\$0	\$2,440
9/30/37	\$1,582	\$640	\$96	\$122	\$0	\$2,440
9/30/38	\$1,584	\$641	\$98	\$117	\$0	\$2,439
9/30/39	\$1,585	\$642	\$100	\$113	\$0	\$2,440
9/30/40	\$1,586	\$644	\$102	\$108	\$0	\$2,439
9/30/41	\$1,588	\$644	\$104	\$103	\$0	\$2,439
9/30/42	\$1,590	\$646	\$106	\$97	\$0	\$2,438
9/30/43	\$1,592	\$649	\$108	\$91	\$0	\$2,440
9/30/44	\$1,595	\$651	\$110	\$85	\$0	\$2,440
9/30/45	\$1,597	\$651	\$112	\$79	\$0	\$2,439
9/30/46	\$1,600	\$653	\$114	\$72	\$0	\$2,440
9/30/47	\$1,602	\$657	\$117	\$65	\$0	\$2,441
9/30/48	\$1,606	\$658	\$119	\$57	\$0	\$2,439
9/30/49	\$1,610	\$660	\$121	\$49	\$0	\$2,440
9/30/50	\$1,613	\$663	\$124	\$40	\$0	\$2,440
9/30/51	\$1,617	\$665	\$126	\$31	\$0	\$2,439
9/30/52	\$1,621	\$667	\$129	\$21	\$0	\$2,439
9/30/53	\$1,627	\$675	\$131	\$11	\$0	\$2,444
Total	\$46,083	\$18,757	\$2,870	\$3,053	(\$1,584)	\$69,179

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 Bonds.

²Represents the principal and interest on the first series of the Phase #1 Bonds. Interest was calculated using an interest rate of 4.375% per annum for years 1 through 8 (2023-2030), 5.125% per annum for years 9 through 21 (2031-2043), and 5.50% per annum for years 22 through 30 (2044-2053). Interest on the Phase #1 Bonds for years 2023 and 2024 was funded with capitalized interest.

³Represents the principal and interest on the second series of the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.75%.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2023 were funded with Bond proceeds. Administrative Expenses in year 2024 will be funded with Bond proceeds.

**Appendix G-7
Assessment Roll Summary - Phase #1**

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1026797	3	0.75	\$54,413.02
1026798	3	0.75	\$54,413.02
1026799	3	0.75	\$54,413.02
1026800	3	0.75	\$54,413.02
1026801	3	0.75	\$54,413.02
1026802	3	0.75	\$54,413.02
1026803	3	0.75	\$54,413.02
1026804	3	0.75	\$54,413.02
1026805	3	0.75	\$54,413.02
1026806	3	0.75	\$54,413.02
1026807	3	0.75	\$54,413.02
1026808	3	0.75	\$54,413.02
1026809	3	0.75	\$54,413.02
1026810	3	0.75	\$54,413.02
1026811	3	0.75	\$54,413.02
1026812	3	0.75	\$54,413.02
1026813	3	0.75	\$54,413.02
1026814	3	0.75	\$54,413.02
1026815	3	0.75	\$54,413.02
1026816	3	0.75	\$54,413.02
1026817	3	0.75	\$54,413.02
1026818	3	0.75	\$54,413.02
1026819	3	0.75	\$54,413.02
1026820	3	0.75	\$54,413.02
1026821	3	0.75	\$54,413.02
1026822	3	0.75	\$54,413.02
1026823	3	0.75	\$54,413.02
1026824	3	0.75	\$54,413.02
1026825	3	0.75	\$54,413.02
1026826	3	0.75	\$54,413.02
1026827	3	0.75	\$54,413.02
1026828	3	0.75	\$54,413.02
1026829	3	0.75	\$54,413.02
1026830	3	0.75	\$54,413.02
1026831	3	0.75	\$54,413.02
1026832	3	0.75	\$54,413.02
1026833	3	0.75	\$54,413.02
1026834	3	0.75	\$54,413.02
1026835	3	0.75	\$54,413.02
1026836	3	0.75	\$54,413.02
1026837	3	0.75	\$54,413.02
1026838	3	0.75	\$54,413.02
1026839	3	0.75	\$54,413.02
1026840	3	0.75	\$54,413.02
1026841	3	0.75	\$54,413.02
1026842	3	0.75	\$54,413.02
1026843	3	0.75	\$54,413.02
1026844	3	0.75	\$54,413.02
1026845	2	0.88	\$57,593.56
1026846	2	0.88	\$57,593.56
1026847	2	0.88	\$57,593.56
1026848	2	0.88	\$57,593.56
1026849	2	0.88	\$57,593.56
1026850	2	0.88	\$57,593.56
1026851	2	0.88	\$57,593.56
1026852	2	0.88	\$57,593.56
1026853	2	0.88	\$57,593.56
1026854	2	0.88	\$57,593.56
1026855	2	0.88	\$57,593.56
1026856	2	0.88	\$57,593.56
1026857	2	0.88	\$57,593.56
1026858	2	0.88	\$57,593.56
1026859	2	0.88	\$57,593.56
1026860	2	0.88	\$57,593.56
1026861	2	0.88	\$57,593.56
1026862	2	0.88	\$57,593.56
1026863	2	0.88	\$57,593.56
1026864	2	0.88	\$57,593.56
1026865	2	0.88	\$57,593.56
1026866	2	0.88	\$57,593.56
1026867	2	0.88	\$57,593.56
1026868	2	0.88	\$57,593.56
1026869	2	0.88	\$57,593.56
1026870	3	0.75	\$54,413.02
1026871	3	0.75	\$54,413.02
1026872	3	0.75	\$54,413.02

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1026873	3	0.75	\$54,413.02
1026874	3	0.75	\$54,413.02
1026875	3	0.75	\$54,413.02
1026876	3	0.75	\$54,413.02
1026877	3	0.75	\$54,413.02
1026878	3	0.75	\$54,413.02
1026879	3	0.75	\$54,413.02
1026880	3	0.75	\$54,413.02
1026881	4	0.60	\$40,229.53
1026882	4	0.60	\$40,229.53
1026883	4	0.60	\$40,229.53
1026884	4	0.60	\$40,229.53
1026885	4	0.60	\$40,229.53
1026886	4	0.60	\$40,229.53
1026887	4	0.60	\$40,229.53
1026888	4	0.60	\$40,229.53
1026889	4	0.60	\$40,229.53
1026890	4	0.60	\$40,229.53
1026891	4	0.60	\$40,229.53
1026892	4	0.60	\$40,229.53
1026893	4	0.60	\$40,229.53
1026894	4	0.60	\$40,229.53
1026895	4	0.60	\$40,229.53
1026896	4	0.60	\$40,229.53
1026897	4	0.60	\$40,229.53
1026898	4	0.60	\$40,229.53
1026899	4	0.60	\$40,229.53
1026900	4	0.60	\$40,229.53
1026901	4	0.60	\$40,229.53
1026902	4	0.60	\$40,229.53
1026903	2	0.88	\$57,593.56
1026904	2	0.88	\$57,593.56
1026905	2	0.88	\$57,593.56
1026906	2	0.88	\$57,593.56
1026907	2	0.88	\$57,593.56
1026908	2	0.88	\$57,593.56
1026909	2	0.88	\$57,593.56
1026910	2	0.88	\$57,593.56
1026911	2	0.88	\$57,593.56
1026912	2	0.88	\$57,593.56
1026913	1	1.00	\$68,596.50
1026914	1	1.00	\$68,596.50
1026915	1	1.00	\$68,596.50
1026916	1	1.00	\$68,596.50
1026917	1	1.00	\$68,596.50
1026918	1	1.00	\$68,596.50
1026919	1	1.00	\$68,596.50
1026920	1	1.00	\$68,596.50
1026921	1	1.00	\$68,596.50
1026922	1	1.00	\$68,596.50
1026923	4	0.60	\$40,229.53
1026924	4	0.60	\$40,229.53
1026925	4	0.60	\$40,229.53
1026926	4	0.60	\$40,229.53
1026927	4	0.60	\$40,229.53
1026928	4	0.60	\$40,229.53
1026929	4	0.60	\$40,229.53
1026930	4	0.60	\$40,229.53
1026931	4	0.60	\$40,229.53
1026932	4	0.60	\$40,229.53
1026933	3	0.75	\$54,413.02
1026934	3	0.75	\$54,413.02
1026935	3	0.75	\$54,413.02
1026936	3	0.75	\$54,413.02
1026937	3	0.75	\$54,413.02
1026938	3	0.75	\$54,413.02
1026939	3	0.75	\$54,413.02
1026940	3	0.75	\$54,413.02
1026941	3	0.75	\$54,413.02
1026942	3	0.75	\$54,413.02
1026943	3	0.75	\$54,413.02
1026944	3	0.75	\$54,413.02
1026945	3	0.75	\$54,413.02
1026946	3	0.75	\$54,413.02
1026947	3	0.75	\$54,413.02
1026948	3	0.75	\$54,413.02
1026949	3	0.75	\$54,413.02
1026950	3	0.75	\$54,413.02
1026951	4	0.60	\$40,229.53

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1026952	4	0.60	\$40,229.53
1026953	4	0.60	\$40,229.53
1026954	4	0.60	\$40,229.53
1026955	4	0.60	\$40,229.53
1026956	4	0.60	\$40,229.53
1026957	4	0.60	\$40,229.53
1026958	4	0.60	\$40,229.53
1026959	4	0.60	\$40,229.53
1026960	4	0.60	\$40,229.53
1026961	4	0.60	\$40,229.53
1026962	4	0.60	\$40,229.53
1026963	4	0.60	\$40,229.53
1026964	4	0.60	\$40,229.53
1026965	4	0.60	\$40,229.53
1026966	4	0.60	\$40,229.53
1026967	3	0.75	\$54,413.02
1026968	3	0.75	\$54,413.02
1026969	3	0.75	\$54,413.02
1026970	3	0.75	\$54,413.02
1026971	3	0.75	\$54,413.02
1026972	3	0.75	\$54,413.02
1026973	3	0.75	\$54,413.02
1026974	3	0.75	\$54,413.02
1026975	3	0.75	\$54,413.02
1026976	3	0.75	\$54,413.02
1026977	3	0.75	\$54,413.02
1026978	3	0.75	\$54,413.02
1026979	3	0.75	\$54,413.02
1026980	3	0.75	\$54,413.02
1026981	3	0.75	\$54,413.02
1026982	3	0.75	\$54,413.02
1026983	4	0.60	\$40,229.53
1026984	4	0.60	\$40,229.53
1026985	4	0.60	\$40,229.53
1026986	4	0.60	\$40,229.53
1026987	4	0.60	\$40,229.53
1026988	4	0.60	\$40,229.53
1026989	4	0.60	\$40,229.53
1026990	4	0.60	\$40,229.53
1026991	4	0.60	\$40,229.53
1026992	4	0.60	\$40,229.53
1026993	4	0.60	\$40,229.53
1026994	4	0.60	\$40,229.53
1026995	4	0.60	\$40,229.53
1026996	4	0.60	\$40,229.53
1026997	4	0.60	\$40,229.53
1026998	4	0.60	\$40,229.53
1026999	4	0.60	\$40,229.53
1027000	4	0.60	\$40,229.53
1027001	4	0.60	\$40,229.53
1027002	4	0.60	\$40,229.53
1027003	4	0.60	\$40,229.53
1027004	4	0.60	\$40,229.53
1027005	4	0.60	\$40,229.53
1027006	4	0.60	\$40,229.53
1027007	4	0.60	\$40,229.53
1027008	4	0.60	\$40,229.53
1027009	4	0.60	\$40,229.53
1027010	4	0.60	\$40,229.53
1027011	4	0.60	\$40,229.53
1027012	4	0.60	\$40,229.53
1027013	4	0.60	\$40,229.53
1027014	4	0.60	\$40,229.53
1027015	4	0.60	\$40,229.53
1027016	4	0.60	\$40,229.53
1027017	4	0.60	\$40,229.53
1027018	4	0.60	\$40,229.53
1027019	4	0.60	\$40,229.53
1027020	4	0.60	\$40,229.53
1027021	3	0.75	\$54,413.02
1027022	3	0.75	\$54,413.02
1027023	3	0.75	\$54,413.02
1027024	3	0.75	\$54,413.02
1027025	Common Area	0.00	\$0.00
1027026	Common Area	0.00	\$0.00
1027027	Common Area	0.00	\$0.00
1027028	Common Area	0.00	\$0.00
1027029	Common Area	0.00	\$0.00
1027030	Common Area	0.00	\$0.00

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1027031	Common Area	0.00	\$0.00
1027032	Common Area	0.00	\$0.00
1027033	Common Area	0.00	\$0.00
1027034	Common Area	0.00	\$0.00
1027035	Common Area	0.00	\$0.00
1027036	Common Area	0.00	\$0.00
1027037	Common Area	0.00	\$0.00
1027038	Common Area	0.00	\$0.00
1026717	2	0.88	\$57,593.56
1026718	2	0.88	\$57,593.56
1026719	2	0.88	\$57,593.56
1026720	2	0.88	\$57,593.56
1026721	2	0.88	\$57,593.56
1026722	2	0.88	\$57,593.56
1026723	2	0.88	\$57,593.56
1026724	2	0.88	\$57,593.56
1026725	2	0.88	\$57,593.56
1026726	2	0.88	\$57,593.56
1026727	2	0.88	\$57,593.56
1026728	2	0.88	\$57,593.56
1026729	2	0.88	\$57,593.56
1026730	2	0.88	\$57,593.56
1026731	2	0.88	\$57,593.56
1026732	2	0.88	\$57,593.56
1026733	2	0.88	\$57,593.56
1026734	2	0.88	\$57,593.56
1026735	2	0.88	\$57,593.56
1026736	2	0.88	\$57,593.56
1026737	2	0.88	\$57,593.56
1026738	2	0.88	\$57,593.56
1026739	2	0.88	\$57,593.56
1026740	2	0.88	\$57,593.56
1026741	2	0.88	\$57,593.56
1026742	2	0.88	\$57,593.56
1026743	2	0.88	\$57,593.56
1026744	2	0.88	\$57,593.56
1026745	2	0.88	\$57,593.56
1026746	2	0.88	\$57,593.56
1026747	2	0.88	\$57,593.56
1026748	2	0.88	\$57,593.56
1026749	2	0.88	\$57,593.56
1026750	1	1.00	\$68,596.50
1026751	1	1.00	\$68,596.50
1026752	1	1.00	\$68,596.50
1026753	1	1.00	\$68,596.50
1026754	1	1.00	\$68,596.50
1026755	1	1.00	\$68,596.50
1026756	1	1.00	\$68,596.50
1026757	1	1.00	\$68,596.50
1026758	1	1.00	\$68,596.50
1026759	1	1.00	\$68,596.50
1026760	1	1.00	\$68,596.50
1026761	1	1.00	\$68,596.50
1026762	1	1.00	\$68,596.50
1026763	1	1.00	\$68,596.50
1026764	1	1.00	\$68,596.50
1026765	1	1.00	\$68,596.50
1026766	2	0.88	\$57,593.56
1026767	2	0.88	\$57,593.56
1026768	1	1.00	\$68,596.50
1026769	1	1.00	\$68,596.50
1026770	1	1.00	\$68,596.50
1026771	1	1.00	\$68,596.50
1026772	1	1.00	\$68,596.50
1026773	1	1.00	\$68,596.50
1026774	1	1.00	\$68,596.50
1026775	1	1.00	\$68,596.50
1026776	2	0.88	\$57,593.56
1026777	2	0.88	\$57,593.56
1026778	2	0.88	\$57,593.56
1026779	2	0.88	\$57,593.56
1026780	2	0.88	\$57,593.56
1026781	2	0.88	\$57,593.56
1026782	2	0.88	\$57,593.56
1026783	2	0.88	\$57,593.56
1026784	2	0.88	\$57,593.56
1026785	2	0.88	\$57,593.56
1026786	1	1.00	\$68,596.50
1026787	1	1.00	\$68,596.50

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1026788	1	1.00	\$68,596.50
1026789	1	1.00	\$68,596.50
1026790	1	1.00	\$68,596.50
1026791	1	1.00	\$68,596.50
1034038	5	0.45	\$32,149.24
1034039	5	0.45	\$32,149.24
1034040	5	0.45	\$32,149.24
1034041	5	0.45	\$32,149.24
1034042	5	0.45	\$32,149.24
1034043	5	0.45	\$32,149.24
1034044	5	0.45	\$32,149.24
1034045	5	0.45	\$32,149.24
1034046	5	0.45	\$32,149.24
1034047	5	0.45	\$32,149.24
1034048	5	0.45	\$32,149.24
1034049	5	0.45	\$32,149.24
1034050	5	0.45	\$32,149.24
1034051	5	0.45	\$32,149.24
1034052	5	0.45	\$32,149.24
1034053	5	0.45	\$32,149.24
1034054	5	0.45	\$32,149.24
1034055	5	0.45	\$32,149.24
1034056	5	0.45	\$32,149.24
1034057	5	0.45	\$32,149.24
1034058	5	0.45	\$32,149.24
1034059	5	0.45	\$32,149.24
1034060	5	0.45	\$32,149.24
1034061	5	0.45	\$32,149.24
1034062	5	0.45	\$32,149.24
1034063	5	0.45	\$32,149.24
1034064	5	0.45	\$32,149.24
1034065	5	0.45	\$32,149.24
1034066	5	0.45	\$32,149.24
1034067	5	0.45	\$32,149.24
1034068	5	0.45	\$32,149.24
1034069	5	0.45	\$32,149.24
1034070	5	0.45	\$32,149.24
1034071	5	0.45	\$32,149.24
1034072	5	0.45	\$32,149.24
1034073	5	0.45	\$32,149.24
1034074	5	0.45	\$32,149.24
1034075	5	0.45	\$32,149.24
1034076	5	0.45	\$32,149.24
1034077	5	0.45	\$32,149.24
1034078	5	0.45	\$32,149.24
1034079	5	0.45	\$32,149.24
1034080	5	0.45	\$32,149.24
1034081	5	0.45	\$32,149.24
1034082	5	0.45	\$32,149.24
1034083	5	0.45	\$32,149.24
1034084	5	0.45	\$32,149.24
1034085	5	0.45	\$32,149.24
1034086	5	0.45	\$32,149.24
1034087	5	0.45	\$32,149.24
1034088	2	0.88	\$57,593.56
1034089	2	0.88	\$57,593.56
1034090	2	0.88	\$57,593.56
1034091	2	0.88	\$57,593.56
1034092	2	0.88	\$57,593.56
1034093	2	0.88	\$57,593.56
1034094	2	0.88	\$57,593.56
1034095	2	0.88	\$57,593.56
1034096	2	0.88	\$57,593.56
1034097	2	0.88	\$57,593.56
1034098	2	0.88	\$57,593.56
1034099	2	0.88	\$57,593.56
1034100	2	0.88	\$57,593.56
1034101	2	0.88	\$57,593.56
1034102	2	0.88	\$57,593.56
1034103	2	0.88	\$57,593.56
1034104	2	0.88	\$57,593.56
1034105	2	0.88	\$57,593.56
1034106	2	0.88	\$57,593.56
1034107	2	0.88	\$57,593.56
1034108	2	0.88	\$57,593.56
1034109	2	0.88	\$57,593.56
1034110	2	0.88	\$57,593.56
1034111	2	0.88	\$57,593.56
1034112	2	0.88	\$57,593.56

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1034113	2	0.88	\$57,593.56
1034114	2	0.88	\$57,593.56
1034115	2	0.88	\$57,593.56
1034116	2	0.88	\$57,593.56
1034117	1	1.00	\$68,596.50
1034118	1	1.00	\$68,596.50
1034119	1	1.00	\$68,596.50
1034120	1	1.00	\$68,596.50
1034121	1	1.00	\$68,596.50
1034122	1	1.00	\$68,596.50
1034123	1	1.00	\$68,596.50
1034124	1	1.00	\$68,596.50
1034125	1	1.00	\$68,596.50
1034126	1	1.00	\$68,596.50
1034127	1	1.00	\$68,596.50
1034128	1	1.00	\$68,596.50
1034129	5	0.45	\$32,149.24
1034130	5	0.45	\$32,149.24
1034131	5	0.45	\$32,149.24
1034132	5	0.45	\$32,149.24
1034133	5	0.45	\$32,149.24
1034134	5	0.45	\$32,149.24
1034135	5	0.45	\$32,149.24
1034136	5	0.45	\$32,149.24
1034137	5	0.45	\$32,149.24
1034138	5	0.45	\$32,149.24
1034139	Common Area	0.00	\$0.00
1034142	5	0.45	\$32,149.24
1034143	5	0.45	\$32,149.24
1034144	5	0.45	\$32,149.24
1034145	5	0.45	\$32,149.24
1034146	5	0.45	\$32,149.24
1034147	5	0.45	\$32,149.24
1034148	5	0.45	\$32,149.24
1034149	5	0.45	\$32,149.24
1034150	3	0.75	\$54,413.02
1034151	3	0.75	\$54,413.02
1034152	3	0.75	\$54,413.02
1034153	3	0.75	\$54,413.02
1034154	3	0.75	\$54,413.02
1034155	3	0.75	\$54,413.02
1034156	3	0.75	\$54,413.02
1034157	3	0.75	\$54,413.02
1034158	3	0.75	\$54,413.02
1034160	1	1.00	\$68,596.50
1034161	1	1.00	\$68,596.50
1034162	1	1.00	\$68,596.50
1034163	1	1.00	\$68,596.50
1034164	1	1.00	\$68,596.50
1034165	1	1.00	\$68,596.50
1034166	1	1.00	\$68,596.50
1034167	1	1.00	\$68,596.50

Parcel	Lot Type	Total Equivalent Units	Total Outstanding Assessment
1034168	1	1.00	\$68,596.50
1034169	1	1.00	\$68,596.50
1034170	3	0.75	\$54,413.02
1034171	3	0.75	\$54,413.02
1034172	3	0.75	\$54,413.02
1034173	3	0.75	\$54,413.02
1034174	Common Area	0.00	\$0.00
1034175	Common Area	0.00	\$0.00
1034176	Common Area	0.00	\$0.00
1034177	Common Area	0.00	\$0.00
Total		322.12	\$22,162,000

APPENDIX H
PROPOSED IMPROVEMENT AREA #2 ASSESSMENT ROLL

**Appendix H-1
Proposed Improvement Area #2 Assessment Roll**

**Parcel
Equivalent Units
Assessment**

**983682, 983690, 983685, and part of 983680
467.94
\$47,690,847**

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$1,412,533	\$0	\$0	\$0	(\$1,412,533)	\$0
9/30/26	\$2,553,322	\$682,939	\$61,200	\$191,280	\$0	\$3,488,740
9/30/27	\$2,554,670	\$683,275	\$62,424	\$188,255	\$0	\$3,488,624
9/30/28	\$2,555,873	\$683,144	\$63,672	\$185,095	\$0	\$3,487,784
9/30/29	\$2,557,889	\$683,544	\$64,946	\$181,795	\$0	\$3,488,174
9/30/30	\$2,559,633	\$683,418	\$66,245	\$178,345	\$0	\$3,487,641
9/30/31	\$2,562,063	\$683,766	\$67,570	\$174,740	\$0	\$3,488,138
9/30/32	\$2,564,284	\$683,528	\$68,921	\$170,970	\$0	\$3,487,703
9/30/33	\$2,566,892	\$683,706	\$70,300	\$167,020	\$0	\$3,487,917
9/30/34	\$2,568,797	\$683,240	\$71,706	\$162,880	\$0	\$3,486,622
9/30/35	\$2,571,956	\$683,130	\$73,140	\$158,545	\$0	\$3,486,770
9/30/36	\$2,574,597	\$683,319	\$74,602	\$154,000	\$0	\$3,486,518
9/30/37	\$2,577,739	\$683,747	\$76,095	\$149,210	\$0	\$3,486,790
9/30/38	\$2,581,229	\$683,356	\$77,616	\$144,160	\$0	\$3,486,360
9/30/39	\$2,583,914	\$683,146	\$79,169	\$138,835	\$0	\$3,485,063
9/30/40	\$2,587,692	\$683,058	\$80,752	\$133,225	\$0	\$3,484,727
9/30/41	\$2,592,359	\$683,035	\$82,367	\$127,310	\$0	\$3,485,070
9/30/42	\$2,596,711	\$683,017	\$84,014	\$121,070	\$0	\$3,484,812
9/30/43	\$2,601,595	\$682,946	\$85,695	\$114,490	\$0	\$3,484,725
9/30/44	\$2,605,807	\$683,763	\$87,409	\$107,550	\$0	\$3,484,528
9/30/45	\$2,611,194	\$683,352	\$89,157	\$100,235	\$0	\$3,483,937
9/30/46	\$2,617,415	\$683,713	\$90,940	\$92,520	\$0	\$3,484,587
9/30/47	\$2,622,972	\$683,728	\$92,759	\$84,365	\$0	\$3,483,823
9/30/48	\$2,629,653	\$683,339	\$94,614	\$75,750	\$0	\$3,483,355
9/30/49	\$2,636,140	\$683,487	\$96,506	\$66,645	\$0	\$3,482,778
9/30/50	\$2,644,168	\$683,056	\$98,436	\$57,025	\$0	\$3,482,685
9/30/51	\$2,651,349	\$682,987	\$100,405	\$46,855	\$0	\$3,481,596
9/30/52	\$2,660,324	\$683,163	\$102,413	\$36,105	\$0	\$3,482,005
9/30/53	\$2,668,665	\$683,467	\$104,461	\$24,735	\$0	\$3,481,328
9/30/54	\$2,679,051	\$683,629	\$106,551	\$12,715	\$0	\$3,481,945
Total	\$76,750,475	\$19,816,992	\$2,374,085	\$3,545,725	(\$1,412,533)	\$101,074,744

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

Appendix H-2
Proposed Improvement Area #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 1 (70 Ft)
1.00
\$101,916.39

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$3,019	\$0	\$0	\$0	(\$3,019)	\$0
9/30/26	\$5,457	\$1,459	\$131	\$409	\$0	\$7,456
9/30/27	\$5,459	\$1,460	\$133	\$402	\$0	\$7,455
9/30/28	\$5,462	\$1,460	\$136	\$396	\$0	\$7,453
9/30/29	\$5,466	\$1,461	\$139	\$388	\$0	\$7,454
9/30/30	\$5,470	\$1,460	\$142	\$381	\$0	\$7,453
9/30/31	\$5,475	\$1,461	\$144	\$373	\$0	\$7,454
9/30/32	\$5,480	\$1,461	\$147	\$365	\$0	\$7,453
9/30/33	\$5,486	\$1,461	\$150	\$357	\$0	\$7,454
9/30/34	\$5,490	\$1,460	\$153	\$348	\$0	\$7,451
9/30/35	\$5,496	\$1,460	\$156	\$339	\$0	\$7,451
9/30/36	\$5,502	\$1,460	\$159	\$329	\$0	\$7,451
9/30/37	\$5,509	\$1,461	\$163	\$319	\$0	\$7,451
9/30/38	\$5,516	\$1,460	\$166	\$308	\$0	\$7,450
9/30/39	\$5,522	\$1,460	\$169	\$297	\$0	\$7,448
9/30/40	\$5,530	\$1,460	\$173	\$285	\$0	\$7,447
9/30/41	\$5,540	\$1,460	\$176	\$272	\$0	\$7,448
9/30/42	\$5,549	\$1,460	\$180	\$259	\$0	\$7,447
9/30/43	\$5,560	\$1,459	\$183	\$245	\$0	\$7,447
9/30/44	\$5,569	\$1,461	\$187	\$230	\$0	\$7,447
9/30/45	\$5,580	\$1,460	\$191	\$214	\$0	\$7,445
9/30/46	\$5,593	\$1,461	\$194	\$198	\$0	\$7,447
9/30/47	\$5,605	\$1,461	\$198	\$180	\$0	\$7,445
9/30/48	\$5,620	\$1,460	\$202	\$162	\$0	\$7,444
9/30/49	\$5,633	\$1,461	\$206	\$142	\$0	\$7,443
9/30/50	\$5,651	\$1,460	\$210	\$122	\$0	\$7,443
9/30/51	\$5,666	\$1,460	\$215	\$100	\$0	\$7,440
9/30/52	\$5,685	\$1,460	\$219	\$77	\$0	\$7,441
9/30/53	\$5,703	\$1,461	\$223	\$53	\$0	\$7,440
9/30/54	\$5,725	\$1,461	\$228	\$27	\$0	\$7,441
Total	\$164,017	\$42,349	\$5,073	\$7,577	(\$3,019)	\$215,999

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

Appendix H-3
Proposed Improvement Area #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 2 (60 Ft)
0.88
\$89,408.47

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$2,648	\$0	\$0	\$0	(\$2,648)	\$0
9/30/26	\$4,787	\$1,280	\$115	\$359	\$0	\$6,541
9/30/27	\$4,789	\$1,281	\$117	\$353	\$0	\$6,540
9/30/28	\$4,792	\$1,281	\$119	\$347	\$0	\$6,539
9/30/29	\$4,795	\$1,281	\$122	\$341	\$0	\$6,539
9/30/30	\$4,799	\$1,281	\$124	\$334	\$0	\$6,538
9/30/31	\$4,803	\$1,282	\$127	\$328	\$0	\$6,539
9/30/32	\$4,807	\$1,281	\$129	\$321	\$0	\$6,539
9/30/33	\$4,812	\$1,282	\$132	\$313	\$0	\$6,539
9/30/34	\$4,816	\$1,281	\$134	\$305	\$0	\$6,537
9/30/35	\$4,822	\$1,281	\$137	\$297	\$0	\$6,537
9/30/36	\$4,827	\$1,281	\$140	\$289	\$0	\$6,536
9/30/37	\$4,833	\$1,282	\$143	\$280	\$0	\$6,537
9/30/38	\$4,839	\$1,281	\$146	\$270	\$0	\$6,536
9/30/39	\$4,844	\$1,281	\$148	\$260	\$0	\$6,534
9/30/40	\$4,851	\$1,281	\$151	\$250	\$0	\$6,533
9/30/41	\$4,860	\$1,281	\$154	\$239	\$0	\$6,534
9/30/42	\$4,868	\$1,280	\$158	\$227	\$0	\$6,533
9/30/43	\$4,877	\$1,280	\$161	\$215	\$0	\$6,533
9/30/44	\$4,885	\$1,282	\$164	\$202	\$0	\$6,533
9/30/45	\$4,895	\$1,281	\$167	\$188	\$0	\$6,532
9/30/46	\$4,907	\$1,282	\$170	\$173	\$0	\$6,533
9/30/47	\$4,917	\$1,282	\$174	\$158	\$0	\$6,531
9/30/48	\$4,930	\$1,281	\$177	\$142	\$0	\$6,530
9/30/49	\$4,942	\$1,281	\$181	\$125	\$0	\$6,529
9/30/50	\$4,957	\$1,281	\$185	\$107	\$0	\$6,529
9/30/51	\$4,971	\$1,280	\$188	\$88	\$0	\$6,527
9/30/52	\$4,987	\$1,281	\$192	\$68	\$0	\$6,528
9/30/53	\$5,003	\$1,281	\$196	\$46	\$0	\$6,527
9/30/54	\$5,023	\$1,282	\$200	\$24	\$0	\$6,528
Total	\$143,888	\$37,152	\$4,451	\$6,647	(\$2,648)	\$189,490

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

Appendix H-4
Proposed Improvement Area #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 3 (50 Ft)
0.75
\$76,900.55

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$2,278	\$0	\$0	\$0	(\$2,278)	\$0
9/30/26	\$4,117	\$1,101	\$99	\$308	\$0	\$5,626
9/30/27	\$4,119	\$1,102	\$101	\$304	\$0	\$5,625
9/30/28	\$4,121	\$1,102	\$103	\$298	\$0	\$5,624
9/30/29	\$4,125	\$1,102	\$105	\$293	\$0	\$5,625
9/30/30	\$4,127	\$1,102	\$107	\$288	\$0	\$5,624
9/30/31	\$4,131	\$1,103	\$109	\$282	\$0	\$5,625
9/30/32	\$4,135	\$1,102	\$111	\$276	\$0	\$5,624
9/30/33	\$4,139	\$1,102	\$113	\$269	\$0	\$5,624
9/30/34	\$4,142	\$1,102	\$116	\$263	\$0	\$5,622
9/30/35	\$4,147	\$1,102	\$118	\$256	\$0	\$5,622
9/30/36	\$4,151	\$1,102	\$120	\$248	\$0	\$5,622
9/30/37	\$4,157	\$1,103	\$123	\$241	\$0	\$5,622
9/30/38	\$4,162	\$1,102	\$125	\$232	\$0	\$5,622
9/30/39	\$4,167	\$1,102	\$128	\$224	\$0	\$5,620
9/30/40	\$4,173	\$1,101	\$130	\$215	\$0	\$5,619
9/30/41	\$4,180	\$1,101	\$133	\$205	\$0	\$5,620
9/30/42	\$4,187	\$1,101	\$135	\$195	\$0	\$5,619
9/30/43	\$4,195	\$1,101	\$138	\$185	\$0	\$5,619
9/30/44	\$4,202	\$1,103	\$141	\$173	\$0	\$5,619
9/30/45	\$4,210	\$1,102	\$144	\$162	\$0	\$5,618
9/30/46	\$4,221	\$1,102	\$147	\$149	\$0	\$5,619
9/30/47	\$4,229	\$1,102	\$150	\$136	\$0	\$5,618
9/30/48	\$4,240	\$1,102	\$153	\$122	\$0	\$5,617
9/30/49	\$4,251	\$1,102	\$156	\$107	\$0	\$5,616
9/30/50	\$4,264	\$1,101	\$159	\$92	\$0	\$5,616
9/30/51	\$4,275	\$1,101	\$162	\$76	\$0	\$5,614
9/30/52	\$4,290	\$1,102	\$165	\$58	\$0	\$5,615
9/30/53	\$4,303	\$1,102	\$168	\$40	\$0	\$5,614
9/30/54	\$4,320	\$1,102	\$172	\$21	\$0	\$5,615
Total	\$123,759	\$31,955	\$3,828	\$5,717	(\$2,278)	\$162,981

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

Appendix H-5
Proposed Improvement Area #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 4 (40 Ft)
0.60
\$60,686.58

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$1,797	\$0	\$0	\$0	(\$1,797)	\$0
9/30/26	\$3,249	\$869	\$78	\$243	\$0	\$4,439
9/30/27	\$3,251	\$869	\$79	\$240	\$0	\$4,439
9/30/28	\$3,252	\$869	\$81	\$236	\$0	\$4,438
9/30/29	\$3,255	\$870	\$83	\$231	\$0	\$4,439
9/30/30	\$3,257	\$870	\$84	\$227	\$0	\$4,438
9/30/31	\$3,260	\$870	\$86	\$222	\$0	\$4,439
9/30/32	\$3,263	\$870	\$88	\$218	\$0	\$4,438
9/30/33	\$3,266	\$870	\$89	\$213	\$0	\$4,438
9/30/34	\$3,269	\$869	\$91	\$207	\$0	\$4,437
9/30/35	\$3,273	\$869	\$93	\$202	\$0	\$4,437
9/30/36	\$3,276	\$870	\$95	\$196	\$0	\$4,437
9/30/37	\$3,280	\$870	\$97	\$190	\$0	\$4,437
9/30/38	\$3,285	\$870	\$99	\$183	\$0	\$4,436
9/30/39	\$3,288	\$869	\$101	\$177	\$0	\$4,435
9/30/40	\$3,293	\$869	\$103	\$170	\$0	\$4,434
9/30/41	\$3,299	\$869	\$105	\$162	\$0	\$4,435
9/30/42	\$3,304	\$869	\$107	\$154	\$0	\$4,434
9/30/43	\$3,311	\$869	\$109	\$146	\$0	\$4,434
9/30/44	\$3,316	\$870	\$111	\$137	\$0	\$4,434
9/30/45	\$3,323	\$870	\$113	\$128	\$0	\$4,433
9/30/46	\$3,331	\$870	\$116	\$118	\$0	\$4,434
9/30/47	\$3,338	\$870	\$118	\$107	\$0	\$4,433
9/30/48	\$3,346	\$870	\$120	\$96	\$0	\$4,433
9/30/49	\$3,354	\$870	\$123	\$85	\$0	\$4,432
9/30/50	\$3,365	\$869	\$125	\$73	\$0	\$4,432
9/30/51	\$3,374	\$869	\$128	\$60	\$0	\$4,430
9/30/52	\$3,385	\$869	\$130	\$46	\$0	\$4,431
9/30/53	\$3,396	\$870	\$133	\$31	\$0	\$4,430
9/30/54	\$3,409	\$870	\$136	\$16	\$0	\$4,431
Total	\$97,665	\$25,217	\$3,021	\$4,512	(\$1,797)	\$128,618

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

Appendix H-6
Proposed Improvement Area #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 5 (Townhomes)
0.45
\$45,399.12

Year¹	Principal & Interest²	Principal & Interest³	Administrative Expenses⁴	Additional Interest⁵	Capitalized Interest	Total Annual Installment
9/30/25	\$1,345	\$0	\$0	\$0	(\$1,345)	\$0
9/30/26	\$2,431	\$650	\$58	\$182	\$0	\$3,321
9/30/27	\$2,432	\$650	\$59	\$179	\$0	\$3,321
9/30/28	\$2,433	\$650	\$61	\$176	\$0	\$3,320
9/30/29	\$2,435	\$651	\$62	\$173	\$0	\$3,321
9/30/30	\$2,437	\$651	\$63	\$170	\$0	\$3,320
9/30/31	\$2,439	\$651	\$64	\$166	\$0	\$3,321
9/30/32	\$2,441	\$651	\$66	\$163	\$0	\$3,320
9/30/33	\$2,444	\$651	\$67	\$159	\$0	\$3,320
9/30/34	\$2,445	\$650	\$68	\$155	\$0	\$3,319
9/30/35	\$2,448	\$650	\$70	\$151	\$0	\$3,319
9/30/36	\$2,451	\$650	\$71	\$147	\$0	\$3,319
9/30/37	\$2,454	\$651	\$72	\$142	\$0	\$3,319
9/30/38	\$2,457	\$651	\$74	\$137	\$0	\$3,319
9/30/39	\$2,460	\$650	\$75	\$132	\$0	\$3,318
9/30/40	\$2,463	\$650	\$77	\$127	\$0	\$3,317
9/30/41	\$2,468	\$650	\$78	\$121	\$0	\$3,318
9/30/42	\$2,472	\$650	\$80	\$115	\$0	\$3,317
9/30/43	\$2,477	\$650	\$82	\$109	\$0	\$3,317
9/30/44	\$2,481	\$651	\$83	\$102	\$0	\$3,317
9/30/45	\$2,486	\$651	\$85	\$95	\$0	\$3,317
9/30/46	\$2,492	\$651	\$87	\$88	\$0	\$3,317
9/30/47	\$2,497	\$651	\$88	\$80	\$0	\$3,316
9/30/48	\$2,503	\$651	\$90	\$72	\$0	\$3,316
9/30/49	\$2,509	\$651	\$92	\$63	\$0	\$3,315
9/30/50	\$2,517	\$650	\$94	\$54	\$0	\$3,315
9/30/51	\$2,524	\$650	\$96	\$45	\$0	\$3,314
9/30/52	\$2,532	\$650	\$97	\$34	\$0	\$3,315
9/30/53	\$2,540	\$651	\$99	\$24	\$0	\$3,314
9/30/54	\$2,550	\$651	\$101	\$12	\$0	\$3,315
Total	\$73,062	\$18,865	\$2,260	\$3,375	(\$1,345)	\$96,218

¹The 9/30/XX dates represent the fiscal year end for the Improvement Area #2 Bonds and Improvement Area #2 Reimbursement Agreement Obligation.

²Represents the principal and interest on the first series of the Improvement Area #2 Bonds. Interest was calculated using an estimated interest rate of 4.24% for years 1-6 (2025-2030), 4.48% for years 7-10 (2030-2034), 5.10% for years 11-20 (2035-2044), 5.30% for years 21-25 (2045-2049), and 5.35% for years 26-30 (2026-2054). Interest on the Improvement Area #2 Bonds for year 2025 will be funded with capitalized interest.

³Represents the principal and interest on the Improvement Area #2 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.85%. Interest on the Improvement Area #2 Reimbursement Agreement Obligation for year 2024 will be collected together with the first annual installment due by January 31, 2026.

⁴Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year. Administrative Expenses in year 2025 are being funded with Bond proceeds.

⁵Additional Interest is only charged on the portion of the Assessments associated with the Improvement Area #2 Bonds.

**Appendix H-7
Assessment Roll Summary - Improvement Area #2**

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	A	1	1	1.00	\$101,916.39
TBD	A	2	1	1.00	\$101,916.39
TBD	A	3	1	1.00	\$101,916.39
TBD	A	4	1	1.00	\$101,916.39
TBD	A	5	1	1.00	\$101,916.39
TBD	A	6	1	1.00	\$101,916.39
TBD	A	7	1	1.00	\$101,916.39
TBD	A	8	1	1.00	\$101,916.39
TBD	A	9	1	1.00	\$101,916.39
TBD	A	10	1	1.00	\$101,916.39
TBD	A	11	1	1.00	\$101,916.39
TBD	A	12	1	1.00	\$101,916.39
TBD	A	13	1	1.00	\$101,916.39
TBD	A	14	1	1.00	\$101,916.39
TBD	A	15	1	1.00	\$101,916.39
TBD	A	16	2	0.88	\$89,408.47
TBD	A	17	2	0.88	\$89,408.47
TBD	A	18	2	0.88	\$89,408.47
TBD	A	19	2	0.88	\$89,408.47
TBD	A	20	2	0.88	\$89,408.47
TBD	A	21	2	0.88	\$89,408.47
TBD	A	22	2	0.88	\$89,408.47
TBD	A	23	2	0.88	\$89,408.47
TBD	A	24	2	0.88	\$89,408.47
TBD	A	25	2	0.88	\$89,408.47
TBD	A	26	2	0.88	\$89,408.47
TBD	A	27	2	0.88	\$89,408.47
TBD	A	28	2	0.88	\$89,408.47
TBD	A	29	2	0.88	\$89,408.47
TBD	A	30	2	0.88	\$89,408.47
TBD	A	31X	Common Area	0.00	\$0.00
TBD	B	1	2	0.88	\$89,408.47
TBD	B	2	2	0.88	\$89,408.47
TBD	B	3	2	0.88	\$89,408.47
TBD	B	4	2	0.88	\$89,408.47
TBD	B	5	2	0.88	\$89,408.47
TBD	B	6	2	0.88	\$89,408.47
TBD	B	7	2	0.88	\$89,408.47
TBD	B	8	2	0.88	\$89,408.47
TBD	B	9	2	0.88	\$89,408.47
TBD	B	10	2	0.88	\$89,408.47
TBD	B	11	2	0.88	\$89,408.47
TBD	B	12	2	0.88	\$89,408.47
TBD	B	13	2	0.88	\$89,408.47
TBD	B	14	2	0.88	\$89,408.47
TBD	B	15	3	0.75	\$76,900.55
TBD	B	16	3	0.75	\$76,900.55
TBD	B	17	3	0.75	\$76,900.55
TBD	B	18	3	0.75	\$76,900.55
TBD	B	19	3	0.75	\$76,900.55
TBD	B	20	3	0.75	\$76,900.55
TBD	B	21	3	0.75	\$76,900.55
TBD	B	22	3	0.75	\$76,900.55
TBD	B	23	3	0.75	\$76,900.55
TBD	B	24	3	0.75	\$76,900.55
TBD	B	25	3	0.75	\$76,900.55
TBD	B	26X	Common Area	0.00	\$0.00
TBD	C	1	3	0.75	\$76,900.55
TBD	C	2	3	0.75	\$76,900.55
TBD	C	3	3	0.75	\$76,900.55
TBD	C	4	3	0.75	\$76,900.55
TBD	C	5	3	0.75	\$76,900.55
TBD	C	6	3	0.75	\$76,900.55
TBD	C	7	3	0.75	\$76,900.55
TBD	C	8	3	0.75	\$76,900.55
TBD	C	9	3	0.75	\$76,900.55
TBD	C	10	3	0.75	\$76,900.55
TBD	C	11	2	0.88	\$89,408.47
TBD	C	12	3	0.75	\$76,900.55
TBD	C	13	3	0.75	\$76,900.55
TBD	C	14	3	0.75	\$76,900.55
TBD	C	15	3	0.75	\$76,900.55
TBD	C	16	3	0.75	\$76,900.55
TBD	C	17	3	0.75	\$76,900.55
TBD	C	18	3	0.75	\$76,900.55
TBD	C	19	3	0.75	\$76,900.55

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	C	20	3	0.75	\$76,900.55
TBD	C	21X	Common Area	0.00	\$0.00
TBD	D	1	4	0.60	\$60,686.58
TBD	D	2	4	0.60	\$60,686.58
TBD	D	3	4	0.60	\$60,686.58
TBD	D	4	4	0.60	\$60,686.58
TBD	D	5	4	0.60	\$60,686.58
TBD	D	6	4	0.60	\$60,686.58
TBD	D	7	4	0.60	\$60,686.58
TBD	D	8	4	0.60	\$60,686.58
TBD	D	9	4	0.60	\$60,686.58
TBD	D	10	4	0.60	\$60,686.58
TBD	D	11	4	0.60	\$60,686.58
TBD	D	12	4	0.60	\$60,686.58
TBD	D	13	4	0.60	\$60,686.58
TBD	D	14	4	0.60	\$60,686.58
TBD	D	15	4	0.60	\$60,686.58
TBD	D	16	4	0.60	\$60,686.58
TBD	D	17	4	0.60	\$60,686.58
TBD	D	18	4	0.60	\$60,686.58
TBD	D	19X	Common Area	0.00	\$0.00
TBD	D	20X	Common Area	0.00	\$0.00
TBD	E	1	1	1.00	\$101,916.39
TBD	E	2	1	1.00	\$101,916.39
TBD	E	3	1	1.00	\$101,916.39
TBD	E	4	1	1.00	\$101,916.39
TBD	E	5	2	0.88	\$89,408.47
TBD	E	6	2	0.88	\$89,408.47
TBD	E	7	2	0.88	\$89,408.47
TBD	E	8	2	0.88	\$89,408.47
TBD	E	9	2	0.88	\$89,408.47
TBD	E	10	2	0.88	\$89,408.47
TBD	E	11	2	0.88	\$89,408.47
TBD	E	12	2	0.88	\$89,408.47
TBD	E	13	2	0.88	\$89,408.47
TBD	E	14	2	0.88	\$89,408.47
TBD	E	15	2	0.88	\$89,408.47
TBD	E	16	2	0.88	\$89,408.47
TBD	E	17	2	0.88	\$89,408.47
TBD	E	18	2	0.88	\$89,408.47
TBD	E	19	2	0.88	\$89,408.47
TBD	E	20	2	0.88	\$89,408.47
TBD	E	21	2	0.88	\$89,408.47
TBD	E	22	2	0.88	\$89,408.47
TBD	E	23	2	0.88	\$89,408.47
TBD	E	24	2	0.88	\$89,408.47
TBD	E	25	2	0.88	\$89,408.47
TBD	E	26	2	0.88	\$89,408.47
TBD	E	27	2	0.88	\$89,408.47
TBD	E	28	2	0.88	\$89,408.47
TBD	E	29	2	0.88	\$89,408.47
TBD	E	30	2	0.88	\$89,408.47
TBD	E	31	2	0.88	\$89,408.47
TBD	E	32	2	0.88	\$89,408.47
TBD	E	33	2	0.88	\$89,408.47
TBD	E	34	2	0.88	\$89,408.47
TBD	F	1	1	1.00	\$101,916.39
TBD	F	2	1	1.00	\$101,916.39
TBD	F	3	1	1.00	\$101,916.39
TBD	F	4	2	0.88	\$89,408.47
TBD	F	5	2	0.88	\$89,408.47
TBD	F	6	2	0.88	\$89,408.47
TBD	F	7	2	0.88	\$89,408.47
TBD	F	8	2	0.88	\$89,408.47
TBD	F	9	2	0.88	\$89,408.47
TBD	F	10	2	0.88	\$89,408.47
TBD	F	11	2	0.88	\$89,408.47
TBD	F	12	2	0.88	\$89,408.47
TBD	F	13	2	0.88	\$89,408.47
TBD	F	14	2	0.88	\$89,408.47
TBD	F	15	2	0.88	\$89,408.47
TBD	F	16	2	0.88	\$89,408.47
TBD	F	17	2	0.88	\$89,408.47
TBD	F	18	2	0.88	\$89,408.47
TBD	F	19	2	0.88	\$89,408.47
TBD	F	20	2	0.88	\$89,408.47
TBD	F	21	2	0.88	\$89,408.47
TBD	F	22	2	0.88	\$89,408.47
TBD	F	23	2	0.88	\$89,408.47

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	F	24	2	0.88	\$89,408.47
TBD	F	25	2	0.88	\$89,408.47
TBD	F	26	2	0.88	\$89,408.47
TBD	G	1	1	1.00	\$101,916.39
TBD	G	2	1	1.00	\$101,916.39
TBD	G	3	1	1.00	\$101,916.39
TBD	G	4	1	1.00	\$101,916.39
TBD	G	5	2	0.88	\$89,408.47
TBD	G	6	2	0.88	\$89,408.47
TBD	G	7	2	0.88	\$89,408.47
TBD	G	8	2	0.88	\$89,408.47
TBD	G	9	2	0.88	\$89,408.47
TBD	G	10	2	0.88	\$89,408.47
TBD	G	11	2	0.88	\$89,408.47
TBD	G	12	2	0.88	\$89,408.47
TBD	G	13	2	0.88	\$89,408.47
TBD	G	14	2	0.88	\$89,408.47
TBD	G	15	2	0.88	\$89,408.47
TBD	G	16	2	0.88	\$89,408.47
TBD	G	17	2	0.88	\$89,408.47
TBD	G	18	2	0.88	\$89,408.47
TBD	G	19	2	0.88	\$89,408.47
TBD	G	20	2	0.88	\$89,408.47
TBD	G	21	2	0.88	\$89,408.47
TBD	H	1	1	1.00	\$101,916.39
TBD	H	2	1	1.00	\$101,916.39
TBD	H	3	1	1.00	\$101,916.39
TBD	H	4	1	1.00	\$101,916.39
TBD	H	5	1	1.00	\$101,916.39
TBD	H	6	1	1.00	\$101,916.39
TBD	H	7	1	1.00	\$101,916.39
TBD	H	8	1	1.00	\$101,916.39
TBD	H	9	1	1.00	\$101,916.39
TBD	H	10	1	1.00	\$101,916.39
TBD	H	11	1	1.00	\$101,916.39
TBD	H	12	3	0.75	\$76,900.55
TBD	H	13	3	0.75	\$76,900.55
TBD	H	14	3	0.75	\$76,900.55
TBD	H	15	3	0.75	\$76,900.55
TBD	H	16	3	0.75	\$76,900.55
TBD	H	17	3	0.75	\$76,900.55
TBD	H	18	3	0.75	\$76,900.55
TBD	H	19	3	0.75	\$76,900.55
TBD	H	20	3	0.75	\$76,900.55
TBD	H	21	3	0.75	\$76,900.55
TBD	H	22	3	0.75	\$76,900.55
TBD	H	23	3	0.75	\$76,900.55
TBD	H	24	3	0.75	\$76,900.55
TBD	H	25	3	0.75	\$76,900.55
TBD	H	26	Common Area	0.00	\$0.00
TBD	H	27	Common Area	0.00	\$0.00
TBD	I	1	3	0.75	\$76,900.55
TBD	I	2	3	0.75	\$76,900.55
TBD	I	3	3	0.75	\$76,900.55
TBD	I	4	3	0.75	\$76,900.55
TBD	I	5	3	0.75	\$76,900.55
TBD	I	6	3	0.75	\$76,900.55
TBD	I	7	3	0.75	\$76,900.55
TBD	I	8	3	0.75	\$76,900.55
TBD	I	9	3	0.75	\$76,900.55
TBD	I	10	3	0.75	\$76,900.55
TBD	I	11	3	0.75	\$76,900.55
TBD	I	12	3	0.75	\$76,900.55
TBD	I	13	3	0.75	\$76,900.55
TBD	I	14	3	0.75	\$76,900.55
TBD	I	15	3	0.75	\$76,900.55
TBD	I	16	3	0.75	\$76,900.55
TBD	I	17	3	0.75	\$76,900.55
TBD	I	18	3	0.75	\$76,900.55
TBD	I	19	3	0.75	\$76,900.55
TBD	I	20	Common Area	0.00	\$0.00
TBD	J	1	1	1.00	\$101,916.39
TBD	J	2	1	1.00	\$101,916.39
TBD	J	3	1	1.00	\$101,916.39
TBD	J	4	1	1.00	\$101,916.39
TBD	J	5	1	1.00	\$101,916.39
TBD	J	6	1	1.00	\$101,916.39
TBD	J	7	1	1.00	\$101,916.39
TBD	J	8	1	1.00	\$101,916.39

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	J	9	3	0.75	\$76,900.55
TBD	J	10	3	0.75	\$76,900.55
TBD	J	11	3	0.75	\$76,900.55
TBD	J	12	3	0.75	\$76,900.55
TBD	J	13	3	0.75	\$76,900.55
TBD	J	14	3	0.75	\$76,900.55
TBD	J	15	3	0.75	\$76,900.55
TBD	J	16	3	0.75	\$76,900.55
TBD	J	17	3	0.75	\$76,900.55
TBD	J	18	3	0.75	\$76,900.55
TBD	K	1	4	0.60	\$60,686.58
TBD	K	2	4	0.60	\$60,686.58
TBD	K	3	4	0.60	\$60,686.58
TBD	K	4	4	0.60	\$60,686.58
TBD	K	5	4	0.60	\$60,686.58
TBD	K	6	4	0.60	\$60,686.58
TBD	K	7	4	0.60	\$60,686.58
TBD	K	8	4	0.60	\$60,686.58
TBD	K	9	4	0.60	\$60,686.58
TBD	K	10	4	0.60	\$60,686.58
TBD	K	11	4	0.60	\$60,686.58
TBD	K	12	4	0.60	\$60,686.58
TBD	K	13	4	0.60	\$60,686.58
TBD	K	14	4	0.60	\$60,686.58
TBD	K	15	4	0.60	\$60,686.58
TBD	K	16	4	0.60	\$60,686.58
TBD	K	17	4	0.60	\$60,686.58
TBD	K	18	4	0.60	\$60,686.58
TBD	K	19	4	0.60	\$60,686.58
TBD	K	20	4	0.60	\$60,686.58
TBD	L	1	1	1.00	\$101,916.39
TBD	L	2	1	1.00	\$101,916.39
TBD	L	3	1	1.00	\$101,916.39
TBD	L	4	1	1.00	\$101,916.39
TBD	L	5	1	1.00	\$101,916.39
TBD	L	6	1	1.00	\$101,916.39
TBD	L	7	1	1.00	\$101,916.39
TBD	L	8	1	1.00	\$101,916.39
TBD	L	9	1	1.00	\$101,916.39
TBD	L	10	1	1.00	\$101,916.39
TBD	L	11	1	1.00	\$101,916.39
TBD	L	12	1	1.00	\$101,916.39
TBD	L	13	1	1.00	\$101,916.39
TBD	L	14	3	0.75	\$76,900.55
TBD	L	15	3	0.75	\$76,900.55
TBD	L	16	3	0.75	\$76,900.55
TBD	L	17	3	0.75	\$76,900.55
TBD	L	18	3	0.75	\$76,900.55
TBD	L	19	3	0.75	\$76,900.55
TBD	L	20	Common Area	0.00	\$0.00
TBD	L	22	Common Area	0.00	\$0.00
TBD	M	1	4	0.60	\$60,686.58
TBD	M	2	4	0.60	\$60,686.58
TBD	M	3	4	0.60	\$60,686.58
TBD	M	4	4	0.60	\$60,686.58
TBD	M	5	4	0.60	\$60,686.58
TBD	M	6	4	0.60	\$60,686.58
TBD	M	7	4	0.60	\$60,686.58
TBD	M	8	4	0.60	\$60,686.58
TBD	M	9	4	0.60	\$60,686.58
TBD	M	10	4	0.60	\$60,686.58
TBD	M	11	4	0.60	\$60,686.58
TBD	M	12	4	0.60	\$60,686.58
TBD	M	13	4	0.60	\$60,686.58
TBD	M	14	4	0.60	\$60,686.58
TBD	N	1	4	0.60	\$60,686.58
TBD	N	2	4	0.60	\$60,686.58
TBD	N	3	4	0.60	\$60,686.58
TBD	N	4	4	0.60	\$60,686.58
TBD	N	5	4	0.60	\$60,686.58
TBD	N	6	4	0.60	\$60,686.58
TBD	N	7	4	0.60	\$60,686.58
TBD	N	8	4	0.60	\$60,686.58
TBD	N	9	4	0.60	\$60,686.58
TBD	N	10	4	0.60	\$60,686.58
TBD	N	11	4	0.60	\$60,686.58
TBD	N	12	4	0.60	\$60,686.58
TBD	N	13	4	0.60	\$60,686.58
TBD	N	14	4	0.60	\$60,686.58

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	N	15	4	0.60	\$60,686.58
TBD	N	16	4	0.60	\$60,686.58
TBD	N	17	4	0.60	\$60,686.58
TBD	N	18	4	0.60	\$60,686.58
TBD	N	19	4	0.60	\$60,686.58
TBD	N	20	4	0.60	\$60,686.58
TBD	N	21	4	0.60	\$60,686.58
TBD	N	22	4	0.60	\$60,686.58
TBD	N	23	Common Area	0.00	\$0.00
TBD	N	24	Common Area	0.00	\$0.00
TBD	O	1	4	0.60	\$60,686.58
TBD	O	2	4	0.60	\$60,686.58
TBD	O	3	4	0.60	\$60,686.58
TBD	O	4	4	0.60	\$60,686.58
TBD	O	5	4	0.60	\$60,686.58
TBD	O	6	4	0.60	\$60,686.58
TBD	O	7	4	0.60	\$60,686.58
TBD	O	8	4	0.60	\$60,686.58
TBD	O	9	4	0.60	\$60,686.58
TBD	O	10	4	0.60	\$60,686.58
TBD	O	11	4	0.60	\$60,686.58
TBD	O	12	4	0.60	\$60,686.58
TBD	O	13	4	0.60	\$60,686.58
TBD	P	1	5	0.45	\$45,399.12
TBD	P	2	5	0.45	\$45,399.12
TBD	P	3	5	0.45	\$45,399.12
TBD	P	4	5	0.45	\$45,399.12
TBD	P	5	5	0.45	\$45,399.12
TBD	P	6	5	0.45	\$45,399.12
TBD	P	7	5	0.45	\$45,399.12
TBD	P	8	5	0.45	\$45,399.12
TBD	P	9	5	0.45	\$45,399.12
TBD	P	10	5	0.45	\$45,399.12
TBD	P	11	5	0.45	\$45,399.12
TBD	P	12	5	0.45	\$45,399.12
TBD	P	13	5	0.45	\$45,399.12
TBD	P	14	5	0.45	\$45,399.12
TBD	P	15	5	0.45	\$45,399.12
TBD	P	16	5	0.45	\$45,399.12
TBD	P	17	5	0.45	\$45,399.12
TBD	P	18	5	0.45	\$45,399.12
TBD	P	19	5	0.45	\$45,399.12
TBD	P	20	5	0.45	\$45,399.12
TBD	P	21	5	0.45	\$45,399.12
TBD	P	22	5	0.45	\$45,399.12
TBD	P	23	5	0.45	\$45,399.12
TBD	P	24	5	0.45	\$45,399.12
TBD	P	25X	Common Area	0.00	\$0.00
TBD	P	26	Common Area	0.00	\$0.00
TBD	P	27	Common Area	0.00	\$0.00
TBD	Q	1	3	0.75	\$76,900.55
TBD	Q	2	3	0.75	\$76,900.55
TBD	Q	3	3	0.75	\$76,900.55
TBD	Q	4	3	0.75	\$76,900.55
TBD	Q	5	3	0.75	\$76,900.55
TBD	Q	6	3	0.75	\$76,900.55
TBD	Q	7	3	0.75	\$76,900.55
TBD	Q	8	3	0.75	\$76,900.55
TBD	Q	9	3	0.75	\$76,900.55
TBD	Q	10	3	0.75	\$76,900.55
TBD	Q	11	3	0.75	\$76,900.55
TBD	Q	12	3	0.75	\$76,900.55
TBD	Q	13	3	0.75	\$76,900.55
TBD	Q	14	3	0.75	\$76,900.55
TBD	Q	15	3	0.75	\$76,900.55
TBD	Q	16	3	0.75	\$76,900.55
TBD	Q	17	3	0.75	\$76,900.55
TBD	Q	18X	Common Area	0.00	\$0.00
TBD	Q	19X	Common Area	0.00	\$0.00
TBD	Q	18	3	0.75	\$76,900.55
TBD	Q	19	3	0.75	\$76,900.55
TBD	Q	20	3	0.75	\$76,900.55
TBD	Q	21	3	0.75	\$76,900.55
TBD	Q	22	3	0.75	\$76,900.55
TBD	Q	23	3	0.75	\$76,900.55
TBD	Q	24	3	0.75	\$76,900.55
TBD	Q	25	3	0.75	\$76,900.55
TBD	Q	26	3	0.75	\$76,900.55
TBD	Q	27	3	0.75	\$76,900.55

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	Q	28	3	0.75	\$76,900.55
TBD	Q	29	3	0.75	\$76,900.55
TBD	Q	30	3	0.75	\$76,900.55
TBD	Q	31	3	0.75	\$76,900.55
TBD	Q	32	3	0.75	\$76,900.55
TBD	Q	33	3	0.75	\$76,900.55
TBD	Q	34	3	0.75	\$76,900.55
TBD	Q	35	3	0.75	\$76,900.55
TBD	Q	36	Common Area	0.00	\$0.00
TBD	Q	37	Common Area	0.00	\$0.00
TBD	R	1	3	0.75	\$76,900.55
TBD	R	2	3	0.75	\$76,900.55
TBD	R	3	3	0.75	\$76,900.55
TBD	R	4	3	0.75	\$76,900.55
TBD	R	5	3	0.75	\$76,900.55
TBD	R	6	3	0.75	\$76,900.55
TBD	R	7	3	0.75	\$76,900.55
TBD	R	8	3	0.75	\$76,900.55
TBD	R	9	3	0.75	\$76,900.55
TBD	R	10	3	0.75	\$76,900.55
TBD	R	11	3	0.75	\$76,900.55
TBD	R	12	3	0.75	\$76,900.55
TBD	R	13	3	0.75	\$76,900.55
TBD	R	14	3	0.75	\$76,900.55
TBD	R	15	3	0.75	\$76,900.55
TBD	R	16	3	0.75	\$76,900.55
TBD	R	17	3	0.75	\$76,900.55
TBD	R	18	3	0.75	\$76,900.55
TBD	R	19	3	0.75	\$76,900.55
TBD	R	20	3	0.75	\$76,900.55
TBD	R	21	3	0.75	\$76,900.55
TBD	R	22	3	0.75	\$76,900.55
TBD	R	23	3	0.75	\$76,900.55
TBD	R	24	3	0.75	\$76,900.55
TBD	R	25	3	0.75	\$76,900.55
TBD	R	26	3	0.75	\$76,900.55
TBD	R	27	3	0.75	\$76,900.55
TBD	R	28X	Common Area	0.00	\$0.00
TBD	R	29X	Common Area	0.00	\$0.00
TBD	S	21	2	0.88	\$89,408.47
TBD	S	22	2	0.88	\$89,408.47
TBD	S	23	2	0.88	\$89,408.47
TBD	S	24	2	0.88	\$89,408.47
TBD	S	25	2	0.88	\$89,408.47
TBD	S	26	2	0.88	\$89,408.47
TBD	S	27	2	0.88	\$89,408.47
TBD	S	28	2	0.88	\$89,408.47
TBD	S	29	2	0.88	\$89,408.47
TBD	S	30	2	0.88	\$89,408.47
TBD	S	31	2	0.88	\$89,408.47
TBD	S	32	2	0.88	\$89,408.47
TBD	S	33	2	0.88	\$89,408.47

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	S	34	2	0.88	\$89,408.47
TBD	S	35	1	1.00	\$101,916.39
TBD	S	36	1	1.00	\$101,916.39
TBD	T	5	4	0.60	\$60,686.58
TBD	T	6	4	0.60	\$60,686.58
TBD	T	7	4	0.60	\$60,686.58
TBD	T	8	4	0.60	\$60,686.58
TBD	T	9	4	0.60	\$60,686.58
TBD	T	10	4	0.60	\$60,686.58
TBD	T	11	4	0.60	\$60,686.58
TBD	T	12	4	0.60	\$60,686.58
TBD	T	13	4	0.60	\$60,686.58
TBD	T	14	4	0.60	\$60,686.58
TBD	T	15	4	0.60	\$60,686.58
TBD	T	16	4	0.60	\$60,686.58
TBD	T	17	5	0.45	\$45,399.12
TBD	T	18	5	0.45	\$45,399.12
TBD	T	19	5	0.45	\$45,399.12
TBD	T	20	5	0.45	\$45,399.12
TBD	T	21	5	0.45	\$45,399.12
TBD	T	22	5	0.45	\$45,399.12
TBD	T	23	5	0.45	\$45,399.12
TBD	T	24	5	0.45	\$45,399.12
TBD	T	25	5	0.45	\$45,399.12
TBD	T	26X	Common Area	0.00	\$0.00
TBD	T	27X	Common Area	0.00	\$0.00
TBD	U	26	5	0.45	\$45,399.12
TBD	U	27	5	0.45	\$45,399.12
TBD	U	28	5	0.45	\$45,399.12
TBD	U	29	5	0.45	\$45,399.12
TBD	U	30	5	0.45	\$45,399.12
TBD	U	31	5	0.45	\$45,399.12
TBD	U	32	5	0.45	\$45,399.12
TBD	U	33	5	0.45	\$45,399.12
TBD	U	34	5	0.45	\$45,399.12
TBD	U	35	5	0.45	\$45,399.12
TBD	U	36	5	0.45	\$45,399.12
TBD	U	37	5	0.45	\$45,399.12
TBD	U	38	5	0.45	\$45,399.12
TBD	U	39	5	0.45	\$45,399.12
TBD	A	1	2	0.88	\$89,408.47
TBD	A	2	2	0.88	\$89,408.47
TBD	A	3	2	0.88	\$89,408.47
TBD	A	4	2	0.88	\$89,408.47
TBD	A	5	2	0.88	\$89,408.47
TBD	A	6	2	0.88	\$89,408.47
TBD	A	7	2	0.88	\$89,408.47
TBD	A	8	2	0.88	\$89,408.47
TBD	A	9	2	0.88	\$89,408.47
TBD	A	10	2	0.88	\$89,408.47
TBD	A	11	2	0.88	\$89,408.47
TBD	A	12	2	0.88	\$89,408.47
TBD	A	13	2	0.88	\$89,408.47
TBD	A	14	2	0.88	\$89,408.47
TBD	A	15	2	0.88	\$89,408.47
TBD	A	16	2	0.88	\$89,408.47
TBD	A	17	2	0.88	\$89,408.47
TBD	A	18	2	0.88	\$89,408.47
TBD	A	19	2	0.88	\$89,408.47
TBD	A	20X	Common Area	0.00	\$0.00
TBD	B	1	1	1.00	\$101,916.39
TBD	B	2	1	1.00	\$101,916.39
TBD	B	3	1	1.00	\$101,916.39
TBD	B	4	1	1.00	\$101,916.39
TBD	B	5	1	1.00	\$101,916.39
TBD	B	6	1	1.00	\$101,916.39
TBD	B	7	1	1.00	\$101,916.39
TBD	B	8	2	0.88	\$89,408.47
TBD	B	9	2	0.88	\$89,408.47
TBD	B	10	2	0.88	\$89,408.47
TBD	B	11	2	0.88	\$89,408.47
TBD	B	12	2	0.88	\$89,408.47
TBD	B	13	2	0.88	\$89,408.47
TBD	B	14	2	0.88	\$89,408.47
TBD	B	15	2	0.88	\$89,408.47
TBD	B	16	2	0.88	\$89,408.47
TBD	B	17	2	0.88	\$89,408.47
TBD	C	1	2	0.88	\$89,408.47

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	C	2	2	0.88	\$89,408.47
TBD	C	3	2	0.88	\$89,408.47
TBD	C	4	2	0.88	\$89,408.47
TBD	C	5	2	0.88	\$89,408.47
TBD	C	6	2	0.88	\$89,408.47
TBD	C	7	2	0.88	\$89,408.47
TBD	C	8	2	0.88	\$89,408.47
TBD	C	9	2	0.88	\$89,408.47
TBD	D	1	2	0.88	\$89,408.47
TBD	D	2	2	0.88	\$89,408.47
TBD	D	3	2	0.88	\$89,408.47
TBD	D	4	2	0.88	\$89,408.47
TBD	D	5	2	0.88	\$89,408.47
TBD	D	6	2	0.88	\$89,408.47
TBD	D	7	2	0.88	\$89,408.47
TBD	D	8	2	0.88	\$89,408.47
TBD	D	9	2	0.88	\$89,408.47
TBD	D	10	2	0.88	\$89,408.47
TBD	D	11	2	0.88	\$89,408.47
TBD	D	12	2	0.88	\$89,408.47
TBD	E	1	1	1.00	\$101,916.39
TBD	E	2	1	1.00	\$101,916.39
TBD	E	3	1	1.00	\$101,916.39
TBD	E	4	1	1.00	\$101,916.39
TBD	E	5	1	1.00	\$101,916.39
TBD	E	6	1	1.00	\$101,916.39
TBD	E	7	1	1.00	\$101,916.39
TBD	E	8	1	1.00	\$101,916.39
TBD	E	9	1	1.00	\$101,916.39
TBD	E	10	1	1.00	\$101,916.39
TBD	E	11	2	0.88	\$89,408.47
TBD	E	12	2	0.88	\$89,408.47
TBD	E	13	2	0.88	\$89,408.47
TBD	E	14	2	0.88	\$89,408.47
TBD	E	15	2	0.88	\$89,408.47
TBD	E	16	2	0.88	\$89,408.47
TBD	E	17	2	0.88	\$89,408.47
TBD	E	18	2	0.88	\$89,408.47
TBD	E	19	2	0.88	\$89,408.47
TBD	F	1	1	1.00	\$101,916.39
TBD	F	2	1	1.00	\$101,916.39
TBD	F	3	1	1.00	\$101,916.39
TBD	F	4	1	1.00	\$101,916.39
TBD	F	5	1	1.00	\$101,916.39
TBD	F	6	1	1.00	\$101,916.39
TBD	F	7	1	1.00	\$101,916.39
TBD	F	8	1	1.00	\$101,916.39
TBD	F	9	1	1.00	\$101,916.39
TBD	F	10	1	1.00	\$101,916.39
TBD	G	7	1	1.00	\$101,916.39
TBD	G	8	1	1.00	\$101,916.39
TBD	G	9	1	1.00	\$101,916.39
TBD	G	10	1	1.00	\$101,916.39
TBD	G	11	1	1.00	\$101,916.39
TBD	G	12	1	1.00	\$101,916.39
TBD	G	13	1	1.00	\$101,916.39
TBD	G	14	1	1.00	\$101,916.39
TBD	G	15	1	1.00	\$101,916.39
TBD	G	16	1	1.00	\$101,916.39
TBD	G	17	1	1.00	\$101,916.39
TBD	G	18	1	1.00	\$101,916.39
TBD	G	19	1	1.00	\$101,916.39
TBD	G	20	1	1.00	\$101,916.39
TBD	H	6	2	0.88	\$89,408.47
TBD	H	7	1	1.00	\$101,916.39
TBD	H	8	1	1.00	\$101,916.39
TBD	H	9	1	1.00	\$101,916.39
TBD	H	10	1	1.00	\$101,916.39
TBD	H	11	1	1.00	\$101,916.39
TBD	H	12	1	1.00	\$101,916.39
TBD	H	13	1	1.00	\$101,916.39
TBD	H	14	1	1.00	\$101,916.39
TBD	H	15	1	1.00	\$101,916.39
TBD	H	16	1	1.00	\$101,916.39
TBD	H	17	1	1.00	\$101,916.39
TBD	H	18	1	1.00	\$101,916.39
TBD	H	19	1	1.00	\$101,916.39
TBD	I	12	1	1.00	\$101,916.39
TBD	I	13	1	1.00	\$101,916.39

Parcel	Block #	Lot #	Lot Type	Total Equivalent Units	Total Outstanding Assessment
TBD	I	14	1	1.00	\$101,916.39
TBD	I	15	1	1.00	\$101,916.39
TBD	I	16	1	1.00	\$101,916.39
TBD	I	17	1	1.00	\$101,916.39
TBD	I	18	1	1.00	\$101,916.39
TBD	I	19	1	1.00	\$101,916.39
TBD	I	20	2	0.88	\$89,408.47
TBD	I	21	2	0.88	\$89,408.47
TBD	J	1	2	0.88	\$89,408.47
TBD	J	2	2	0.88	\$89,408.47
TBD	J	3	2	0.88	\$89,408.47
TBD	J	4	2	0.88	\$89,408.47
TBD	J	5	2	0.88	\$89,408.47
TBD	J	6	2	0.88	\$89,408.47
TBD	X	1X	Common Area	0.00	\$0.00
Total	591			467.94	\$47,690,847

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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[CLOSING DATE]

Norton Rose Fulbright US LLP
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IN REGARD to the authorization and issuance of the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project)” (the “Bonds”), dated December 10, 2024, in the principal amount of \$ _____, we have examined the legality and validity of the issuance thereof by the City of Celina, 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 1 in each of the years specified in an Indenture of Trust (the “Indenture”), dated as of December 1, 2024, with U.S. Bank Trust Company, 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

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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 CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(MOSAIC PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #2 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of Issuer, dated as of December 1, 2024 (this “Disclosure Agreement”), is executed and delivered by and among the City of Celina, Texas (the “Issuer”), MuniCap, Inc. (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent (the “Dissemination Agent”), with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 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 December 1, 2024, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, the following capitalized terms shall have the following meanings:

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

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

“Administrator” shall have the meaning assigned to such term in the Indenture. The initial Administrator is MuniCap, Inc.

“Annual Collections Report” shall mean any Annual Collections 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 subsection 4(a) of this Disclosure Agreement.

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

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Annual Issuer Report Filing Date” shall mean, for each Fiscal Year, the date that is six (6) months after the end of the Issuer’s Fiscal Year, which Annual Issuer Report Filing Date is currently March 31.

“Annual Service Plan Update” 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.

“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.

“Disclosure Agreement of Landowner” shall mean the Continuing Disclosure Agreement of Landowner relating to the Bonds, dated as of December 1, 2024, executed and delivered by the Landowner, the Administrator, and the Dissemination Agent.

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

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

“District” shall mean the Mosaic Public Improvement District.

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

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

“Landowner” shall mean Tellus Texas I, LLC, a Texas limited liability company, and its successors and assigns.

“Listed Events” shall mean any of the events listed in subsection 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 reports pursuant to the Rule.

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

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

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

“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.

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

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

SECTION 3. Provision of Annual Issuer Reports.

(a) For each Fiscal Year, commencing with the Fiscal Year ending September 30, 2025, 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 electronic or other format required by the MSRB, not later than the Annual Issuer Report Filing Date, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement. The Annual Issuer Report may, but is not required to, include the audited financial statements of the Issuer and the failure to include the audited financial statements as a part of the Annual Issuer Report shall not violate the Issuer’s obligations under this Disclosure Agreement provided the Issuer provides its audited financial statements within twelve (12) months of the most recently ended Fiscal Year or, if the audited financial statements are not available within such twelve-month period, the Issuer provides its unaudited financial statements within such twelve-month period, and provides audited financial statements when and if available. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next Annual Issuer Report Filing Date. 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 Issuer Report Filing Date, the Issuer shall provide the Annual Issuer Report to the Dissemination Agent together with written direction to file such Annual Issuer Report with the MSRB. The Dissemination Agent shall provide such Annual Issuer Report to the MSRB not later than ten (10) days from receipt of such Annual Issuer Report from the Issuer, but in no event later than the Annual Issuer Report Filing Date for such Fiscal Year.

If by the fifth (5th) day before the Annual Issuer Report Filing Date the Dissemination Agent has not received a copy of the Annual Issuer 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 Issuer Report pursuant to this subsection (a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Issuer Report no later than two (2) Business Days prior to the Annual Issuer Report Filing Date, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Issuer Report by the Annual Issuer Report Filing Date, state the date by which the Annual Issuer 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 Issuer Report or the notice of failure to file, as applicable, to the MSRB no later than the Annual Issuer 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 the last Business Day prior to the Annual Issuer 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 Issuer 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 Issuer 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 Issuer 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 Issuer Report Filing Date.

- (b) The Issuer shall or shall cause the Dissemination Agent pursuant to written direction to:
 - (i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report Filing Date; and
 - (ii) file the Annual Issuer Report containing or incorporating by reference the information set forth in Section 4 hereof.

(c) If the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall provide written confirmation to the Issuer verifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided and that it was filed with the MSRB, which report shall include a filing receipt from the MSRB.

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report 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 Issuer Report Filing Date, the following:

(a) Annual Financial Information. 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(s), the interest rate(s), the original aggregate principal amount(s), the principal amount(s) remaining Outstanding, and the total interest amount due on the aggregate 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 Sections 4(a)(ii) of Exhibit B attached hereto. Such information shall be provided as of the end of the reporting Fiscal Year;

(iii) Any updates to the Service and Assessment Plan, including the Annual Service Plan Update;

(iv) Until building permits have been issued for parcels or lots representing, in the aggregate, ninety-five percent (95%) of the total Assessments levied within Improvement Area #2, the Annual Financial Information (in the Annual Service Plan Update or otherwise) shall include the number of certificates of occupancy (“COs”) issued for new homes completed in Improvement #2 during such Fiscal Year and the aggregate number of COs issued for new homes completed within Improvement Area #2 since filing the initial Annual Financial Information for Fiscal Year ending September 30, 2025; and

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

(b) Audited Financial Statements. 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 and that have been audited by an independent certified public accountant, *but only if* available by the Annual Issuer Report Filing Date. If the audited financial statements of the Issuer are not available within twelve months after the end of the Fiscal Year, the Issuer shall provide notice that the audited financial statements are not available, file unaudited financial statements within such twelve-month period, and file audited financial statements when prepared and available.

(c) A form for submitting the information described in subsection 4(a) above is attached as Exhibit B hereto. 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 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 Issuer Reports under this Section 4.

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 Issuer Report, if such Annual Collections Report is available when the Annual Issuer Report 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 (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 hereto; 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 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 Issuer 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.

Any sale by the Landowner of real property within Improvement Area #2 in the ordinary course of the Landowner's business will not constitute a Listed Event for the purposes of paragraph (10) above.

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

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018. For the avoidance of doubt, the 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 three (3) Business Days immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event; provided, however, the failure of the Issuer to provide timely written notice to the Dissemination Agent in accordance with this paragraph shall not constitute a failure of the Dissemination Agent to comply with the MSRB's ten (10) Business Day filing requirement.

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information.

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to 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, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed in writing by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than two (2) Business Days following the day on which it receives such written instructions. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, any Owner or beneficial owner of any interests in the Bonds, or any other party 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 any of numbers 2, 7, 8 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after the occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

SECTION 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 to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Administrator and the 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 Dissemination Agent and the Administrator may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 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 the Issuer discharges the Dissemination Agent without appointing a successor Dissemination Agent, the Issuer shall use best efforts to appoint a successor Dissemination

Agent within 30 days of such discharge. The Dissemination Agent may resign at any time with 30 days' written notice to the Issuer. 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 Landowner, or any other party responsible for providing quarterly information pursuant to the Disclosure Agreement of Landowner, of any change in the identity of the Dissemination Agent under the Disclosure Agreement of Landowner.

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 in writing 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 Issuer Report, 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 Issuer Report, 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 Issuer Report, 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 written request of 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 Landowner and a default under 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 this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only from Assessments collected for Administrative Expenses from the property owners in Improvement Area #2, against any losses, expenses, 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 arising under this Disclosure Agreement, but excluding (i) liabilities due to the Dissemination Agent's negligence or willful misconduct, and (ii) liabilities resulting from claims made by the Issuer against the Dissemination Agent; provided, however, that nothing herein shall be construed to require the Issuer to indemnify and hold harmless the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Landowner or the failure of the Landowner to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Landowner. The obligations of the Issuer under this Section shall survive termination of this Disclosure Agreement, 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 the Issuer does not provide the Dissemination Agent with the Annual Issuer Report in accordance with subsection 3(a) or the Annual Collections Report in accordance with subsection 5(a), the Dissemination Agent shall not be responsible for the failure to submit an Annual Issuer Report or an Annual Collections Report, as applicable, 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 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 its duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

The Issuer, the Administrator, and the Dissemination Agent agree that the legal expenses of the Dissemination Agent, which it is expressly entitled to be paid under this paragraph 12(a), are Administrative Expenses.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees, and agents, but only from Assessments collected for Administrative Expenses from the property owners in Improvement Area #2, against any losses, expenses, and liabilities which the Administrator 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 under this Disclosure Agreement, but excluding (i) liabilities due to the Administrator's negligence or willful misconduct, and (ii) liabilities resulting from claims made by the Issuer against the Administrator; provided, however, that nothing herein shall be construed to require the Issuer to indemnify or hold harmless 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 Landowner to provide information to the Administrator as and when required under the Disclosure Agreement of Landowner. 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 its 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.

The Issuer, the Administrator, and the Dissemination Agent agree that the legal expenses of the Administrator, which it is expressly entitled to be paid under this paragraph 12(b), are Administrative Expenses.

(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. 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 the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officers, agents, or employees of the Issuer, the Administrator, or the 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 Administrative Expenses 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 Administrative Expenses component of the Annual Installments collected from the property owners in Improvement Area #2, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 19. Statutory Verifications. The Dissemination Agent and the Administrator, each individually, make the following representation and verifications to enable the Issuer to comply with Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in entering into this Disclosure Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator, as the case may be, within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verifications prior to the expiration or earlier termination of this Disclosure Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Disclosure Agreement, notwithstanding anything in this Disclosure Agreement to the contrary.

(a) Not a Sanctioned Company. The Dissemination Agent and the Administrator, each individually, 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, Government Code. The foregoing representation excludes the Dissemination Agent and the Administrator 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.

(b) No Boycott of Israel. The Dissemination Agent and the Administrator, each individually, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Disclosure Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Dissemination Agent and the Administrator, each individually, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Disclosure Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Dissemination Agent and the Administrator, each individually, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Disclosure Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

SECTION 20. 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 21. Governing Law and Venue. This Disclosure Agreement shall be governed by the laws of the State of Texas. Venue of any action to enforce the rights and privileges existing under this Disclosure Agreement shall be brought in the state district court of Denton County, Texas.

SECTION 22. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Issuer, the Administrator, and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

Signature pages follow.

CITY OF CELINA, TEXAS
(as Issuer)

By: _____
City Manager

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

By: _____
Authorized Officer

MUNICAP, INC.
(as Administrator)

By: _____
Authorized Officer

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
[ANNUAL ISSUER REPORT] [ANNUAL COLLECTIONS REPORT]
[AUDITED/UNAUDITED FINANCIAL STATEMENTS]**

Name of Issuer: City of Celina, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2024
(Mosaic Public Improvement District Improvement Area #2
Project) (the “Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that the City of Celina, Texas (the “Issuer”), has not provided [an Annual Issuer Report] [an Annual Collections Report] [audited/unaudited financial statements] with respect to the Bonds as required by the Continuing Disclosure Agreement of Issuer dated as of December 1, 2024, by and among the Issuer, MuniCap, Inc., as “Administrator,” and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as “Dissemination Agent.” The Issuer anticipates that [the Annual Issuer Report] [the Annual Collections Report] [audited/unaudited financial statements] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the City of Celina, Texas
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Celina, Texas

EXHIBIT B

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(MOSAIC PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #2 PROJECT)**

ANNUAL FINANCIAL INFORMATION^[*]

Delivery Date: _____, 20__

CUSIP Nos: [insert CUSIP Nos.]

DISSEMINATION AGENT

Name: HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.
Address: _____
City: _____
Telephone: _____
Contact Person: _____

Section 4(a)(i)(A)

BONDS OUTSTANDING

Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount
Total				

Section 4(a)(i)(B)

INVESTMENTS

Fund/ Account Name	Investment Description	Par Value ⁽¹⁾	Book Value ⁽¹⁾	Market Value ⁽¹⁾

* Excluding Audited Financial Statements of the Issuer.

⁽¹⁾ According to account balance statement dated as of [insert date] as provided by the Trustee.

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

Foreclosure History Related to the Assessments 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	<u>Foreclosure Sales</u>	<u>Foreclosure Proceeds Received</u>
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 Assessments 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.

<u>Fiscal Year Ended (9/30)</u>	<u>Delinquent % as of 9/1</u>	<u>Parcel Numbers</u>
20__	%	
20__		
20__		
20__		
20__		

History of Prepayment of Assessments for the Past Five Fiscal Years

<u>Fiscal Year Ended (9/30)</u>	<u>Number of Prepayments</u>	<u>Amount of Prepayments</u>	<u>Bond Call Date</u>	<u>Amount of Bonds Redeemed</u>
20__		\$		\$
20__				
20__				
20__				
20__				

[insert any necessary footnotes]

ITEMS REQUIRED BY SECTION 4(a)(iii) - (v)

[Insert a line item for each applicable listing]

* Include the following bracketed tables if a separate Annual Collections Report will not be prepared.

EXHIBIT C

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(MOSAIC PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #2 PROJECT)**

ANNUAL COLLECTIONS REPORT

Delivery Date: _____, 20__

CUSIP Nos: [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
THE COLLECTION OF 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 SUBSECTION 5(A) OF THE ISSUER'S DISCLOSURE
AGREEMENT**

Foreclosure History Related To The Annual Installments⁽¹⁾

<u>Succeeding</u> <u>Fiscal Year</u>	<u>Delinquent Annual</u> <u>Installment Amount</u> <u>not in Foreclosure</u> <u>Proceedings</u>	<u>Parcels in</u> <u>Foreclosure</u> <u>Proceedings</u>	<u>Delinquent Annual</u> <u>Installment Amount</u> <u>in Foreclosure</u> <u>Proceedings</u>	<u>Foreclosure</u> <u>Sales</u>	<u>Foreclosure Proceeds</u> <u>Received</u>
20	\$		\$		\$

(i) Period covered includes October 1, 20__ through March 1, 20__.

Collection and Delinquency of Annual Installments ⁽¹⁾

<u>Succeeding Fiscal Year</u> 20__	<u>Total Annual Installments Levied</u> \$	<u>Parcels Levied</u> ⁽²⁾	<u>Delinquent Amount as of 3/1</u> \$	<u>Delinquent % as of 3/1</u> %	<u>Total Annual Installments Collected</u> ⁽³⁾ \$
---	---	--	--	--	---

⁽¹⁾ Period covered includes October 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⁾

<u>Succeeding Fiscal Year</u>	<u>Number of Prepayments</u>	<u>Amount of Prepayments</u> \$	<u>Bond Call Date</u>	<u>Amount of Bonds Redeemed</u> \$
-----------------------------------	----------------------------------	--	-----------------------	---

⁽¹⁾ Period covered includes October 1, 20__ through March 1, 20__.

EXHIBIT D

BASIC EXPECTED 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	Assessments delinquent if not received.
	15	<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.</p> <p>Issuer and 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	Trustee pays bond interest payments to Owners.
April 1	59/60	<p>At this point, if total delinquencies are under 5% and if there is adequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account for full 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 deficiency.</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>
July 1	152/153	If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund for

¹ Illustrates anticipated dates and procedures for pursuing the collection of delinquent Annual Installments of 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 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, an amendment to the Code, or otherwise, such modifications shall control.

transfer to the Principal and Interest Account of such amounts as shall be required for the full September payment, Issuer and/or Administrator to notify Dissemination Agent in writing for inclusion in the next Annual Report.

Preliminary Foreclosure activity commences in accordance with Tax Assessor/Collector's procedures.

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, 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 and the Trustee. 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 as soon as practicable, in accordance with the Tax Assessor/Collector's procedures.

Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing for inclusion in next Annual Report.

A committee of not less than twenty-five percent (25%) of the Owners may request a meeting with the Issuer 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 Annual Installments of Assessments.

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APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF LANDOWNER

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**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(MOSAIC PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #2 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF LANDOWNER

This Continuing Disclosure Agreement of Landowner dated as of December 1, 2024 (this “Disclosure Agreement”), is executed and delivered by and among Tellus Texas I, LLC, a Texas limited liability company (the “Landowner”), MuniCap, Inc. (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (in such capacity, the “Dissemination Agent”) with respect to the captioned obligations (the “Bonds”). The Landowner, 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 Landowner, 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 December 1, 2024 (the Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, the following capitalized terms shall have the following meanings:

“Additional Major Improvements” shall have the meaning assigned to such term in the Indenture.

“1st (Central) Amenity Center” shall have the meaning assigned to such term in the Development Agreement.

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

“Administrator” shall have the meaning assigned to such term in the Indenture. The Issuer has selected MuniCap, Inc., as the initial Administrator.

“Affiliate” shall mean an entity that is controlled by, controls, or is under common control with another entity.

“Amenities” shall mean the 1st (Central) Amenity Center, the North Park Area (Doe Branch), the North Park Area 12FT Trail, the North Park Area Pedestrian Bridge, and other landscaping, trails, entry features, screening walls, ponds, open space, playground and a pavilion, or other similar improvements to be constructed by the Landowner within the District.

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

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

“Certification Letter” shall mean a certification letter provided by a Reporting Party pursuant to Section 3, in substantially the form attached as Exhibit D.

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

“Disclosure Agreement of Issuer” shall mean the Continuing Disclosure Agreement of Issuer dated as of even date herewith executed and delivered by and among the Issuer, 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 the Mosaic Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access service administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

“Homebuilder” shall mean any homebuilder who enters into a Lot Purchase Agreement with the Landowner, and the successors and assigns of such homebuilder under such Lot Purchase Agreement.

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

“Improvement Area #2” shall have the meaning assigned to such term in the Indenture.

“Improvement Area #2 Improvements” shall have the meaning assigned to such term in the Indenture.

“Improvement Area #2 Projects” shall have the meaning assigned to such term in the Indenture.

“Initial Major Improvements” shall have the meaning assigned to such term in the Indenture.

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

“Landowner” shall mean Tellus Texas I, LLC, a Texas limited liability company, its successors and assigns, including any Affiliate of the Landowner.

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

“Listed Events” shall mean, collectively, Landowner Listed Events and Homebuilder Listed Events.

“Lot Purchase Agreement” shall mean, with respect to lots or land within the District, any lot purchase agreement between a Homebuilder and the Landowner to purchase lots or to purchase land.

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

“North Park Area (Doe Branch)” shall have the meaning assigned to such term in the Development Agreement.

“North Park Area 12FT Trail” shall have the meaning assigned to such term in the Development Agreement.

“North Park Area Pedestrian Bridge” shall have the meaning assigned to such term in the Development Agreement.

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

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

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

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

“Quarterly Ending Date” shall mean each March 31, June 30, September 30 and December 31, beginning March 31, 2025.

“Quarterly Filing Date” shall mean for each Quarterly Ending Date, the fifteenth calendar day of the second month following such Quarterly Ending Date being February 15, May 15, August 15, and November 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 Landowner and any Homebuilder who has acknowledged and assumed reporting obligations in accordance with Section 6 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.

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

SECTION 3. Quarterly Reports.

(a) The Landowner and any Homebuilder that is a Reporting Party, 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, the information in the Quarterly Report required to be provided by such Reporting Party pursuant to Section 3(d) (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 7 of this Disclosure Agreement. For the avoidance of doubt, (i) if the Landowner elects, the Landowner may, but shall not be obligated to, provide any Quarterly Information on behalf of any Homebuilder, and (ii) the Landowner shall remain obligated with respect to any real property acquired by a Homebuilder until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 6 of this Disclosure Agreement, at which time Landowner shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred.

(b) The Administrator shall (i) review each Quarterly Report containing the Quarterly Information provided by each Reporting Party pursuant to subsection (a) above and (ii) no later than twenty (20) days after each Quarterly Ending Date, either (1) advise the applicable Reporting Party as to any necessary changes to the applicable Quarterly Information, or (2) provide to the Dissemination Agent the Quarterly Report in accordance with subsection (c) below. If the Administrator advises a Reporting Party as to any necessary changes to their respective Quarterly Information, such Reporting Party shall provide, or cause to be provided, to the Administrator, not more than thirty (30) days after each Quarterly Ending Date, the revised Quarterly Information. The Administrator shall review the revised Quarterly Information within the Quarterly Report and provide the Quarterly Report to the Dissemination Agent in accordance with subsection (c) below.

If Reporting Parties provide the Quarterly Information in more than one report to the Administrator, the Administrator shall (i) prepare each Quarterly Report with the Quarterly Information provided by the Reporting Parties pursuant to subsection (a) above, and (ii) provide the Quarterly Report to the Reporting Parties for review no later than twenty (20) days after each Quarterly Ending Date. The Reporting Parties shall review and revise, as necessary, the Quarterly Report and, upon such review, shall promptly, but no later than thirty (30) days after each Quarterly Ending Date, provide the Quarterly Report and Certification Letter(s) to the Administrator and authorize the Administrator to provide such Quarterly Report and Certification Letter(s) to the Issuer and the Dissemination Agent pursuant to subsection (c) below.

In all cases, each Reporting Party shall have the sole responsibility for the content, design, and other elements comprising substantive contents of all of the Quarterly Information provided by such Reporting Party contained in the Quarterly Report.

(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 Section 3(d), and the Certification Letter(s), if applicable, and written direction to the Dissemination Agent to file such report with the MSRB. The Dissemination Agent shall file the Quarterly Report and the Certification Letter(s), if applicable, 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 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 3, 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 or no Quarterly Information is provided by any Reporting Party, the Dissemination Agent and any other Reporting Party who provided complete Quarterly 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 Quarterly Report to the Dissemination Agent, or the failure of the Dissemination Agent to provide such report to the Participating Underwriter in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

(d) Each Quarterly Report shall consist of the information listed in Exhibit A attached hereto.

SECTION 4. Event Reporting Obligations.

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #2 on a parcel owned by the Landowner; provided, however, that the exercise of any right of the Landowner as a landowner within Improvement Area #2 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 Landowner Listed Event under this Section 4 nor a breach or default of this Disclosure Agreement;

(ii) Material damage to or destruction of any development or improvements within the District, including the Improvement Area #2 Improvements, the Initial Major Improvements, the Additional Major Improvements, and the Amenities;

(iii) Material default by the Landowner or any of the Landowner's Affiliates on any loan with respect to the acquisition, development, or permanent financing of the District undertaken by the Landowner or any of the Landowner's Affiliates;

(iv) Material default by the Landowner or any of Landowner's Affiliates on any loan secured by property within the District owned by the Landowner or any of the Landowner's Affiliates;

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

(vi) The consummation of a merger, consolidation, or acquisition of the Landowner, or the sale of all or substantially all of the assets of the Landowner or any of the Landowner's

Affiliates, other than in the ordinary course of business, or 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 Landowner or any of the Landowner's Affiliates that may adversely affect the completion of the District or litigation that may materially adversely affect the financial condition of the Landowner or any of the Landowner's Affiliates;

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

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

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

(i) Failure to pay any real property taxes or Assessments levied within Improvement Area #2 on a lot or parcel owned by such Homebuilder; provided, however, that the exercise of any right of such Homebuilder as a landowner within Improvement Area #2 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 Homebuilder Listed Event under this Section nor a breach or default of this Disclosure Agreement;

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

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

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

(v) Early termination of or material default by such Homebuilder under any Lot Purchase Agreement; and

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

(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.

The Landowner 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 Reporting Party. Additionally, if a Homebuilder does not execute the assignment and assumption of disclosure obligations pursuant to Section 6 hereof, and, therefore, the Developer is reporting on behalf of the Homebuilder, the Developer shall not be required to conduct an independent investigation of the occurrence of a Homebuilder Listed Event.

Any notice under the preceding paragraphs 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.

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 subsections (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 of Landowner.

The Landowner shall cause each Person who, through assignment, assumes the obligations, requirements, or covenants to construct one or more of the Improvement Area #2 Projects or the Amenities to assume and comply with the disclosure obligations of the Landowner under this Disclosure Agreement with respect thereto. The Landowner shall deliver to the Dissemination Agent, the Administrator, and the Issuer a written acknowledgement from each Person who assumes the obligations, requirements, or covenants to construct one or more of the Improvement Area #2 Projects or Amenities in substantially the form attached as Exhibit E (the “Landowner Acknowledgment”), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(ix) above, the Landowner shall direct the Dissemination Agent to file a copy of each Landowner Acknowledgment with the MSRB, in accordance with Sections 4(c) and 4(e) above. Upon any such transfer to a Person, and such Person’s delivery of written acknowledgement of assumption of Landowner’s obligations under this Disclosure Agreement as to the property transferred, the Landowner shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Landowner shall not be liable for the acts or omissions of such Person arising from or in connection with such disclosure obligations under this Disclosure Agreement.

SECTION 6. Assumption of Reporting Obligations by Homebuilder.

(a) If a Homebuilder acquires ownership of real property in Improvement Area #2 resulting in such Homebuilder becoming a Homebuilder, the Landowner may (i) cause such Homebuilder to comply with the Landowner’s disclosure obligations under Sections 3(d)(iv) and 4(b) hereof with respect to such acquired real property until such party’s disclosure obligations terminate pursuant to Section 7 of this Disclosure Agreement, or (ii) elect to provide any or all Quarterly Information on behalf of such Homebuilder; provided, however, that if the Landowner initially elects to provide any or all Quarterly Information on behalf of such Homebuilder, the Landowner may elect in the future to cause such Homebuilder to comply with the Landowner’s disclosure obligations, as described in clause (i) above.

(b) If the Landowner elects to cause a Homebuilder to comply with the Landowner’s disclosure obligations, as described in clause (a)(i) above, the Landowner shall deliver to the Dissemination Agent, the Administrator, and the Issuer a written acknowledgement from each Homebuilder, in substantially the form attached as Exhibit E (the “Homebuilder Acknowledgment”), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Sections 4(a)(ix) and 4(b)(vi) above, the Landowner shall direct the Dissemination Agent to file a copy of the Homebuilder Acknowledgment with the MSRB, in accordance with Sections 4(c) and 4(e) above. Upon any such transfer to a Homebuilder, and such Homebuilder’s delivery of an executed Homebuilder Acknowledgment assuming the Landowner’s obligations under this Disclosure Agreement as to the property transferred, the Landowner 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 Landowner shall remain obligated with respect to any real property acquired by a Homebuilder until an executed Homebuilder Acknowledgment with respect to such real property is delivered to the Dissemination Agent, the Administrator, the Issuer, and the MSRB, in accordance with this Section 6(b).

(c) Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Landowner shall not be liable for the acts or omissions of such Homebuilder 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 Homebuilder comply with obligations of this Section 6 with respect to any subsequent transfers by such Homebuilder to any individual or entity meeting the definition of a “Homebuilder” in the future, including the requirement, pursuant to Section 4(b)(vi) above, to direct the Dissemination Agent to file a copy of the Homebuilder Acknowledgment with the MSRB, in accordance with Section 4(e) above.

SECTION 7. Termination of Reporting Obligations.

(a) The reporting obligations of the Landowner under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) the date when (x) all of the Improvement Area #2 Improvements, the Initial Major Improvements, and the Additional Major Improvements are complete, (y) the Landowner no longer owns at least 59 single family residential lots within Improvement Area #2, and (z) the Landowner is not reporting on behalf of any Homebuilder.

(b) The reporting obligations of a Homebuilder under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) the date when the Homebuilder, including its Affiliates and/or successors and assigns, collectively, has sold at least 90% of its contracted lots within Improvement Area #2.

(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) of this Section 7, 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, of the termination of the applicable 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), if any, of this Section 7 and any Termination Notice required by subsection (c) of this Section 7 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist the Landowner, any Person that has executed a Landowner Acknowledgment pursuant to Section 5 hereof, or any Homebuilder that has executed a Homebuilder Acknowledgment pursuant to Section 6 hereof in carrying out their obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without

appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time with thirty (30) days' notice to the Issuer, the Landowner, and the Administrator; provided, however, that if the Dissemination Agent is serving in the same capacity under the Disclosure Agreement of Issuer, the Dissemination Agent shall resign under the Disclosure Agreement of Issuer simultaneously with its resignation hereunder; provided, further, that if the Issuer is the Dissemination Agent, the Issuer may not resign without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Landowner, any Person that has executed a Landowner Acknowledgement pursuant to Section 5 hereof, or any Homebuilder that has executed a Homebuilder Acknowledgment pursuant to Section 6 hereof of any change in the identity of the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.

SECTION 9. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Landowner, 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 Landowner 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 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Landowner or any Homebuilder, or the type of business conducted; and

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

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 Landowner. The Landowner shall provide, or cause to be provided, at its cost and expense, an executed copy of any amendment or waiver entered into in accordance with this Section 9 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Landowner or any Homebuilder from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in addition to that which is required by this Disclosure Agreement. If the Landowner or Homebuilder chooses to include any information in any Quarterly Report or notice of occurrence of a Landowner Listed Event or Homebuilder Listed Event, as applicable, in addition to that which is specifically required by this Disclosure Agreement, the Landowner or the Homebuilder, as

applicable, shall have no obligation under this Disclosure Agreement to update such information or include it in any future Quarterly Report or notice of occurrence of a Landowner Listed Event or Homebuilder Listed Event.

SECTION 11. Content of Disclosures. In all cases, the Landowner or Homebuilder, as applicable, shall have the sole responsibility for the content, design, and other elements comprising substantive contents of all disclosures provided hereunder.

SECTION 12. Default. In the event of a failure of any Reporting Party or the Administrator to comply with any provision of this Disclosure Agreement, (i) the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and (ii) 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, the Dissemination Agent shall, take such actions as may be necessary and appropriate to cause the Reporting Party and/or the Administrator to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of a Reporting Party or the Administrator to comply with this Disclosure Agreement shall be an action in mandamus or specific performance. A default under this Disclosure Agreement by a Reporting Party shall not be deemed a default under the Disclosure Agreement of Issuer by the Issuer, and a default under the Disclosure Agreement of Issuer by the Issuer shall not be deemed a default under this Disclosure Agreement by a Reporting Party or the Administrator. Additionally, a default by a Reporting Party of its obligations under this Disclosure Agreement shall not be deemed a default by any other Reporting Party of such Reporting Party's obligations under this Disclosure Agreement.

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

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Quarterly Report) prepared by any Reporting Party and/or the Administrator pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The 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 (i) liabilities due to the Dissemination Agent's negligence or willful misconduct, and (ii) liabilities resulting from claims made by the Landowner against the Dissemination Agent. The obligations of the Landowner under this Section shall survive termination of this Disclosure Agreement, resignation, or removal of the Dissemination Agent, and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Dissemination Agent shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Dissemination Agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the

Dissemination Agent and believed to be genuine and to have been signed or presented by the proper party or parties.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. The Landowner agrees to indemnify and 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 (i) liabilities due to the Administrator's breach, negligence, or willful misconduct, and (ii) liabilities resulting from claims made by the Landowner against the Administrator. The obligations of the Landowner under this Section shall survive termination of this Disclosure Agreement, 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. The Landowner, the Administrator, and the Dissemination Agent agree that the legal expenses of the Dissemination Agent or the Administrator to which it is expressly entitled to be paid pursuant to this paragraph 13(c) are Administrative Expenses.

(d) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, THE LANDOWNER, OR ANY HOMEBUILDER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT OR A HOMEBUILDER, 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, EXCEPT AS DESCRIBED IN SECTION 12 WITH RESPECT TO THE DISSEMINATION AGENT.

SECTION 14. No Personal Liability. No covenant, stipulation, obligation, or agreement of the Landowner, any Homebuilder, the Administrator, or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation, or agreement of any

present or future officer, agent, or employee of the Landowner, any Homebuilder, the Administrator, or the Dissemination Agent in other than that person's official capacity.

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

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the 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 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Administrative Expenses and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from the Administrative Expenses component of the Annual Installments collected from the property owners in Improvement Area #2, for the fees and expenses for its services rendered in accordance with this Disclosure Agreement.

SECTION 18. Administrator Compensation. The fees and expenses incurred by the Administrator for its services rendered in accordance with this Disclosure Agreement constitute Administrative Expenses and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of Improvement Area #2, including the payment of the fees and expenses of the Administrator for its services rendered in accordance with this Disclosure Agreement.

SECTION 19. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 20. Notice. Any written notice required to be given or made hereunder among or between any of the Parties and/or Participating Underwriter, shall be given or made by e-mail, facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses listed below or at such other addresses as any be specified in writing by any party hereto to the other parties hereto. If the required notice is provided or delivered

by e-mail, the sender must request a read or delivery receipt from the recipient confirming that the recipient received the e-mail or the e-mail was delivered with such notice. Failure of any party to this Disclosure Agreement or Homebuilder to provide proof of an e-mail read receipt or delivery receipt does not constitute a breach or default by such party or Homebuilder under this Disclosure Agreement.

If to Landowner: c/o Tellus Group LLC
Attn: David Blom
130 N. Preston Road, Suite 130
Prosper, Texas 75078
E-mail: dblom@tellusgroupllc.com

With a copy to: Shupe Ventura PLLC
Attn: Misty Ventura
9406 Biscayne Blvd.
Dallas, Texas 75218
E-mail: misty.ventura@svlandlaw.com

If to the Dissemination Agent: HTS Continuing Disclosure Services
Attn: Tanya Calvit

Fax No.: _____
Email: _____

If to Administrator: MuniCap, Inc.
222 West Las Colinas Boulevard Suite 1650E
Irving, Texas 75039
E-mail: abdi.yassin@municap.com

If to the Issuer: City of Celina, Texas
Attn: City Manager's Office
142 N. Ohio St.
Celina, Texas 75009-6201
E-mail: kstovall@celina-tx.gov

If to Participating Underwriter: FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034
E-mail: Tdavenport@fmsbonds.com

SECTION 21. Term of Disclosure Agreement. Except for surviving indemnities of the parties to this Disclosure Agreement, this Disclosure Agreement terminates on the earlier of (i) the first date on which none of the Bonds remain Outstanding, and (ii) the first date on which the reporting obligations of all Reporting Parties have terminated in accordance with the terms of Section 7 of this Disclosure Agreement.

SECTION 22. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Landowner, the Administrator, and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

Signature pages follow.

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
Dissemination Agent

By: _____
Authorized Officer

LANDOWNER:

Tellus Texas I, LLC, a Texas limited liability company

By: Tellus-Celina, LLC, a Texas limited liability company, its Manager

By: _____
David R. Blom, its Manager

MUNICAP, INC.,
Administrator

By: _____

Name: _____

Title: _____

EXHIBIT A

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(MOSAIC PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #2 PROJECT)**

LANDOWNER QUARTERLY REPORT
[INSERT QUARTERLY ENDING DATE]

Delivery Date: _____, 20__

CUSIP Numbers: [Insert CUSIP Numbers]

DISSEMINATION AGENT

Name: HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.
Address: _____
Email: _____
City: _____
Telephone: _____
Contact Person: _____

I. Expenditures Paid from Accounts under Indenture

Total budgeted costs for Improvement Area #2 Projects: \$ _____

Total budgeted costs for Improvement Area #2 Projects payable from proceeds of the Bonds:
\$ _____

Of the total budgeted costs for Improvement Area #2 Projects payable from proceeds of the Bonds,
actual costs drawn from the Improvement Area #2 Projects Account: \$ _____

II. Status of Improvement Area #2 Projects

Projected/actual completion date of the Improvement Area #2 Projects

1. Actual/Expected date of completion of the Improvement Area #2 Projects:

2. If applicable, explanation of any delay/change in projected completion date since last
Quarterly Report was filed: _____

III. Unit Mix in Improvement Area #2

<u>Product Type</u>	<u>Number of Units</u>
25'	
40'	
50'	
60'	
70'	

IV. Lot Status in Improvement Area #2

Of the 591 lots in Improvement Area #2, what is the status:

1. Planned lots as of the date of issuance of the Bonds: 591
2. Planned lots as of the date of this Quarterly Report: _____
3. Lots developed: _____
4. Expected completion date of all lots in Improvement Area #1 (if incomplete):

V. Ownership of Lots/Units in Improvement Area #2

PLANNED LOTS IN IMPROVEMENT AREA #2: 591

Of the 591 lots in Improvement Area #2:

1. Number of lots owned by the Developer: _____
2. Number of lots under contract but not closed to Homebuilder(s): _____
3. Number of lots owned by all Homebuilder(s): _____¹
 - a. Number of lots owned by [*insert name of Homebuilder*]: _____²
 - b. Number of lots owned by [*insert name of Homebuilder*]: _____
4. Number of units owned by homeowners: _____

VI. Home Sales Information in Improvement Area #2

PLANNED HOMES IN IMPROVEMENT AREA #2: 591

Of the 591 homes planned for Improvement Area #2:

1. How many total building permits were issued **during the current quarter?** _____
 - a. Number of building permits issued during the current quarter for [*insert name of Homebuilder*]: _____²
 - b. Number of building permits issued during the current quarter for [*insert name of Homebuilder*]: _____²

¹ If Developer is using EMMA filing assistance software, a chart containing the Quarterly Information provided under this item will be generated. If Developer is not using EMMA filing assistance software, Developer shall prepare a chart containing such Quarterly Information.

² Include a line item for each individual Homebuilder.

2. How many total homes have closed with homebuyers **during the current quarter?**

a. Number of homes closed with homebuyers during the current quarter for [insert name of Homebuilder]: _____²

b. Number of homes closed with homebuyers during the current quarter for [insert name of Homebuilder]: _____³

3. How many total homes have closed with homebuyers **cumulatively?** _____

a. Number of homes closed with homebuyers cumulatively for [insert name of Homebuilder]: _____³

b. Number of homes closed with homebuyers cumulatively for [insert name of Homebuilder]: _____³

VII. Amenities

TOTAL [EXPECTED/ACTUAL] COSTS OF AMENITIES: \$ _____

Of the \$ _____ [expected/actual] costs of the Amenities:

1. Amount spent as of Quarterly Ending Date: \$ _____

2. [Actual/Expected] completion date of Amenities: _____

VIII. Material Changes

Describe any material changes, if applicable:

1. **Permits and Approvals** - Since the issuance of the Bonds, have there been any material changes to permits or development approvals (including any zoning) impacting the development of the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.
2. **Mortgage Loans** - Since the issuance of the Bonds, have there been any material changes to mortgage loans (whether changes to an existing loan or incurrence of a new mortgage loan), if applicable, for the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.
3. **Builder Contracts** - Since the issuance of the Bonds, have there been any material changes to builder contracts (including but not limited to changes to price, substantial completion dates, number of lots, or other terms) with respect to the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.
4. **Ownership** - Since the issuance of the Bonds, other than a sale to a homebuilder pursuant to a Lot Purchase Agreement, has there been any sale, assignment or transfer of ownership of lands subject to the Assessments securing the Bonds by the Developer to any third-party developer/land bank, which was not disclosed in a previously filed Quarterly Report? If so,

³ Include a line item for each individual Homebuilder.

provide the name of the third-party and indicate whether this third-party developer/land bank has executed a Developer Acknowledgement pursuant to the Disclosure Agreement?

5. **Reserved.**
6. **Amendments** – Since the issuance of the Bonds and except as otherwise disclosed in a previously filed Quarterly Report, (i) describe any amendments or waivers to any provision of the Disclosure Agreement, including 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 and (ii) include a copy of the amendment, as applicable.
7. **Other** – Provide any other material information that should be disclosed.

EXHIBIT B

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

[DATE]

Name of Issuer: City of Celina, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project) (the “Bonds”)
CUSIP Numbers: [insert CUSIP Numbers]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that _____, a _____ (the [“Landowner⁴”] [“Homebuilder”]) has not provided the [Quarterly Information][Quarterly Report] for the period ending on [*Insert Quarterly Ending Date*] with respect to the Bonds as required by the Continuing Disclosure Agreement of Landowner, dated as of December 1, 2024, related to such Bonds, by and among Tellus Texas I, LLC, a Texas limited liability company (the “Landowner”), MuniCap, Inc., as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent. The [Landowner][Homebuilder] anticipates that the [Quarterly Information][Quarterly Report] will be [provided][filed] by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the Landowner,
as Dissemination Agent

By: _____

Title: _____

cc: City of Celina, Texas

⁴ If applicable, replace with applicable successor(s)/assign(s).

EXHIBIT C

TERMINATION NOTICE

[DATE]

Name of Issuer: City of Celina, Texas
 Name of Bond Issue: Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project) (the “Bonds”)
 CUSIP Numbers. [insert CUSIP Numbers]
 Date of Delivery: _____, 20__

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

HTS Continuing Disclosure Services, a division of
 Hilltop Securities Inc.
 Attn: _____

City of Celina, Texas
 142 N. Ohio St.
 Celina, Texas 75009

Tellus Texas I, LLC
 222 West Las Colinas Boulevard, Suite 1650E
 Irving, Texas 75039

[Homebuilder]

NOTICE IS HEREBY GIVEN that that _____, a
 _____ (the [“Landowner¹”] [“Homebuilder”]) 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
 Landowner dated as of December 1, 2024, related to such Bonds, by and among Tellus Texas I,
 LLC, a Texas limited liability company (the “Landowner”), MuniCap, Inc., as Administrator, and
 HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.

Dated: _____

MuniCap, Inc.
 on behalf of the [Landowner] [Homebuilder],
 as Administrator)

By: _____

Title: _____

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

EXHIBIT D

CERTIFICATION LETTER

[DATE]

Name of Issuer: City of Celina, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project)
CUSIP Numbers: [insert CUSIP Numbers]
Quarterly Ending Date: _____, 20__

Re: Quarterly Report for Mosaic Public Improvement District – Improvement Area #2

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of Landowner, dated as of December 1, 2024, related to the captioned Bonds by and among Tellus Texas I, LLC, a Texas limited liability company¹ (the “Landowner”), MuniCap, Inc., as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent, this letter constitutes the certificate stating that the Quarterly Information, provided by [Landowner][_____], as a “Homebuilder”, contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Landowner][Homebuilder], constitutes the [portion of the] Quarterly Report required to be furnished by the [Landowner][Homebuilder]. Any and all Quarterly Information, provided by the [Landowner][Homebuilder], contained in this Quarterly Report for the three month period ending on [Insert Quarterly Ending Date], to the best of my knowledge, is true and correct, as of [insert date].

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

Tellus Texas I, LLC, a Texas limited liability company

By: Tellus-Celina, LLC, a Texas limited liability company, its Manager

By: _____
[David R. Blom, its Manager]

[OR

Homebuilder
(as Homebuilder)

By: _____
Title: _____]

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

EXHIBIT E

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT
OF LANDOWNER REPORTING OBLIGATIONS**

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

**Re: Mosaic Public Improvement District – Improvement Area #2 – Continuing Disclosure
Obligation**

Dear _____,

Per [*Insert name of applicable agreement*], as of _____, 20__ , you have been assigned and have assumed the obligations, requirements, or covenants to construct one or more of the Improvement Area #2 Improvements, Additional Major Improvements, or Amenities (as those terms are defined in the Disclosure Agreement of Landowner (as defined herein) within Improvement Area #2 of the Mosaic Public Improvement District (the “District”).

Pursuant to Section 2 of the Continuing Disclosure Agreement of Landowner (the “Disclosure Agreement of Landowner”) by and among Tellus Texas I, LLC, a Texas limited liability company (the “Landowner”), MuniCap, Inc. (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”), with respect to the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project),” any person that, through assignment, assumes the obligations, requirements, or covenants to construct one or more of the Improvement Area #2 Improvements or Amenities is defined as a Landowner.

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

Sincerely,

Tellus Texas I, LLC, a Texas limited liability
company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By:

David R. Blom, its Manager

Acknowledged by:

[INSERT ASSIGNEE NAME]

By: _____

Title: _____

EXHIBIT F

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT
OF HOMEBUILDER REPORTING OBLIGATIONS**

[DATE]

[INSERT HOMEBUILDER CONTACT INFORMATION]

**Re: Mosaic Public Improvement District – Improvement Area #2 – Continuing Disclosure
Obligation**

Dear _____,

As of _____, 20__, you have not sold at least 90% of the lots for which you have a contract to purchase within Improvement Area #2 of Mosaic Public Improvement District No. 1 (the “District”). Pursuant to Section 2 of the Continuing Disclosure Agreement of Landowner related to the captioned Bonds (the “Disclosure Agreement of Landowner”) by and among Tellus Texas I, LLC, a Texas limited liability company (the “Landowner”), MuniCap, Inc. (the “Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”), with respect to the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project),” any entity that has not sold at least 90% of its contracted lots within Improvement Area #2 of the District is defined as a Homebuilder.

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

Sincerely,

Tellus Texas I, LLC, a Texas limited liability
company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By:

David R. Blom, its Manager

Acknowledged by:

[INSERT ASSIGNEE NAME]

By: _____

Title: _____

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APPENDIX F
DEVELOPMENT AGREEMENT

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Denton County
Juli Luke
County Clerk

Instrument Number: 137879

ERecordings-RP

AGREEMENT

Recorded On: July 30, 2021 01:37 PM

Number of Pages: 33

" Examined and Charged as Follows: "

Total Recording: \$154.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 137879
Receipt Number: 20210730000520
Recorded Date/Time: July 30, 2021 01:37 PM
User: Darcey B
Station: Station 21

Record and Return To:

eRecording Partners



STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

7711005654IN **DEVELOPMENT RESTRICTION AGREEMENT AND PARTIAL ASSIGNMENT OF DEVELOPMENT AGREEMENT OBLIGATIONS**

This **DEVELOPMENT RESTRICTION AGREEMENT AND PARTIAL ASSIGNMENT OF DEVELOPMENT AGREEMENT OBLIGATIONS** (this “**Agreement**”) is made as of the 30th day of July, 2021 (the “**Effective Date**”), by **MERRITT/THORNTON FARM PARTNERSHIP, L.P.**, a Texas limited partnership (the “**Merritt Partnership**”), **JAMES H. MERRITT, III, W. KEITH THORNTON, MARGARET M. THORNTON**, and **SUSANNA PARKER** (collectively with Merritt Partnership, the “**Merritt Owners**”), and **TELLUS TEXAS I, LLC**, a Texas limited liability company (“**Tellus**”). Each of the above-named individuals and entities may be generally referred to herein as a “**Party**” and collectively as the “**Parties**.”

RECITALS:

- A. The Merritt Owners are the owners of certain real property located in Denton County, Texas which is described on **Exhibit A** attached hereto and made a part hereof for all purposes (the “**Development Parcel**”).
- B. The Development Parcel is subject to that certain Development Agreement dated June 8, 2021 by and between the Merritt Owners and the City of Celina, Texas (the “**City**”) and recorded as Instrument No. 130140 in the Official Records of Denton County, Texas (the “**Development Agreement**”).
- C. As of the Effective Date, Merritt Partnership is conveying to Tellus a portion of the Development Parcel more-specifically described on **Exhibit B** attached hereto and incorporated herein by reference (the “**Tellus Parcel**”), and the remaining portion of the Development Parcel, less the Tellus Parcel, may hereinafter be referred to as the “**Merritt Parcel**.” The Tellus Parcel and Merritt Parcel may be generally referred to herein as a “**Parcel**” and collectively as the “**Parcels**.”
- D. In conjunction with their use and development of the Tellus Parcel and the Merritt Parcel, the Parties desire to execute and record this Agreement, pursuant to which (i) The Merritt Owners partially assign to Tellus certain obligations relating to the Development Parcel set forth in the Development Agreement, (ii) Tellus assumes from the Merritt Owners such obligations and (iii) the Parties establish certain covenants and restrictions relating to the Tellus Parcel and Merritt Parcel that are not otherwise expressly set forth in the Development Agreement.

NOW, THEREFORE, the Parties hereby each agree that the Tellus Parcel and Merritt Parcel will be transferred, conveyed, owned, developed, maintained and operated subject to and in accordance with the following covenants, conditions, and restrictions hereinafter set forth:

- 1. **Defined Terms.** All terms used herein with their initial letter capitalized will have the meanings ascribed thereto in the Development Agreement.
- 2. **Infrastructure Improvement Obligations.** The Merritt Owners hereby assign to Tellus, and Tellus hereby assumes from the Merritt Owners, those certain obligations relating to infrastructure improvements required to be constructed and installed under the Development Agreement, which obligations are more-specifically described and demarcated on **Exhibit C** attached hereto for reference (the “**Tellus Infrastructure Improvements**”). The owner of the Merritt Parcel shall complete, at their sole

cost and expense, those infrastructure improvements required to be completed by the owner of the Merritt Parcel under the Development Agreement other than the Tellus Development Obligations (as defined below) (collectively, the “**Merritt Infrastructure Improvements**”), in accordance with the terms of the Development Agreement, and Tellus shall complete, at its sole cost and expense, all of (a) those obligations that run with the land and relate solely to the development of the Tellus Parcel, (b) the Tellus Infrastructure Improvements and (c) any other obligations agreed in writing with Tellus to be performed by Tellus (collectively, the “**Tellus Development Obligations**”), in accordance with the terms of the Development Agreement. For the avoidance of doubt, (i) Merritt Owner shall be responsible for the costs of any dedications of the Merritt Parcel, or portions thereof, including any Open Space Improvements thereon; and (ii) Tellus Owner shall be responsible the costs of any dedications of the Tellus Parcel, or portions thereof, including any Open Space Improvements thereon or other dedications required from the Tellus Parcel pursuant to the Development Agreement.

3. **Development Restrictions.**

(a) Restriction on Commercial Development. No portion of the Tellus Parcel may be used for the construction or development of commercial improvements pursuant to the terms of the Development Agreement, and all entitlements and rights permitting the construction of commercial improvements shall solely benefit the Merritt Parcel and the owner(s) thereof. Notwithstanding the foregoing, in no event will the construction and development of single-family or townhome residential units for sale and amenities, infrastructure, and other improvements in connection with such single-family and townhome residential development be considered the construction or development of “commercial improvements” pursuant to this Section 3(a).

(b) Multifamily Development. Up to three hundred fifty (350) MF-0, MF-2, and/or MF-3 units (collectively, the “**Permitted Multifamily Units**”) may be developed on the Merritt Parcel pursuant to the Development Agreement. In the event that any MF-0, MF-2, and/or MF-3 units in excess of the Permitted Multifamily Units are permitted pursuant to the Development Agreement, then the Tellus Parcel may be used for the development and construction of such additional units.

(c) Single-Family Development.

1. In no event may the Merritt Parcel be developed to include more than one thousand (1,000) single-family residential units, and in any event the single-family homes constructed and developed on the Merritt Parcel must comply with the following minimum and maximum percentage requirements:

- i. **Townhomes** – 0% of the total single-family units on the Merritt Parcel.
- ii. **40-foot lots** – Not to exceed 15.0% of the total single-family units on the Merritt Parcel.
- iii. **50-foot lots** – Not to exceed 30.0% of the total single-family units on the Merritt Parcel.
- iv. **60-foot lots** – Not to be less than 25.0% of the total single-family units on the Merritt Parcel.
- v. **70-foot lots** – Not to be less than 15.0% of the total single-family units on the Merritt Parcel.

2. . In no event may the Tellus Parcel be developed to include more than two thousand (2,000) single-family residential units, and in any event the single-family homes constructed and developed on the Tellus Parcel must comply with the following minimum and maximum percentage requirements:

- i. **Townhomes** – Not to exceed 12.5% of the total single-family units on the Tellus Parcel.
- ii. **40-foot lots** – Not to exceed 22.5% of the total single-family units on the Tellus Parcel.
- iii. **50-foot lots** – Not to exceed 30.0% of the total single-family units on the Tellus Parcel.
- iv. **60-foot lots** – Not to be less than 25.0% of the total single-family units on the Tellus Parcel.
- v. **70-foot lots** – Not to be less than 8.0% of the total single-family units on the Tellus Parcel.

(d) Development Credits. Tellus will be entitled to receive and retain any rebates for water capital fees and park capital recovery fees referenced in the Development Agreement for any qualified off-site water and park improvements constructed by Tellus pursuant to the terms of the Development Agreement. Notwithstanding the foregoing, the Merritt Owners shall be entitled to receive and/or retain their share of any rebates for water capital fees and park capital recovery fees referenced in the Development Agreement for any qualified off-site water and park improvements in the event that the Merritt Owners pay for, contribute to, or reimburse Tellus for the costs thereof.

(e) Water and Sewer Improvements. If the Merritt Owners (or the then-current owner of Merritt Parcel) elects, in its sole discretion or if owner of the Merritt Parcel is required pursuant to the Development Agreement to construct the water and sewer connections required to serve any multifamily development constructed on the Merritt Parcel, as such water and sewer connections are described on **Exhibit D** (collectively, the “**Water and Sewer Connections**”), then (i) the owner of the Merritt Parcel will be responsible for constructing all such Water and Sewer Connections at such party’s sole cost and expense, and (ii) the owner of the Tellus Parcel will provide easements for these water and sewer connections that may be reasonably requested by the owner of the Merritt Parcel over and across the Merritt Parcel. Tellus (or the then-current owner of the Merritt Parcel) shall have the right and option to utilize and tap into the Water and Sewer Connections to serve and benefit the Tellus Parcel after the Water and Sewer Connections are constructed and installed by the owner of the Merritt Parcel, provided that prior to tapping into the Water and Sewer Connections, the owner of the Tellus Parcel will be required to reimburse the owner of the Merritt Parcel for a portion of the actual costs and expenses to construct and install the Water and Sewer Connections equal to the Tellus Utility Share (hereinafter defined) of such costs and expenses, as evidenced by paid invoices for the Water and Sewer Connections (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel). “**Tellus Utility Share**” is seventy percent (70%). If the owner of the Merritt Parcel has not yet commenced construction of the Water and Sewer Connections, Tellus (or the then-current owner of the Tellus Parcel) shall have the right and option to elect to construct the Water and Sewer Connections and the owner of the Merritt Parcel shall have the right and option to thereafter utilize and tap into the Water and Sewer Connections to serve and benefit the Merritt Parcel after the Water and Sewer Connections have been constructed and installed by the owner of the Tellus Parcel, provided that prior to tapping into the Water and Sewer Connections to serve the

Merritt Parcel, the owner of the Merritt Parcel will be required to reimburse Tellus for a portion of Tellus' actual costs and expenses to construct and install the Water and Sewer Connections equal to the Merritt Utility Share (hereinafter defined) of such costs and expenses, as evidenced by Tellus' paid invoices for the Water and Sewer Connections (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel). "**Merritt Utility Share**" is thirty percent (30%).

4. Default and Remedies.

(a) Legal Action Generally. If any Party (each a "**Defaulting Party**") breaches (or allows any occupant or other permittee of such Party's Parcel to breach) any provision of this Agreement, then any other Parties may institute legal action against the Defaulting Party for damages or any other remedy provided by law. All remedies herein or at law will be cumulative and not inclusive. As used herein, any reference to rights or remedies "at law" or "under applicable law" will also include any rights or remedies "in equity."

(b) Injunctive and Declaratory Relief. In the event of any violation or threatened violation by any Defaulting Party (or by any occupant of such Defaulting Party's Parcel) of any of the terms, covenants, conditions, and restrictions herein contained, in addition to any other remedies provided for in this Agreement, any Party will have the right to enjoin such violation or threatened violation and to bring an action for declaratory relief in a court of competent jurisdiction.

(c) Attorneys' Fees. In the event of any action for a breach of or to enforce any provision or right hereunder, the non-prevailing party in such action must pay to the prevailing party all costs and expenses, expressly including, but not limited to, reasonable attorneys' fees and costs incurred by the successful party in connection with such action, including without limitation all fees and costs incurred on any appeal from such action or proceeding.

(d) No Termination. It is expressly agreed that no breach of this Agreement will entitle any Party to cancel, rescind, or otherwise terminate this Agreement, and such limitations will not affect in any manner any of the rights or remedies which the Parties may have by reason of any breach of this Agreement.

(e) No Waiver. No waiver of any default by any Party shall be implied from any omission by any Party to take any action in respect of such default if such default continues or is repeated. No express written waiver of any default shall affect any default or cover any period of time other than the default and period of time specified in such express waiver. One or more written waivers of any default in the performance of any term, provision or covenant contained in this Agreement shall not be deemed to be a waiver of any subsequent default in the performance of the same term, provision or covenant or any other term, provision or covenant contained in this Agreement. The consent or approval by any Party to or of any act or request by any other Party requiring consent or approval shall not be deemed to waive or render unnecessary the consent to or approval of any subsequent or similar acts or requests.

5. Tellus Indemnity.

(a) TELLUS AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE MERRITT OWNERS AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS (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 TELLUS; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY TELLUS OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY TELLUS OF ANY OF THE TELLUS INFRASTRUCTURE IMPROVEMENTS; (III) TELLUS' NONPAYMENT UNDER CONTRACTS *BETWEEN* TELLUS AND ITS CONSULTANTS,

ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE TELLUS INFRASTRUCTURE IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY TELLUS OR ITS AGENTS TO CONSTRUCT THE TELLUS INFRASTRUCTURE IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO TELLUS' RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE TELLUS INFRASTRUCTURE IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE TELLUS INFRASTRUCTURE IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "**CLAIMS**"). 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 SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY, TELLUS IS EXPRESSLY REQUIRED TO DEFEND MERRITT OWNERS AGAINST ALL SUCH CLAIMS, AND MERRITT OWNERS IS REQUIRED TO REASONABLY COOPERATE AND ASSIST TELLUS IN PROVIDING SUCH DEFENSE.

(b) IN ITS REASONABLE DISCRETION, MERRITT OWNERS SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY TELLUS IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY MERRITT OWNERS 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 TELLUS' OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF TELLUS' OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. TELLUS SHALL RETAIN MERRITT OWNERS APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF TELLUS FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND TELLUS SHALL BE LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES. MERRITT OWNERS AGREE, UNLESS ADVISED BY DEFENSE COUNSEL TO THE CONTRARY, TO ASSERT ANY AVAILABLE AFFIRMATIVE DEFENSES TO THEM.

(c) THIS SECTION 5 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

(d) THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION AND THE EXPRESS NEGLIGENCE TEXT COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT, AND IS VALID AND ENFORCEABLE AGAINST TELLUS AND ITS SUCCESSORS AND ASSIGNS.

6. Merritt Owners Indemnity

(a) THE MERRITT OWNERS AND THEIR SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS TELLUS AND ITS RESPECTIVE SUCCESSORS AND ASSIGNS (EACH A "**TELLUS 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 MERRITT OWNERS; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE MERRITT OWNERS OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE MERRITT OWNERS OF ANY OF THE MERRITT INFRASTRUCTURE IMPROVEMENTS; (III) THE MERRITT OWNERS' NONPAYMENT UNDER CONTRACTS *BETWEEN* THE MERRITT OWNERS AND THEIR CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE MERRITT INFRASTRUCTURE IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE MERRITT OWNERS OR THEIR AGENTS TO CONSTRUCT THE MERRITT INFRASTRUCTURE IMPROVEMENTS; OR (V) ANY CLAIMS AND

Tellus Texas I, LP
130 N. Preston Road, Suite 130
Prosper, Texas. 75078
Attn: Chris Simek

With a copy to:

Jackson Walker
2323 Ross Ave., Suite 600
Dallas, Texas 75201
Attn: George C. Dunlap, Jr.

To Merritt Owners:

Merritt/Thornton Farm Partnership, L.P.
5524 Eden Drive
Dallas, Texas 75220
Attn: Margaret Thornton

With a copy to:

Robert Gunby
5826 Azalea Lane
Dallas, Texas 75230

With a copy to:

Liechty, McGinnis, Berryman & Bowen, LLP
11910 Greenville Avenue, Suite 400
Dallas, Texas 75243
Attn: Kristy Bowen, Esq.

Any such notice will be deemed to be given on the first date on which it is received or receipt thereof is refused. Notwithstanding anything herein to the contrary, notice to the Merritt Partnership will constitute written notice to all of the Merritt Owners until such time as Tellus receives written notice in accordance with this Agreement providing the notice address for any new owner of the Merritt Parcel, in which event copies of all notices to be delivered to the Merritt Owners and/or the owner of the Merritt Parcel pursuant to this Agreement shall also be delivered to such identified party.

8. Miscellaneous.

(a) Effect on Third Parties. The rights, privileges, or immunities conferred hereunder are for the benefit of the Parties and the owners of the Parcels, and not for any third party

(b) No Partnership. Neither this Agreement nor any acts of the Parties will be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between any of the Parties.

(c) Entire Agreement. This Agreement and the exhibits hereto contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are superseded in total by this Agreement and exhibits hereto.

The provisions of this Agreement will be construed as a whole according to their common meaning and not strictly for or against any Party.

(d) Modifications. No modification, waiver, amendment, discharge, or change of this Agreement will be valid unless the same is in writing and signed by the Parties. Any change, modification, amendment or rescission which is made without the written consent of the Parties will be null and void and of no effect.

(e) Binding Effect. All of the covenants, conditions, easements, and restrictions contained herein shall attach to and run with the Tellus Parcel and the Merritt Parcel, and shall, except as otherwise set forth herein, benefit or be binding upon the successors and assigns of the respective owners; provided, however, that, such covenants, conditions, easements and restrictions shall be binding upon, enforceable against, and enforceable by the owner of each Parcel only with respect to the respective successive periods in with respect to obligations which accrue during each owner's respective period of ownership.

(f) Governing Law. This Agreement and the rights and obligations hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Texas, without regard to its conflicts of law provisions.

(g) Captions. Section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provisions hereof.

(h) Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original agreement, and all of which shall constitute one Agreement.

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EXECUTED AND DELIVERED to be effective as of the Effective Date.

MERRITT PARTNERSHIP:

MERRITT/THORNTON FARM PARTNERSHIP, L.P.,
a Texas limited partnership

By: **MERRITT/THORNTON MANAGEMENT COMPANY, L.L.C.,**
a Texas limited liability company
its general partner

By: Margaret M. Thornton
Name: Margaret M. Thornton
Title: Manager

STATE OF TEXAS §
 §
COUNTY OF Dallas §
 §

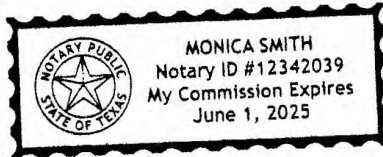
BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on July 29, 2021, personally appeared Margaret M. Thornton, the Manager of Merritt/Thornton Management Company, L.L.C., a Texas limited liability company, the general partner of Merritt/Thornton Farm Partnership, L.P., a Texas limited partnership, and acknowledged that he executed the foregoing document on behalf of said limited partnership.

Notary Identification Number:
1234 2039

Monica Smith
Notary Public in and for the State of Texas

My Commission Expires:
6.1.25

Monica Smith
Printed Name of Notary



MERRITT OWNER:

Susanna Parker
Susanna Parker

STATE OF TEXAS §
 Dallas §
COUNTY OF COLLIN ~~AS~~ §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on July 29th, 2021, personally appeared Susanna Parker and executed the foregoing document.

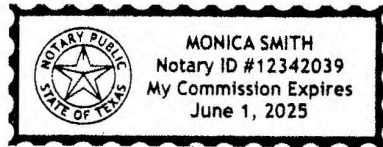
Notary Identification Number:
1234 2039

Monica Smith
Notary Public in and for the State of Texas

Monica Smith

My Commission Expires:
6.1.25

Printed Name of Notary



EXECUTED AND DELIVERED to be effective as of the Effective Date.

TELLUS:

TELLUS TEXAS I LLC,
a Texas limited liability company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By: 
D. Craig Martin, Manager

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on July 30, 2021, personally appeared D. Craig Martin, Manager of Tellus-Celina, LLC, a Texas limited liability company and the Manager of TELLUS TEXAS I LLC, a Texas limited liability company and acknowledged that he executed the foregoing document on behalf of said limited liability companies.


Notary Public in and for the State of Texas

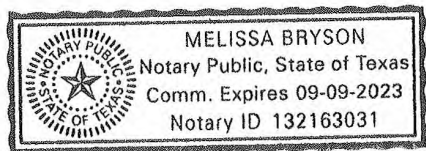


EXHIBIT A
DEVELOPMENT PARCEL

Tract A

BEING a tract of land located in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889, the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 and the A. THOMASON SURVEY, ABSTRACT NO. 1265, Denton County, Texas and being all of : tract of land described in Deed to Merritt/Thornton Farm Partnership, L.P. recorded in Document No. 99-096579, Deed Records, Denton County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found in the South line of a tract of land described in Deed to Sangani Properties LTD, recorded in Document No. 2004-35477, Deed Records, Denton County, Texas at the Northwest corner of said Merritt/Thornton tract and the Northeast corner of a tract of land described in Deed to Land Advisors, Ltd., recorded in Document No. 2006-28565, Deed Records, Denton County, Texas;

THENCE North 89 degrees 13 minutes 47 seconds East, along the North line of said Merritt/Thornton tract, a distance of 1,501.71 feet to a 1 inch iron pipe found at the Southeast corner of a tract of land described in Deed to Don F. Kendall, recorded in Volume 507, Page 392, Deed Records, Denton County, Texas and the Southwest corner of a tract of land described in Deed to Arthur R. Teasedale, recorded in Volume 1219, Page 998, Deed Records, Denton County, Texas;

THENCE North 89 degrees 06 minutes 09 seconds East, continuing along the North line of said Merritt/Thornton tract, a distance of 2,842.45 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the Northeast corner of said Merritt/Thornton tract, said point being South 89 degrees 06 minutes 09 seconds West, 1720.11 feet from the Southeast corner of a tract of land described in Deed to Royce G. Allen, recorded in Volume 2097, Page 310, Deed Records, Denton County, Texas;

THENCE South 00 degrees 29 minutes 21 seconds West, a distance of 3,416.82 feet to a 1/2 inch iron rod found at the Southwest corner of a tract of land described as Tract One in Deed to County Corners Partners LP, recorded in Document No. 2004-82310, Deed Records, Denton County, Texas;

THENCE North 89 degrees 28 minutes 44 seconds East, a distance of 1,738.53 feet to a 1 inch iron pipe found at the Southeast corner of said Tract One and the Southwest corner of a tract of land described in Deed to Celina Investment Partners, Ltd., recorded in Volume 5916, Page 862,

Deed Records, Collin County, Texas and the Northwest corner of a tract of land described as Tract Two in Deed to County Corners Development LP, recorded in Document No. 2004-82310, Deed Records, Collin County, Texas;

THENCE South 00 degrees 29 minutes 24 seconds West, a distance of 2,451.51 feet to a 5/8 inch iron rod found at the most Easterly Southeast corner of said Merritt/Thornton tract and the Northeast corner of a tract of land described in Deed to Marjorie E. Burnett, recorded in Volume 3062, Page 667, Deed Records, Denton County, Texas;

THENCE South 74 degrees 57 minutes 09 seconds West, a distance of 866.35 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northwest corner of said Burnett tract and the Northeast corner of a tract of land described in Deed to Leonard McCasland, recorded in Volume 477, Page 434, Deed Records, Denton County, Texas;

THENCE South 89 degrees 07 minutes 59 seconds West, a distance of 776.28 feet to a 1/2 inch iron rod found at the Northwest corner of said McCasland tract and the Northeast corner of a tract of land described in Deed to RH Two LP, recorded in Document No. 2004-86307, Deed Records, Denton County, Texas;

THENCE South 89 degrees 09 minutes 48 seconds West, a distance of 1,548.77 feet to a PK nail found at the Northwest corner of said RH Two LP tract and the Northeast corner of a tract of land described in Deed to The Mahard 2003 Partnership, recorded in Document No. 2004-24461, Deed Records, Denton County, Texas;

THENCE South 89 degrees 07 minutes 08 seconds West, along the North line of said Mahard 2003 tract, a distance of 3,174.21 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Southwest corner of said Merritt/Thornton tract and the Southeast corner of a tract of land described in Deed to Bruce Mungiguerra and wife, Eleonore Mungiguerra, recorded in Volume 981, Page 234, Deed Records, Denton County, Texas;

THENCE North 00 degrees 35 minutes 32 seconds West, leaving the North line of said Mahard 2003 tract, a distance of 1,156.81 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE North 03 degrees 12 minutes 09 seconds West, a distance of 225.36 feet to a 1/2 inch iron rod found in the South line of a tract of land described in Deed to Robert Warren and Tracy Glover, recorded in Document No. 94-0091385, Deed Records, Denton County, Texas and at the Northeast corner of said Mungiguerra tract;

THENCE North 01 degrees 49 minutes 22 seconds West, along the South line of said Warren and Glover tract, a distance of 105.75 feet to a fence corner post found for corner;

THENCE North 64 degrees 25 minutes 33 seconds East, continuing along the South line of said Warren and Glover tract, a distance of 414.33 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Easterly Southeast corner of said Warren and Glover tract;

THENCE North 00 degrees 43 minutes 47 seconds West, a distance of 828.43 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said Warren and Glover tract and the Southeast corner of Lot 4 of SMILEY ACRES, an Addition to Denton County, Texas according to the Plat thereof recorded in Cabinet D, Page 324, Plat Records, Denton County, Texas;

THENCE North 00 degrees 01 minutes 44 seconds West, along the East line of said Addition, a distance of 1,022.40 feet to a 1/2 inch iron rod found for corner;

THENCE North 03 degrees 02 minutes 44 seconds West, continuing along the East line of said Addition, a distance of 549.10 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of Lot 3 of said Addition and the Southeast corner of a tract of land described in Deed to Kenneth Earl Hancock, recorded in Volume 990, Page 29, Deed Records, Denton County, Texas;

THENCE North 02 degrees 58 minutes 07 seconds West, a distance of 686.67 feet to a 1/2 inch iron rod found at the Northeast corner of said Hancock tract and the Southeast corner of a tract of land described in Deed to James Merritt, III, recorded in Document No. 95-0068384, Deed Records, Denton County, Texas;

THENCE North 02 degrees 49 minutes 58 seconds West, a distance of 123.89 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE North 01 degrees 52 minutes 08 seconds East, a distance of 567.00 feet to a 1/2 inch iron pipe found at the Northeast corner of said James Merritt tract and the Southeast corner of said Land Advisors tract;

THENCE North 01 degrees 49 minutes 48 seconds East, a distance of 654.45 feet to the **POINT OF BEGINNING** and containing 718.503 acres of land, more or less.

Tract B

BEING a tract of land located in the JOHN MORTON SURVEY, ABSTRACT NO. 791, Denton County, Texas and being a part of a tract of land described in Deed to James Merritt III, recorded in Document Number 95-0068384, Deed Records, Denton County, Texas and being more particularly described as follows:

BEGINNING at a 3/8 inch iron rod found in Smiley Road at the Northwest corner of said James Merritt tract and at the Southwest corner of a tract of land described in Deed to Land Advisors, LTD., recorded in Document Number 2006-28565, Deed Records, Denton County, Texas;

THENCE North 89 degrees 53 minutes 30 seconds East, a distance of 1,903.70 feet to a 1/2 inch iron pipe found at Northeast corner of said James Merritt tract and the Southeast corner of said Land Advisors tract;

THENCE South 01 degrees 52 minutes 08 seconds West, along the East line of said James Merritt tract, a distance of 567.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE South 02 degrees 49 minutes 58 seconds East, continuing along said East line, a distance of 123.89 feet to a 1/2 inch iron rod found in the West line of a tract of land described in Deed to Merritt/Thornton Farm Partnership, L.P., recorded in Document Number 99-096579, Deed Records, Denton County, Texas at the Southeast corner of said James Merritt tract;

THENCE South 89 degrees 53 minutes 38 seconds West, leaving said East line, a distance of 1,889.96 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" found at the Southwest corner of said James Merritt tract;

THENCE North 00 degrees 06 minutes 49 seconds West, a distance of 690.33 feet to the **POINT OF BEGINNING** and containing 29.996 acres of land, more or less.

Tract C

BEING a 9.2979 acre tract of land, situated in the JOHN MORTON SURVEY, ABSTRACT NO. 791 in Denton County, Texas and being part of the Tract 3 of the Smiley Acres, an Addition in Denton County, Texas, according to the plat thereof recorded in Cabinet D, Slide 324, Plat Records, Denton County, Texas, same being all of Tract 3; Save and Except a 3.00 acre tract of land conveyed to James Duane Hall and wife, Sheila Rayne Hall by deed recorded in County Clerk's File No. 97-R0034191, Deed Records, Denton County, Texas, more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found at the Northeast corner of said Tract 3, same being the Northeast corner of said Smiley Acres;

THENCE South 02 degrees 46 minutes 46 seconds East, along the East line of said Tract 3 and the East line of said Smiley Acres, a distance of 549.16 feet to a 1/2 inch iron rod found at an angle point in said Smiley Acres Addition East line;

THENCE South 00 degrees 13 minutes 09 seconds East, continuing along said East line of said Tract 3 and said East line of said Smiley Acres, a distance of 315.85 feet to a 5/8 inch iron rod set with yellow cap stamped DC & A RPLS 5299 at the Northeast corner of said Hall tract;

THENCE South 89 degrees 46 minutes 47 seconds West, along the North line of said Hall tract, a distance of 477.71 feet to a 1/2 inch iron rod found at the Northwest corner of said Hall tract on the West line of said Tract 3 and the East right of way line of Old Diary Farm Road, (60 foot right of way);

THENCE North 00 degrees 01 minute 30 seconds East, along said Tract 3 West line and along said Old Diary Farm Road East right of way line, passing an 1/2 inch iron rod found at the Northeast corner of said Old Diary Farm Road and the Southeast corner of Tract 2 of said Smiley Acres, at a distance of 444.33 feet and continuing along said Tract 3 and said Tract 2 common line, a total distance of 866.33 feet to a 1/2 inch iron pipe found at the Northwest corner of said Tract 3 and the Northeast corner of said Tract 2 on the North line of said Smiley Acres;

THENCE South 89 degrees 59 minutes 00 seconds East, along the North line of said Tract 3 and the North line of said Smiley Acres, a distance of 449.49 feet to the **POINT OF BEGINNING** and containing 405,058.39 square feet or 9.2989 acres of land, more or less.

EXHIBIT B
TELLUS PARCEL

TRACT 1:

BEING A TRACT OF LAND LOCATED IN THE C. COPENHAVER SURVEY, ABSTRACT NO. 253, THE JOHN MORTON SURVEY, ABSTRACT NO. 791, THE JOHN MCKIM SURVEY, ABSTRACT NO. 889, THE ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 AND THE A. THOMASON SURVEY, ABSTRACT NO. 1265, DENTON COUNTY, TEXAS AND BEING PART OF THOSE TRACTS OF LAND DESCRIBED IN DEEDS TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN DOCUMENT NO. 99-R0096577, 99-R0096578 AND 99-R0096579, DEED RECORDS, DENTON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD FOUND AT A NORTHEASTERLY ELL CORNER OF SAID MERRITT TRACT AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A RIGHT-OF-WAY DEED TO THE CITY OF CELINA, RECORDED IN DOCUMENT NO. 2008-9821, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.);

THENCE NORTH 89°28'44" EAST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID CITY OF CELINA TRACT, A DISTANCE OF 901.73 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50°28'55", A RADIUS OF 1,160.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 45°43'46" WEST, 989.31 FEET;

THENCE SOUTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,022.05 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 20°29'18" WEST, A DISTANCE OF 1,113.94 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 68°42'59", A RADIUS OF 1,340.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 54°50'48" WEST, 1,512.50 FEET;

THENCE SOUTHWESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 1,607.10 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 89°12'19" WEST, A DISTANCE OF 3,185.91 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE WEST LINE OF SAID MERRITT TRACT AND THE EAST LINE OF A TRACT OF LAND DESCRIBED IN A CORRECTION DEED TO FRONTIER MINI STORAGE, LLC, RECORDED IN DOCUMENT NO. 2018-121216, O.R.D.C.T.;

THENCE NORTH 00°35'32" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID FRONTIER TRACT, A DISTANCE OF 1,053.99 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 03°12'09" WEST, CONTINUING ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID FRONTIER TRACT, A DISTANCE OF 225.36 FEET TO A 1/2-INCH

IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID FRONTIER TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO TEEL LAKES LLC;

THENCE NORTH 01°49'22" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 105.75 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 64°25'33" EAST, CONTINUING ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 414.33 FEET TO A 60D NAIL FOUND FOR CORNER;

THENCE EAST, LEAVING THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 333.20 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 68°47'46" EAST, A DISTANCE OF 401.09 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°00'07" EAST, A DISTANCE OF 260.45 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 33°08'43" EAST, A DISTANCE OF 1,522.09 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50°22'16", A RADIUS OF 125.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 11°46'54" EAST, 106.39 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 109.89 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 12°34'43" WEST, A DISTANCE OF 852.77 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 23°25'06" EAST, A DISTANCE OF 85.37 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 09°02'27" EAST, A DISTANCE OF 282.82 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 09°51'05" WEST, A DISTANCE OF 93.26 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 25°30'37" EAST, A DISTANCE OF 76.43 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 37°34'52" EAST, A DISTANCE OF 96.04 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 02°53'57" EAST, A DISTANCE OF 59.63 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 48°56'18" WEST, A DISTANCE OF 73.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 20°57'11" EAST, A DISTANCE OF 57.61 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 84°16'56" EAST, A DISTANCE OF 73.49 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 29°38'37" EAST, A DISTANCE OF 196.61 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 22°08'20" EAST, A DISTANCE OF 70.55 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 55°11'49" EAST, A DISTANCE OF 88.12 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°40'19" EAST, A DISTANCE OF 56.49 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 70°14'55" EAST, A DISTANCE OF 79.99 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 10°52'35" EAST, A DISTANCE OF 30.16 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 56°12'42" EAST, A DISTANCE OF 264.70 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°15'36" EAST, A DISTANCE OF 121.22 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 46°14'16" EAST, A DISTANCE OF 196.10 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 62°02'48" EAST, A DISTANCE OF 211.19 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 43°21'07" EAST, A DISTANCE OF 516.67 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 32°11'04" EAST, A DISTANCE OF 171.63 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 45°50'27" EAST, A DISTANCE OF 68.42 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 86°58'30" EAST, A DISTANCE OF 48.21 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 33°45'27" EAST, A DISTANCE OF 40.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 04°37'12" EAST, A DISTANCE OF 46.91 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 54°49'35" EAST, A DISTANCE OF 27.64 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 27°58'56" EAST, A DISTANCE OF 28.59 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 72°13'53" EAST, A DISTANCE OF 79.12 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 65°38'41" EAST, A DISTANCE OF 100.22 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 85°07'17" EAST, A DISTANCE OF 277.74 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 68°12'58" EAST, A DISTANCE OF 65.00 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 84°05'24" EAST, A DISTANCE OF 46.90 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 73°03'20" EAST, A DISTANCE OF 91.25 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 81°08'11" EAST, A DISTANCE OF 72.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 26°52'14" EAST, A DISTANCE OF 76.58 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 76°02'39" EAST, A DISTANCE OF 29.69 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 59°43'22" EAST, A DISTANCE OF 35.77 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 75°08'32" EAST, A DISTANCE OF 67.52 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE EAST LINE OF SAID MERRITT TRACT AND THE WEST LINE OF CREEKS OF LEGACY WEST PHASE 1, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN DOCUMENT NO. 2018-394, O.R.D.C.T.;

THENCE SOUTH 00°29'21" WEST, ALONG THE EAST LINE OF SAID MERRITT TRACT AND THE WEST LINES OF SAID CREEKS OF LEGACY WEST PHASE 1 AND CREEKS OF LEGACY WEST PHASE 2, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN DOCUMENT NO. 2020-80, O.R.D.C.T, AND SAID CITY OF CELINA TRACT RESPECTIVELY, A DISTANCE OF 3,332.35 FEET TO THE POINT OF BEGINNING AND CONTAINING 16,929,031 SQUARE FEET OR 388.637 ACRES OF LAND, MORE OR LESS.

TRACT 2:

BEING A TRACT OF LAND LOCATED IN THE JOHN MCKIM SURVEY, ABSTRACT NO. 889, DENTON COUNTY, TEXAS AND BEING PART OF THOSE TRACTS OF LAND DESCRIBED IN DEEDS TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN DOCUMENT NO. 99-R0096577, 99-R0096578 AND 99-R0096579, DEED RECORDS, DENTON COUNTY, TEXAS (D.R.D.C.T.) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON ROD FOUND IN THE SOUTH LINE OF SAID MERRITT TRACT NEAR THE CENTER OF PARVIN ROAD AT THE NORTH COMMON CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO PROSPER MEADOWS LP, RECORDED IN DOCUMENT NO. 2019-65177, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.) AND A TRACT OF LAND DESCRIBED IN DEED TO THE LEONARD AND NORMA E. MCCASLAND REVOCABLE LIVING TRUST, RECORDED IN VOLUME 4683, PAGE 1919, D.R.D.C.T.;

THENCE SOUTH 89°07'21" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND PROSPER MEADOWS LP AND SAID PARVIN ROAD, A DISTANCE OF 1,288.55 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER at the beginning of a non-tangent curve to the left having a central angle of 58°55'50", a radius of 1,460.00 feet and a chord bearing and distance of North 49°57'13" East, 1,436.34 feet;

THENCE NORTHEASTERLY, LEAVING SAID COMMON LINE AND SAID PARVIN ROAD AND ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,501.66 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 20°29'18" EAST, A DISTANCE OF 1,113.94 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 22°07'51", A RADIUS OF 1,040.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 31°33'14" EAST, 399.21 FEET;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 401.71 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE South 25°52'19" East, a distance of 53.86 feet A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 77°40'24" EAST, A DISTANCE OF 199.78 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 55°29'00" EAST, A DISTANCE OF 321.28 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 22°53'19" WEST, A DISTANCE OF 329.02 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 02°13'02" EAST, A DISTANCE OF 532.60 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 17°12'36" WEST, A DISTANCE OF 650.64 FEET TO A POINT FOR CORNER;

THENCE SOUTH 04°16'27" WEST, A DISTANCE OF 267.37 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 00°36'28" EAST, A DISTANCE OF 282.76 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE COMMON LINE OF SAID MERRITT TRACT AND SAID MCCASLAND REVOCABLE TRUST TRACT NEAR THE CENTER OF SAID PARVIN ROAD;

THENCE SOUTH 89°07'59" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID MCCASLAND REVOCABLE TRUST TRACT AND SAID PARVIN ROAD, A DISTANCE OF 576.63 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,976,662 SQUARE FEET OR 45.378 ACRES OF LAND, MORE OR LESS.

EXHIBIT C
TELLUS INFRASTRUCTURE IMPROVEMENTS

- Water Improvement Obligations – Tellus will construct, at Tellus’ sole cost and expense, the water improvements that are described and approximately depicted on **Exhibit C-1** attached hereto, in accordance with the Development Agreement.
- Sewer Improvement Obligations – Tellus will construct, at Tellus’ sole cost and expense, the sewer improvements that are described and approximately depicted on **Exhibit C-2** attached hereto, in accordance with the Development Agreement.
- Roadway Improvement Obligations – The obligations to construct the Roadway Improvements described below and approximately depicted on **Exhibit C-3** will be completed as follows:
 - Frontier Parkway Improvements - The obligations to improve Frontier Parkway, as required pursuant to the Development Agreement, will be completed by Tellus at its sole cost and expense in accordance with the terms of the Development Agreement.
 - Legacy Drive Improvement Obligations - The obligations to improve Legacy Drive pursuant to the terms of the Development Agreement will be completed by Tellus at its sole cost and expense (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel) in accordance with the terms of the Development Agreement, and subject to the reimbursement obligation of the owner of the Merritt Parcel set forth below; provided, that if the owner of the Merritt Parcel subsequently develops the portion of Merritt Parcel adjacent to the required improvements of Legacy Drive and such improvements have not been commenced, the owner of the Merritt Parcel will complete such portion of the improvement work of Legacy Drive in accordance with the terms of the Development Agreement, at such owner’s sole cost and expense (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel) and subject to the reimbursement obligation of the owner of the Tellus Parcel set forth below. If the portion of the Merritt Parcel adjacent to Legacy Drive is developed after the owner of the Tellus Parcel has completed the improvement work for Legacy Drive adjacent to the Merritt Parcel (the “**Merritt Legacy Drive Area**”), the owner of the Merritt Parcel will reimburse the owner of the Tellus Parcel for the Merritt Legacy Drive Share (hereinafter defined) of the costs and expenses of the owner of the Tellus Parcel to complete the improvements for Legacy Drive in the Merritt Legacy Drive Area (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel and not by the owner of the Tellus Parcel) within thirty (30) days after the owner of the Tellus Parcel delivers copies of invoices reflecting its costs and expenses to complete the Legacy Drive improvements in the Merritt Legacy Drive Area. If the owner of the Merritt Parcel completes the improvement work for Legacy Drive in the Merritt Legacy Drive Area, the owner of the Tellus Parcel shall reimburse the owner of the Merritt Parcel the Tellus Legacy Drive Share (hereinafter defined) of the costs and expenses of the owner of the Merritt Parcel to complete the improvements for Legacy Drive in the Merritt Legacy Drive Area (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel and not by the owner of the Merritt Parcel) within thirty (30) days after the owner of the Merritt Parcel delivers copies of invoices reflecting its costs and expenses to complete the Legacy Drive improvements in the Merritt Legacy Drive Area. As used herein, “**Merritt Legacy Drive Share**” shall be calculated as a percentage based on the number of trips-per-day generated from the Merritt Parcel east of Frontier Parkway relative to the total number of trips-per-day generated from the Merritt Parcel east of Frontier Parkway and the portion of the Tellus

Parcel located east of Frontier Parkway in the aggregate, as determined based on the Legacy Drive Traffic Study (hereinafter defined), and “**Tellus Legacy Drive Share**” shall be calculated as a percentage based on the number of trips-per-day generated from the portion of the Tellus Parcel located east of Frontier Parkway relative to the total number of trips-per-day generated from the Merritt Parcel east of Frontier Parkway and the portion of the Tellus Parcel located east of Frontier Parkway in the aggregate, as determined based on the Legacy Drive Traffic Study. The phrase “**Legacy Drive Traffic Study**” shall mean the traffic study to be completed in connection with the construction of the improvements for Legacy Drive in accordance with the Development Agreement and this provision.

- Old Parvin Road Improvement Obligations – The obligations to improve Old Parvin Road pursuant to the Development Agreement will be completed by Tellus at its sole cost and expense (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel) in accordance with the terms of the Development Agreement, and subject to the reimbursement obligation of the owner of the Merritt Parcel set forth below; provided, that if the owner of the Merritt Parcel subsequently develops the portion of Merritt Parcel adjacent to the required improvements of Old Parvin Road and such improvements have not been commenced, the owner of the Merritt Parcel will complete such portion of the improvement work of Old Parvin Road in accordance with the terms of the Development Agreement, at such owner’s sole cost and expense (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel) and subject to the reimbursement obligation of the owner of the Tellus Parcel set forth below. If the portion of the Merritt Parcel adjacent to Old Parvin Road is developed after the owner of the Tellus Parcel has completed the improvement work for Old Parvin Road adjacent to the Merritt Parcel (the “**Merritt Parvin Road Area**”), the owner of the Merritt Parcel will reimburse the owner of the Tellus Parcel for the Merritt Parvin Road Share (hereinafter defined) of the costs and expenses of the owner of the Merritt Parcel to complete the improvements for Old Parvin Road in the Merritt Parvin Road Area (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel and not by the owner of the Tellus Parcel) after the owner of the Tellus Parcel delivers copies of invoices reflecting its costs and expenses to complete the Old Parvin Road improvements in the Merritt Parvin Road Area. If the owner of the Merritt Parcel completes the improvement work for Old Parvin Road in the Merritt Parvin Road Area, the owner of the Tellus Parcel shall reimburse the owner of the Merritt Parcel the Tellus Parvin Road Share (hereinafter defined) of the costs and expenses of the owner of the Merritt Parcel to complete the improvements for Old Parvin Road in the Merritt Parvin Road Area (unless the costs for such improvements are otherwise paid for through a PID that includes the Development Parcel and not by the owner of the Merritt Parcel) within thirty (30) days after the owner of the Merritt Parcel delivers copies of invoices reflecting its costs and expenses to complete the Old Parvin Road improvements in the Merritt Parvin Road Area. As used herein, “**Merritt Parvin Road Share**” shall be calculated as a percentage based on the number of trips-per-day generated from the Merritt Parcel east of Frontier Parkway relative to the total number of trips-per-day generated from Merritt Parcel east of Frontier Parkway and the portion of the Tellus Parcel located east of Frontier Parkway in the aggregate, as determined based on the Parvin Road Traffic Study (hereinafter defined), and “**Tellus Parvin Road Share**” shall be calculated as a percentage based on the number of trips-per-day generated from the portion of the Tellus Parcel located east of Frontier Parkway relative to the total number of trips-per-day generated from the Merritt Parcel east of Frontier Parkway and the portion of the Tellus Parcel located east of Frontier Parkway in the aggregate, as determined based on the Parvin Road Traffic

Study. The phrase “**Parvin Road Traffic Study**” shall mean the traffic study to be completed in connection with the construction of the improvements for Old Parvin Road in accordance with the Development Agreement and this provision.

- Responsibility for Maintenance of Improvements & Landscaping located within the Park Area – If not maintained by the City of Celina, Texas, Tellus shall be responsible for, at its sole cost and expense, the maintenance of all improvements and landscaping located within the park areas located on the Development Parcel in accordance with the Development Agreement, either directly or through a homeowner’s association to be formed by Tellus in connection with Tellus’ development of the Tellus Parcel, at no cost to the Merritt Owners. The Merritt Owners will provide Tellus with access easements reasonably required by Tellus on and over the Merritt Parcel to permit Tellus to perform such maintenance, and also to expand water and drainage improvements located in the park areas serving the Tellus Parcel upon terms reasonably acceptable to the Merritt Owners. This includes, but is not limited to, temporary construction easements, landscape maintenance easements, public access easements, and drainage maintenance easements on and across the Merritt Parcel, including the park areas, as well as platting separate open space lots in the park areas.
- Internet and Gas Lines – Tellus will install, in accordance with the Development Agreement and any requirements of the City of Celina, Texas, at its sole cost and expense, any high-speed internet infrastructure and gas lines required in connection with its development of the Tellus Parcel. Upon request, the owner of the Tellus Parcel will provide easements for high-speed internet infrastructure and gas line connections that may be reasonably requested by the owner of the Merritt Parcel and at locations that do not interfere, in the reasonable discretion of the owner of the Tellus Parcel, with the then-current or anticipated future development of the Tellus Parcel, permitting the Merritt Parcel to utilize and tap into such infrastructure and lines. Moreover, the owner of the Tellus Parcel shall have the ongoing right to relocate such easements, provided that the relocation of such easements will be at the sole cost and expense of the owner of the Tellus Parcel.
- Notwithstanding anything herein to the contrary, in the event that any costs or expenses for any of the improvements to be completed at Tellus’ cost and expense can otherwise be paid for through funds and/or bond proceeds for a PID that includes the Tellus Parcel, then Tellus (or the then-current owner of the Tellus Parcel) may utilize and apply such funds and/or bond proceeds to pay for such costs and expenses, at the discretion of Tellus or the then-current owner of the Tellus Parcel.

EXHIBIT C-1 WATER IMPROVEMENT OBLIGATIONS

Tellus will complete, at its sole cost and expense, the water improvements approximately depicted and described below in accordance with the terms of the Development Agreement.

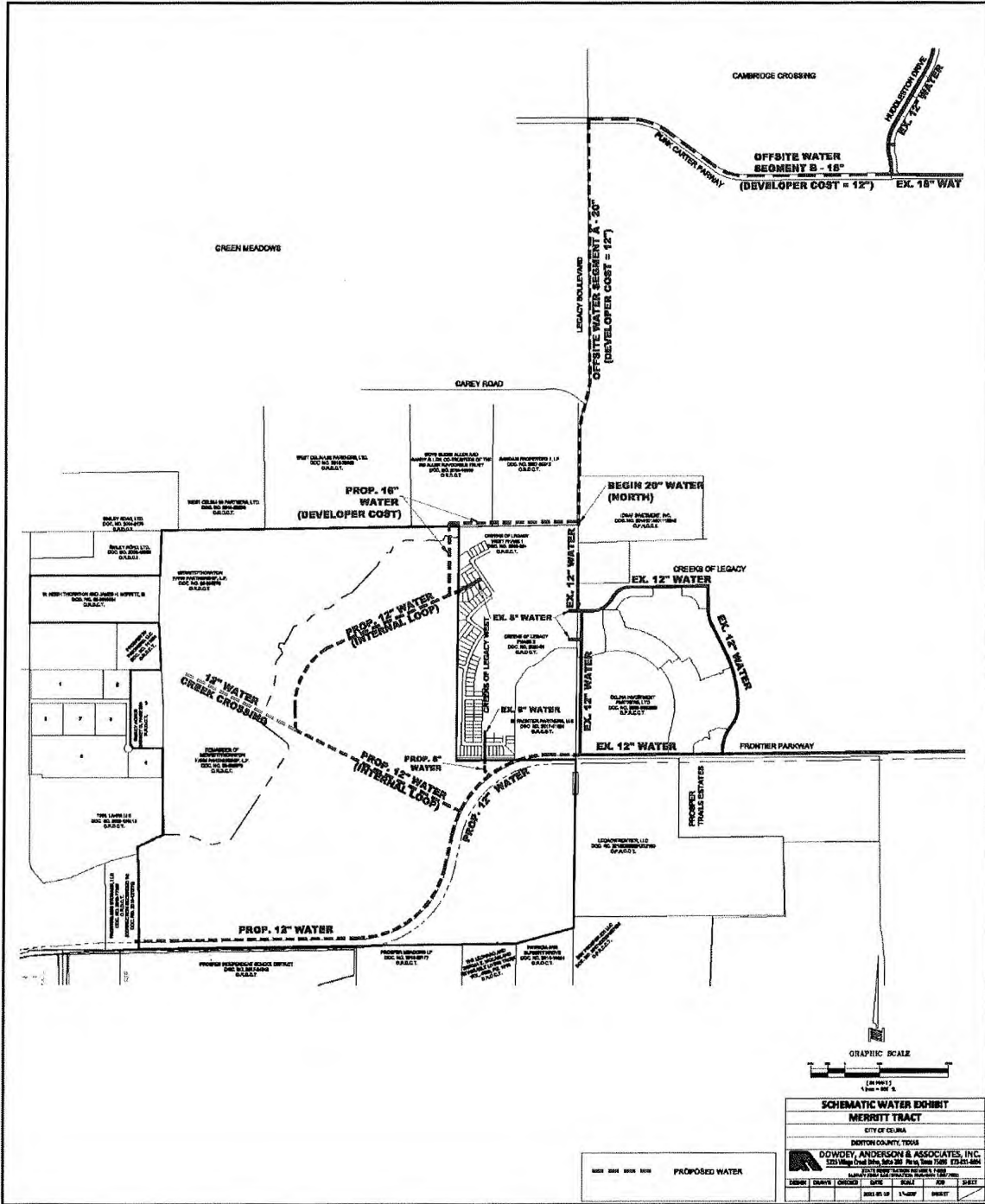
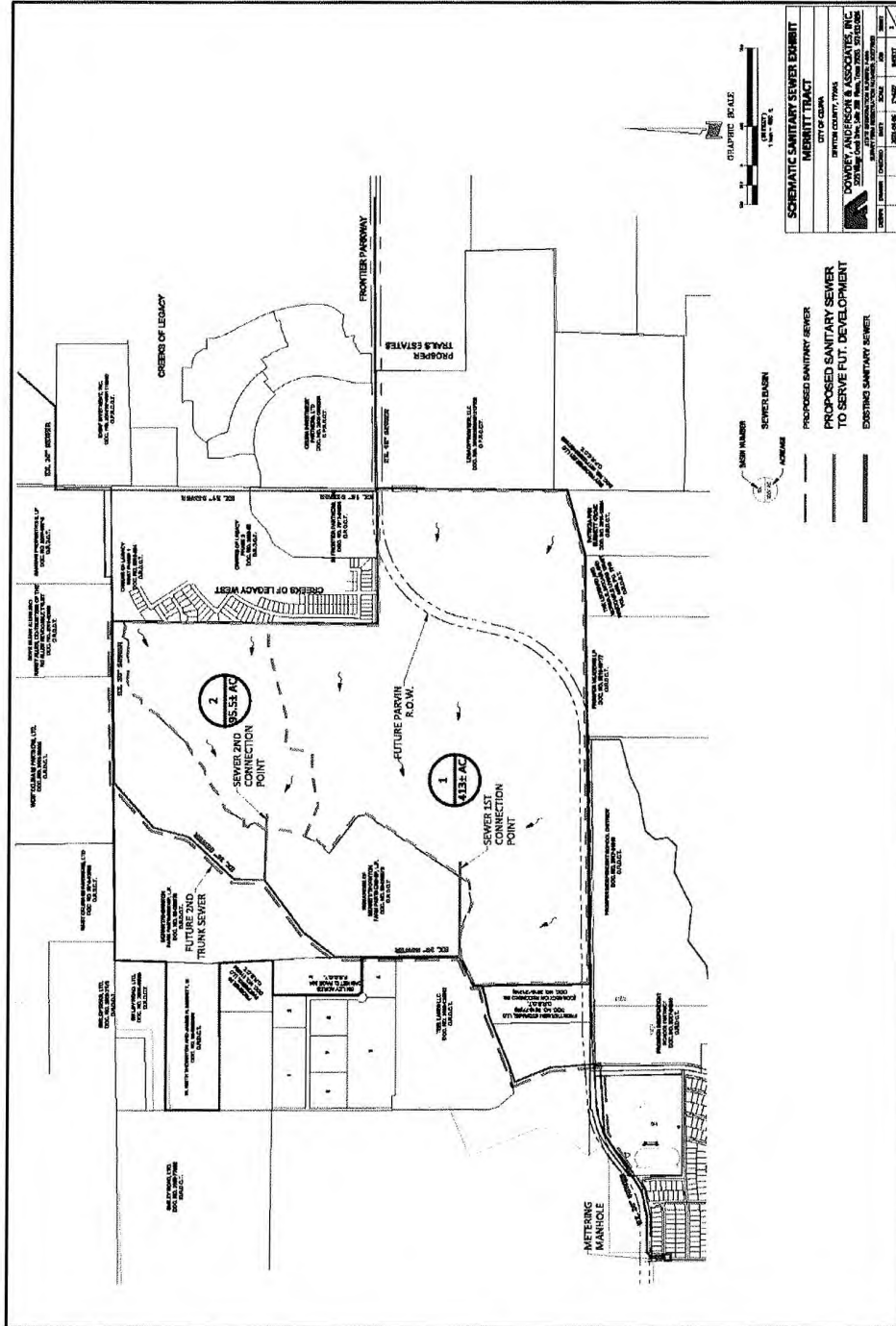
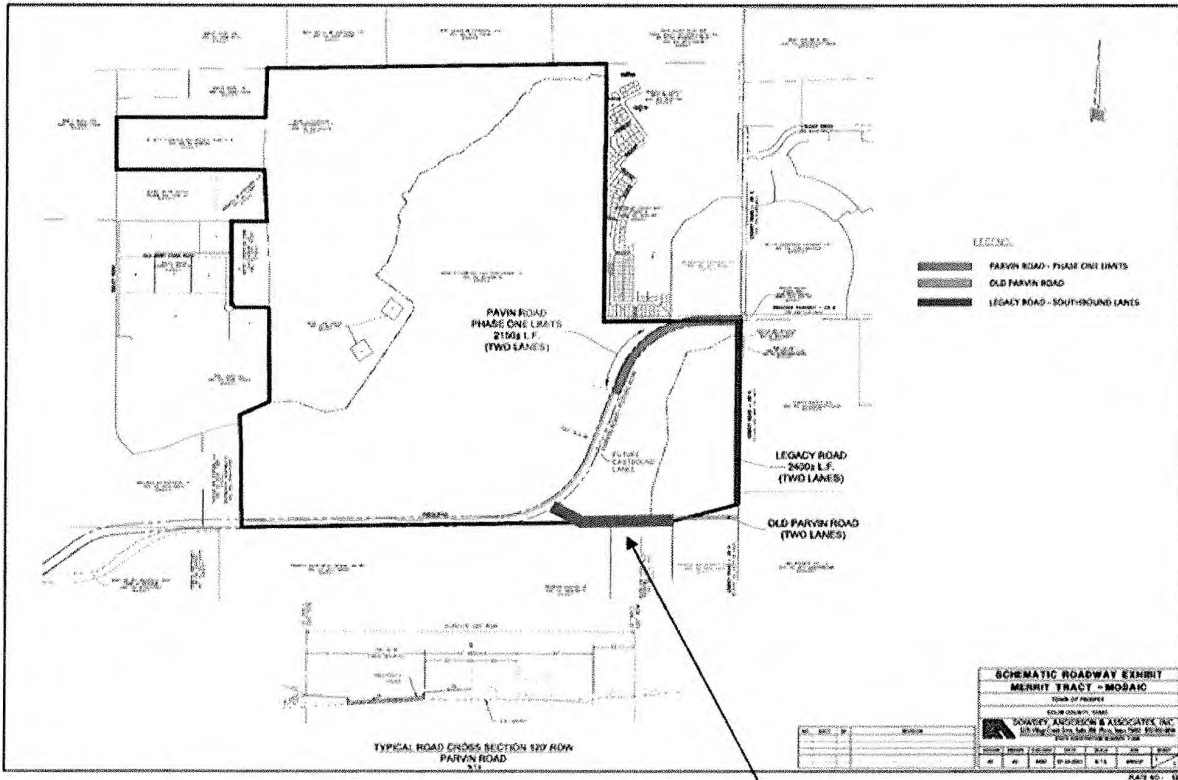


EXHIBIT C-2 SEWER IMPROVEMENT OBLIGATIONS

Tellus will complete, at its sole cost and expense, the sewer improvements approximately depicted and described below in accordance with the terms of the Development Agreement.



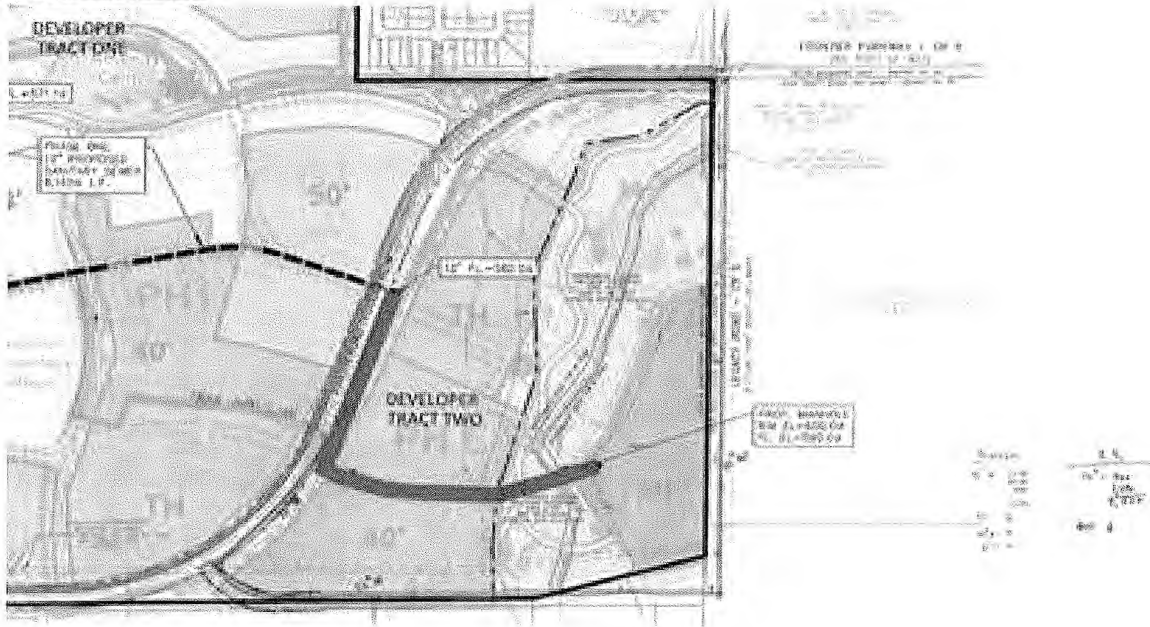
**EXHIBIT C-3
DEPICTION OF ROADWAY IMPROVEMENTS**



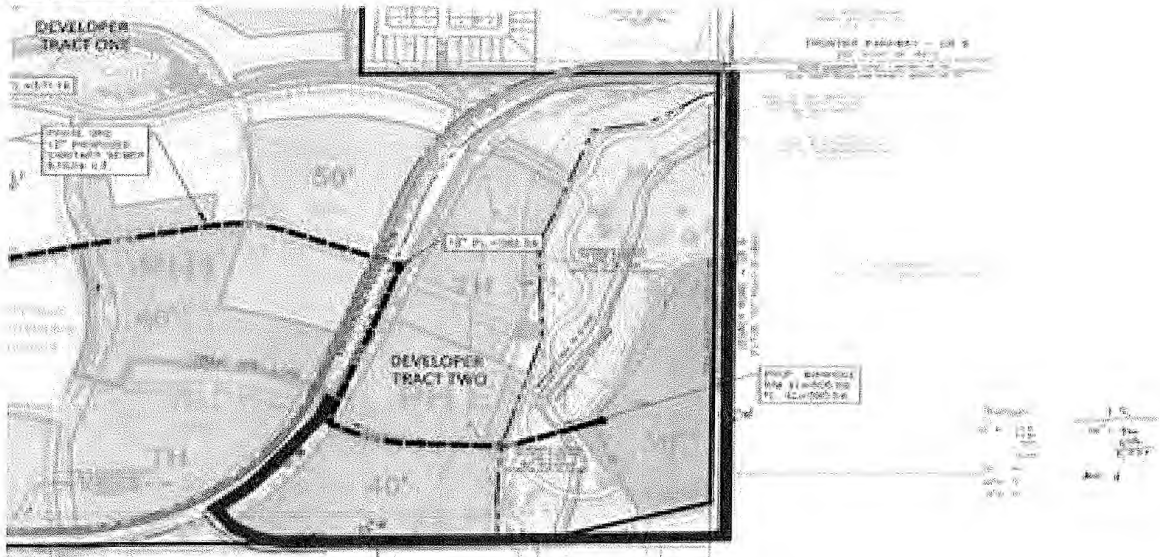
Tellus is responsible for Improving the Section of Old Parvin Road adjacent to Legacy Creek Park.

EXHIBIT D
DEPICTION OF WATER AND SEWER CONNECTION

Sewer Connection



Water Connection



Denton County
Juli Luke
County Clerk

Instrument Number: 130140

ERecordings-RP

AGREEMENT

Recorded On: July 20, 2021 08:12 AM

Number of Pages: 73

" Examined and Charged as Follows: "

Total Recording: \$314.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 130140
Receipt Number: 20210719001028
Recorded Date/Time: July 20, 2021 08:12 AM
User: Diana P
Station: Station 37

Record and Return To:

Corporation Service Company



STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is entered into by and between James H. Merritt, III, W. Keith Thornton, Margaret M. Thornton, Susanna Parker, and Merritt/Thornton Farm Partnership, L.P. (each individually and collectively, the "Owner") and the City of Celina (the "City") to be effective on June 8, 2021 (the "Effective Date"). The City and the Owner are each a "Party" and collectively the "Parties." This Agreement amends and replaces in its entirety that certain Development Agreement between the City and Merritt/Thornton Farm Partnership, L.P. dated July 16, 2009, which agreement shall no longer be of any force or effect.

RECITALS

WHEREAS, certain terms used herein are defined in Article I; and

WHEREAS, the City is a home-rule municipality of the State of Texas located within Denton County and Collin County; and

WHEREAS, the Owner and the City (which are sometimes individually referred to as a "Party" and collectively as the "Parties") desire to enter into this Agreement; and

WHEREAS, on the Effective Date, the Owner owns an approximately 757.7979-acre tract of, which lies within the extraterritorial jurisdiction of the City, entirely within Denton County, Texas and is described by metes and bounds on Exhibit A-1 and depicted in Exhibit A-2, (the "Property"); and

WHEREAS, the Owner intends to sell the approximately 433.979-acre portion of the Property described on Exhibit B-1 and depicted on Exhibit B-2 to Tellus Texas I, LLC (the "Developer Property"), and to assign all rights, title, interest, and obligations under this Agreement that pertain to the Developer Property to Tellus Texas I, LLC (the "Developer") who, pursuant to such assignment, will become the "Owner" under this Agreement only as it relates to the Developer Property; and

WHEREAS, the Owner intends to retain ownership of the approximately 323.8189-acre remaining portion of the Property that excludes the Developer Property (the "Retained Property") until such time as it is ready to be annexed and developed pursuant to the terms of this Agreement; and

WHEREAS, the Developer intends to develop the Developer Property in accordance with this Agreement in the immediate future; and

WHEREAS, the Parties contemplate the development of the entire Property pursuant to the terms of this Agreement (the "Development"); and

WHEREAS, the Parties intend for this Agreement to establish certain restrictions and to impose certain commitments in connection with the development of the Property; and

WHEREAS, the Parties intend for the Property to be developed in a manner consistent with the City's zoning requirements, building material requirements and building code requirements, except as otherwise provided herein; and

WHEREAS, the Parties intend that the Property will be developed in accordance with the concept plan attached hereto as Exhibit C as amended in accordance with this Agreement (the "Concept Plan"), the development standards attached hereto as Exhibit D (the "Development Standards"), and the open space exhibit attached herein as Exhibit E; and

WHEREAS, the Owner intends to construct and/or make financial contributions to certain onsite and/or offsite public improvements to serve the Development; and

WHEREAS, in consideration of the Owner's agreements contained herein to develop the Property as envisioned by the Parties, and to incentivize the development of the Property, the City has agreed to reduce the capital recovery fees for the development of the Property as specifically set forth in this Agreement; and

WHEREAS, the City holds the certificates of convenience and necessity (the "CCNs") to provide retail water and wastewater service to the Property, and the Parties intend for the City to provide retail water and wastewater service to the Property; and

WHEREAS, the Owner will construct certain onsite infrastructure, including streets and roads; drainage; water, sanitary sewer, and other utility systems; parks, open space, landscaping, and trail systems; and dedicate land for all of the onsite public improvements necessitated by and attributable to the development of the Property (collectively, "Onsite Public Improvements"); and

WHEREAS, Development of the Property will also require Owner to build the Roadway Improvements and the Water Improvements (hereinafter defined); and

WHEREAS, the Onsite Public Improvements, Roadway Improvements Water Improvements and all other authorized improvements pursuant to Section 372.003 of the PID Act that Owner will construct as part of the Development are referred to herein as the "Public Infrastructure"; and

WHEREAS, due to the location and other natural features of the Property, the cost of the Public Infrastructure does not allow for the intended Development in a cost-effective and market-competitive manner without participation by the City; and

WHEREAS, the City has determined that full development of the Property as provided herein will promote local economic development within the City and will stimulate business and commercial activity within the City, which will drive infrastructure investment and job creation, and have a multiplier effect that increases both the City's tax base and utility revenues; and

WHEREAS, the Parties have determined that the Development will increase the quality of housing within the City; and

WHEREAS, the City and the Owner agree that the Development can best proceed pursuant to a development agreement such as this Agreement; and

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

WHEREAS, the parties contemplate that Owner will prepare, circulate, execute and return a Petition satisfying all legal requisites for annexation of the Property under Subchapter C-4 of Texas Local Government Code chapter 43, as set forth in Article VI, below.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE I
GENERAL TERMS AND DEFINITIONS

1.1 **Recitals**. The recitals to this Agreement are incorporated herein for all purposes.

1.2 **Definitions**. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Agreement is defined in the introductory paragraph.

Bank Qualified Debt Fee is defined in Section 7.3(a).

CCNs mean certificates of convenience and necessity.

City is defined in the introductory paragraph.

City Assignee is defined in Section 9.2.

City Council means the city council of the City.

City Regulation(s) means any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, as amended and adopted by the City for uniform application throughout the corporate limits, and as are applicable to the Development.

Claims is defined in Section 4.2(a).

Concept Plan means the concept plan as shown in **Exhibit C**, as amended in accordance with this Agreement.

Developer Property is defined in the recitals.

Development is defined in the recitals.

Owner is defined in the introductory paragraph.

Owner Assignee is defined in Section 9.1(a).

Development is defined in the recitals.

Development Standards means the development standards for the Property, which are set forth on Exhibit D.

Effective Date is the date in the introductory paragraph.

End-Buyer is defined in Section 10.1.

Indemnified Party is defined in Section 4.2(a).

Water Improvements is defined in Section 2.1(c) and described in Exhibit G.

Onsite Public Improvements is defined in the recitals.

Open Space Improvements is defined in Section 3.7.

Owner is defined in the recitals.

Parties means the Owner and the City.

Party means the Owner or the City.

Petition Property is defined in Section 6.1.

PID means a public improvement district created by the City for the benefit of the Property pursuant to the PID Act.

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

PID Bonds means the assessment revenue bonds secured solely by PID assessments.

PID Projects is defined in Section 7.1(c).

PID Project Costs is defined in Section 7.1(d).

Property is defined in the recitals.

Public Infrastructure is defined in the recitals.

Retained Property is defined in the recitals.

Roadway Improvements is defined in 2.1(b) and described in Exhibit F.

ARTICLE II **PUBLIC INFRASTRUCTURE**

2.1 Public Infrastructure.

(a) Standards. Except as otherwise expressly provided for in this Agreement, all Public Infrastructure shall be designed, constructed and installed by the Owner in compliance with the

City Regulations. Construction and/or installation of Public Infrastructure shall not begin until complete and accurate plans and specifications have been approved by the City. Each contract for construction of Public Infrastructure shall require a two-year maintenance bond following completion of such Public Infrastructure, which bond shall run in favor of the Party responsible for maintenance of the completed Public Infrastructure. To the extent the Development creates the need for easements or rights-of-way within the Property, they shall be dedicated by the Owner to the City by final plat or separate instrument at no cost to the City, although PID Bond proceeds or other PID assessment revenue may be used to acquire easements and right-of-way. The Public Infrastructure will be installed within easements granted to the City or in the public right-of-way, however utilities must be in an easement separate from the right-of-way.

(b) Right-of-Way and Roadway Improvements.

(1) The Owner shall dedicate to the City, at no cost to the City, right-of-way for the on-site thoroughfares shown on Exhibit F in accordance with City's adopted thoroughfare plan. PID Bond proceeds or other PID assessment revenue may be used to acquire right-of-way. Dedication shall occur when the City approves the first final plat for the Developer Property or when the City delivers a written request for dedication to the Owner in accordance with the notice provisions of this Agreement, whichever occurs first.

(2) The Owner shall design and construct the following improvements as depicted on Exhibit F (the "Roadway Improvements"): (i) a two-lane concrete portion of phase 1 of Parvin Road that is approximately 2,150 linear feet, to be constructed with the first phase of the development of the Developer Property; (ii) a two-lane concrete portion of Legacy Road, to be constructed in phases when the adjacent portion of the Property is final platted or as needed to meet access requirements in the City Regulations; and (iii) a two-lane section of Old Parvin Road, which is a collector, in accordance with the street section details shown on Exhibit F, to be constructed in phases when the adjacent portion of the Property is final platted or as needed to meet access requirements in the City Regulations. The improvements to Parvin Road referenced above shall be constructed in accordance with Texas Department of Transportation design requirements for the road project, which shall control in the event of a conflict with the street section details on Exhibit F. Legacy Road shall be constructed in accordance with the same street section detail that applies to Parvin Road, as shown on Exhibit F. With the exception of the Roadway Improvements, the Owner shall not be required to construct or fund any thoroughfare improvements.

(3) The City agrees that the collector road shown on Exhibit F-1 will not be built, and will not be required to be constructed or funded by the Owner, notwithstanding anything shown on the City's current or future master thoroughfare plan.

(c) Water Infrastructure. The Owner shall design and construct the proposed water improvements depicted on Exhibit G (the "Water Improvements"). The off-site Water Improvements shown on Exhibit G shall commence prior to the issuance of the 250th building permit for a dwelling unit within the Property. All other Water Improvements shall be constructed in phases as needed. The Owner shall not be required to construct any water line that exceeds 18 inches in size on Legacy Drive and 12 inches in size on Punk Carter Parkway unless the City

funds the costs associated with increasing the line size. The Owner shall not be required to construct any off-site water improvements not shown on Exhibit G.

(d) Wastewater Infrastructure. The Owner shall connect to the City's wastewater system as shown on Exhibit H. The Owner shall not be required to construct any wastewater line that exceeds 12 inches in size unless the City funds the costs associated with increasing the line size above 12 inches. The Owner shall not be required to construct any off-site wastewater improvements.

2.2 Inspections, Acceptance of Public Infrastructure.

(a) Roadway and Storm Infrastructure. The City shall have the right to inspect, at any time, the construction of all roadway and storm water Public Infrastructure, and any related Public Infrastructure necessary to support the proposed development within the Property, which shall be inspected, designed and constructed in compliance with all statutory and regulatory requirements, including design and construction criteria, and the City Regulations.

(b) Water and Wastewater Infrastructure. The City shall have the right to inspect the construction of all water and wastewater Public Infrastructure at any time, which water and wastewater shall be inspected, designed and constructed in compliance with all statutory and regulatory requirements, including design and construction criteria, and the City Regulations. The timing of construction of the various components of the water and wastewater Public Infrastructure shall be as required by the City Regulations unless otherwise provided in this Agreement.

(c) No Release. The City's inspections shall not release the Owner from its responsibility to construct, or ensure the construction of, adequate Public Infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to the Development provided the City satisfies its obligations under this Agreement.

(d) City Owned. From and after the inspection and acceptance by the City of the water, wastewater, drainage, and roadway Public Infrastructure and any other dedications required under this Agreement, such improvements and dedications shall be owned by the City.

(e) Approval of Plats/Plans. Approval of plats, permits, plans, designs or specifications by the City shall be in accordance with the City Regulations. Approval by the City, the City's engineer or other City employee or representative of any plats, permits, plans, designs or specifications submitted pursuant to this Agreement or pursuant to the City Regulations shall not constitute or be deemed to be a release of the responsibility and liability of the Owner, his engineer, employees, officers or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such responsibility and liability by the City for any defect in the design and specifications prepared by the Owner or the Owner's engineer, or engineer's officers, agents, servants, or employees, it being the intent of the parties that approval by the City's engineer signifies the City's approval on only the general design concept of the improvements to be constructed. All plats and plans of the Owner related to the Property shall meet the requirements of the applicable City Regulations.

2.3 Eminent Domain. The Owner agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, required for the off-site Water

Improvements (collectively, the "Easements "). If, however, the Owner is unable to obtain one or more of the Easements within sixty (60) days of commencing efforts to obtain the needed easements and right of way, the City agrees to take reasonable steps to secure same (subject to City Council authorization after a finding of public necessity) through the use of the City's power of eminent domain. The Owner shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, compensation awards or negotiated amounts for the condemned property interest, attorney's fees and related expenses, and appraiser and expert witness fees (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the City will use all reasonable efforts to expedite such condemnation procedures so that the Easements can be acquired as soon as reasonably practicable. Any unused escrow funds will be refunded to the Owner with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain.

2.4 Operation and Maintenance.

(a) Upon inspection, approval, and acceptance of the water and wastewater Public Infrastructure or any portion thereof, the City shall maintain and operate the accepted water and wastewater infrastructure or any accepted portion thereof and provide water and wastewater service to the Property.

(b) Upon inspection, approval, and acceptance of the roadway and storm water Public Infrastructure or any portion thereof, the City shall maintain and operate the roadways and storm water infrastructure or any accepted portion thereof.

ARTICLE III DEVELOPMENT REGULATIONS

3.1 Full Compliance with City Standards.

(a) Development of the Property shall be subject to the applicable City Regulations.

(b) The Parties agree the Concept Plan was created by the Owner for illustrating the boundary, lot mix and general layout of the Development. Any amendment to the Concept Plan shall be considered an amendment to this Agreement and shall replace the attached Concept Plan and become a part of this Agreement. The City Manager of the City may administratively approve any amendments to the Concept Plan that the City Manager deems in his reasonable discretion to be minor in nature. The Concept Plan may also be amended as set forth in the Development Standards attached as **Exhibit D**.

3.2 Plat. The Owner may submit a plat for all or any portion of the Property. Any plat shall be in general conformance with the Concept Plan, including any amendments.

3.3 Vested Rights. This Agreement shall constitute a "permit" under Chapter 245 of the Texas Local Government Code that is deemed filed with the City on the date upon which the last of all of the Parties has approved and duly executed this Agreement. The Owner does not, by entering into this Agreement, waive any rights or obligations arising under Chapter 245 of the Texas Local Government Code. Upon an administratively complete application for a preliminary plat for any portion of the Property, Owner may claim vested rights as to the portion of the Property contained in the preliminary plat based upon ordinances in effect at the time of preliminary plat application, except to the extent such claim would cause the City's building material regulations in the zoning ordinance (as it existed on August 1, 2019) to be inapplicable.

3.4 Building Codes, Fire Codes and Building Materials. *As consideration for the capital recovery fees being reduced and impact fees being waived for the Property, Owner has requested and the Parties agree that Exhibit D, the City-adopted building codes and local amendments as subsequently amended, the City-adopted fire codes and local amendments as subsequently amended, and the City's building material regulations in the zoning ordinance (as it existed on August 1, 2019) and other city ordinances, as subsequently amended, to apply to the Property for forty-five (45) years, and voluntarily agrees to burden the property with their applicability, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended.*

3.5 Internet and Gas Lines. Simultaneously with the construction of water Public Infrastructure, the Owner shall install, or caused to be installed, within public rights-of-way or public easements high-speed internet infrastructure (either fiber or a future technology approved by the City) and gas lines to the perimeter of each lot. The high-speed internet infrastructure/fiber and gas lines shall be adequately sized to serve the intended use of the lot, with the high-speed internet infrastructure/fiber being capable of transmitting high-speed internet of at least 1 gig per second. Once installed, the Owner shall have no obligation to own, maintain or upgrade such high-speed internet infrastructure or gas lines.

3.6 Amenity Centers. Owner shall construct the amenity centers described on Exhibit D and Exhibit E according to the timing triggers set forth on Exhibit E. Completion of each amenity center by Owner shall be evidenced by a certificate of occupancy from the City.

3.7 Dedications for Public Parks and a School.

(a) Open space and trails shall be developed in phases in accordance with the development standards on Exhibit D. The Owner agrees to provide the following (collectively, the "Open Space Improvements"): (i) open space areas and improvements required by Exhibit D; (ii) open space areas and improvements depicted on Exhibit E; and (iii) additional park and open space land in accordance with a master park plan to be approved by the Director of the Parks Department, which approval shall not be unreasonably withheld or delayed, that make efficient use of open space, floodplains, and non-floodplains and includes amenity items such as trails that are at least 12 feet in width, fitness stations, dog parks, playgrounds, grass sports fields, and other

similar uses and improvements approved by the Director of Planning. Ownership and maintenance requirements for all Open Space Improvements is set forth on Exhibit E.

(b) A 10-12 acre site for an elementary school shall be reserved by the Owner. The site may be dedicated or sold to the school district at the Owner's acquisition cost by separate agreement between the school district and the Owner.

ARTICLE IV DEVELOPMENT PROCESS AND CHARGES

4.1 Capital Recovery Fees.

(a) Residential. Except as specifically described below, the Property shall be subject to those fees and charges due and payable to the City in connection with the Development that are charged pursuant to City Regulations to other developments located in the corporate limits of the City. Notwithstanding the foregoing, no capital recovery fees, including, but not limited to, pro rata fees, impact fees for water, sewer and roadways and other capital recovery fees shall be charged against residential development on the Property other than: (i) park fees in an amount not exceeding \$1,500 per residential dwelling unit, unless the Owner agrees in writing to an increase in such park fees; (ii) technology fees in an amount not to exceed \$500 per single family attached or detached residential dwelling unit; (iii) roadway capital fees of \$3,000 per single family attached or detached residential dwelling unit; (iv) water capital fees of \$2,500 per single family attached or detached residential dwelling unit; and (v) wastewater capital fees of \$2,500 per single family attached or detached residential dwelling unit. Roadway, water, and wastewater capital fees shall each escalate by an additional \$500 per single family attached or detached residential dwelling unit upon reaching the eight-year anniversary of the Effective Date and then every fifth anniversary of the first escalation thereafter. In no event shall any roadway, water, or wastewater capital fee charged under this Section 4.1(a) exceed then applicable roadway, water, or wastewater impact fees charged by the City for property located in the city limits. All capital recovery fees under this Section 4.1(a) will be due and payable at the time building permits are issued.

(b) Multi-Family. Assuming Owner is in compliance with the requirements of Sections 2.1(b) and 3.7(a), for each multi-family unit constructed on the tract adjacent to Legacy Road and labeled as "flex tract 2" on the Concept Plan the City agrees to waive roadway impact fees and to reduce the park fee by five hundred dollars (\$500) per unit.

(c) Open Space and Trails. Other than the open space and Open Space Improvements required by Section 3.7, no park land dedication or construction of park improvements shall be required.

(d) Reimbursement of Park Fees. The City agrees to reimburse 50 percent of the park capital recovery fees collected pursuant to Section 4.1(a) to the Owner to reimburse the Owner for the actual cost of the publicly owned and maintained Open Space Improvements as provided under Section 3.7 and depicted in Exhibit E, excluding trails the Owner is required to construct per the terms of this Agreement. Such reimbursement payments will be made by the City to the Owner once each calendar quarter on March 31st, June 30th, September 30th and December 31st of each year starting the first calendar quarter after the completion of any of the improvements referenced in this subsection (c).

(e) Homestead. The City agrees to waive water meter fees and any other water connection fees for the Homestead Residences (as defined in the Development Regulations) located within the homestead tract described on Exhibit J (the "Homestead Tract").

4.2 INDEMNIFICATION AND HOLD HARMLESS.

(a) THE OWNER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (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 OWNER; (ii) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE OWNER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE OWNER OF ANY OF THE PUBLIC INFRASTRUCTURE ACQUIRED FROM THE OWNER HEREUNDER; (iii) THE OWNER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE OWNER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE PUBLIC INFRASTRUCTURE; (iv) ANY CLAIMS OF PERSONS EMPLOYED BY THE OWNER OR ITS AGENTS TO CONSTRUCT THE PUBLIC INFRASTRUCTURE; OR (v) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO OWNER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE PUBLIC INFRASTRUCTURE OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC INFRASTRUCTURE, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). 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 SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. OWNER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST OWNER IN PROVIDING SUCH DEFENSE.

(b) IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY OWNER 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 OWNER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF OWNER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. OWNER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF OWNER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND OWNER SHALL BE LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES. THE CITY AGREES, UNLESS ADVISED BY DEFENSE COUNCIL TO THE CONTRARY, TO ASSERT ITS

IMMUNITY FROM LIABILITY AND IMMUNITY FROM SUIT AND/OR OTHER AVAILABLE AFFIRMATIVE DEFENSES

(c) **THIS SECTION 4.2 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

(d) **THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION AND THE EXPRESS NEGLIGENCE TEXT COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT, AND IS VALID AND ENFORCEABLE AGAINST THE OWNER.**

4.3 THE OWNER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/OWNERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS EXPRESSLY SET FORTH IN THIS AGREEMENT.

(a) **THE OWNER ACKNOWLEDGES AND AGREES THAT, PROVIDED THERE ARE NO CITY DEFAULTS UNDER THIS AGREEMENT:**

(i) **THE PUBLIC INFRASTRUCTURE EXPRESSLY SET FORTH IN THIS AGREEMENT TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:**

(A) **TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;**

(B) **VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR**

(C) **NUISANCE.**

(ii) **THE AMOUNT OF THE OWNER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC INFRASTRUCTURE EXPRESSLY SET FORTH IN THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE OWNER'S ANTICIPATED IMPROVEMENTS AND OWNER'S DEVELOPMENT OF THE PROPERTY PLACES ON THE CITY'S INFRASTRUCTURE.**

(iii) **THE OWNER HEREBY AGREES, STIPULATES AND ACKNOWLEDGES THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE OWNER FOR SUCH LAND, AND THE OWNER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. THE OWNER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512**

U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(b) NOTHING IN THIS AGREEMENT, INCLUDING THIS SECTION 4.3, WAIVES (AND OWNER EXPRESSLY RESERVES) ANY RIGHT THE OWNER MAY NOW OR HEREAFTER HAVE WITH RESPECT TO ANY CLAIM THAT THE APPLICATION OF AMENDMENTS TO THE CITY REGULATIONS, ENACTED AFTER THE EFFECTIVE DATE, TO THE PROPERTY VIOLATES ANY STATE OR FEDERAL LAW, SO LONG AS SUCH CLAIM DOES NOT RELATE TO ANY EXPRESS OBLIGATION OF OWNER SET FORTH IN THIS AGREEMENT.

(c) THIS SECTION 4.3 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE V **TERM**

The term of this Agreement shall be for a period of thirty (30) years after the Effective Date, except that **Exhibit D** and Section 3.4, plus all provisions of this Agreement related to **Exhibit D** and Section 3.4 shall have a term of forty-five (45) years. The Parties may extend the term of this Agreement if they execute an agreement in writing.

ARTICLE VI **ANNEXATION AND POST-ANNEXATION MATTERS**

6.1 Annexation.

(a) Not later than ten days after being requested to do so by the City, Owner agrees to (a) submit a voluntary annexation petition for the Property, or (b) if requested by the City, sign a petition for annexation presented to the Owner by the City that may contain additional acres located outside of the Property (collectively, the "**Petition Property**"). The Owner agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Property into the City's corporate limits pursuant to the terms of this Agreement. This Agreement constitutes the service plan agreement for providing City services to the Property. If the City is unable to complete the annexation of the **Petition Property** for any reason, including but not limited to procedural error or legal challenge, the Owner shall execute another voluntary annexation petition for the **Petition Property** and/or the portion of the Property being annexed pursuant to this Section 6.1(a), within ten (10) days of being requested to do so. The Owner acknowledges and agrees that this Section 6.1 was a material inducement for the City to enter into this Agreement with the Owner and to create a PID. The City acknowledge and agrees creation of the PID and issuance of PID Bonds are a material inducement for the Owner to agree to this Section 6.1 and the Owner to agree to the obligations contained in this Agreement.

(b) Notwithstanding anything to the contrary in Section 6.1(a), the Owner agrees that the City may annex all or any portion of the Retained Property at any time following the fifth anniversary of the Effective Date. For purposes of this Section 6.1(b), the Owner agrees to provide the City with all of the same documents that would be required from the Owner for annexation pursuant to Section 6.1(a).

(c) Notwithstanding anything to the contrary in this Section 6.1, (i) the City agrees that it will not annex the South Park Area, the Homestead tract, or northwesternmost Developer Tract shown on, and described in, Exhibit J prior to the 15th anniversary of the Effective Date unless development of such areas commences prior to such 15th anniversary; and (ii) the Owner agrees that, for purposes of Section 6.1(b), the City may annex any portion of the North Park Area shown on Exhibit J at the same time of commencement of development of the Retained Property, or when the City annexes all or any portion of the Developer Tract or the Retained Property to the extent necessary to commence or complete construction of the linear park planned in such area. For purposes of this paragraph, commencement of development means obtaining preliminary plat or final plat approval or a building permit for the development of any portion of the South Park Area, the Homestead tract, or northwesternmost Developer Tract other than for the development of the Homestead Residences defined in the Development Regulations.

6.2 Zoning of Property. While the Parties expressly acknowledge that the Property will be voluntarily annexed in accordance with Section 6.1 of this Agreement, the Parties agree that the Concept Plan, the Development Standards, and the applicable provisions of this Agreement memorialize the plan for development of the Property as provided for in Section 212.172 of the Texas Local Government Code and other applicable law. The City shall consider zoning the Property consistent with the Development Standards, Concept Plan, and applicable provisions of this Agreement contemporaneously with the annexation of the Property. Through this Agreement, the Owner expressly consents and agrees to the zoning of the Property consistent with and as contemplated by this section. In the event of a conflict between this Agreement and the zoning of the Property, the Parties agree that this Agreement shall control. The Owner agrees that nothing in this Agreement shall prevent Exhibit D, Section 3.4 of this Agreement, and the City Regulations, including but not limited to zoning, from being enforced against an End-Buyer.

ARTICLE VII INFRASTRUCTURE FINANCING

7.1 PID Financing. The City proposes to create the PID, to fund, in part, the Public Infrastructure that will confer a special benefit upon the Property. As soon as reasonably practicable following a request by the Owner, and provided the City's financial advisor confirms the bonds meet the below requirements and marketable to third party institutional investors, the City agrees to issue PID Bonds, subject to City Council approval.

(a) A PID creation petition for the Property will be submitted by the Owner to the City.

(b) PID funding of certain Public Infrastructure as authorized by the PID Act, including but not limited to local streets, water, sewer and storm drainage improvements and appurtenances providing special benefit to a development phases and/or planning area, will include, to the maximum extent authorized by State law, and only as requested by the Owner, one or more of the following: (i) annual payments by the City to the Owner of PID assessments not pledged to the repayment of PID Bonds; (ii) the issuance by the City of PID Bonds secured by PID assessments and/or other security, with a total overall minimum value to lien ratio of 3 to 1 (unless the City, in its sole discretion approves a lower value to lien ratio) assuming that the Public Infrastructure to be financed by the PID as well as other infrastructure for which completion guarantees have been provided are in place as of the date of valuation; (iii) the issuance by the City of other bonds

secured by PID assessments and/or other security; or (iv) any other method approved by the Parties. The total amount of PID Bonds secured by assessments from the Property shall not exceed the amount stated in the PID creation petition which amount shall not exceed \$130,000,000.

(c) The Public Infrastructure to be funded by the PID will be described in the PID Service and Assessment Plan, which Public Infrastructure is described in this Agreement and confers a special benefit on the Property (the "PID Projects").

(d) The total estimated cost of the PID Projects (the "PID Project Costs") will be as stated in the PID Service and Assessment Plan, as amended. The PID Project Costs will include the cost of two-year maintenance bonds for the PID Projects.

(e) The Owner will determine the PID Project Costs, and the City and the Owner will jointly prepare a Service and Assessment Plan for the PID. After the City approves the final PID Project Costs, prepares a proposed assessment roll based thereon, and files the Service and Assessment Plan and proposed assessment roll with the Secretary for the City for public inspection, the City will levy special assessments against the Property.

(f) The City shall review and update the Service and Assessment Plan consistent with the requirements of Section 372.013(b) of the PID Act. As needed for consistency with the updated Service and Assessment Plan and consistent with the requirements of Sections 372.019 and 372.020 of the PID Act, the City shall make supplemental assessments, reassessments or new assessments such that assessments reflect the updated PID Project Costs. Concurrent with the levy of PID assessments and as needed to implement the Service and Assessment Plan, the City and the Owner will enter into a PID reimbursement agreement that provides for the Owner's construction of certain PID Projects and the City's reimbursement to the Owner of certain PID Project Costs.

(g) The City will use its reasonable efforts to issue one or more series of PID Bonds secured, in whole or in part, by assessments levied against benefited property within the PID. PID Bonds may also be secured by any other revenue authorized by the PID Act or other State law and approved by the City Council of the City. The net proceeds from the sale of PID Bonds (i.e., net of costs and expenses of issuance and amounts for debt service reserves and capitalized interest) will be used to pay PID Project Costs. Notwithstanding the foregoing, the obligation of the City to issue PID Bonds is conditioned upon there being a total overall minimum value to lien ratio of 3 to 1 (unless the City, in its sole discretion approves a lower value to lien ratio) assuming that the Public Infrastructure to be financed by the PID as well as other infrastructure for which completion guarantees have been provided are in place as of the date of the Fair Market valuation as determined by an MAI Appraisal and the adequacy of the bond security and the financial obligation of the Owner to pay the amount, if any, by which PID Project Costs exceed the net proceeds from the sale of PID Bonds and the amount, if any, of cost overruns. The City will require the Owner to secure its obligation to pay such deficit by providing a hold back of a portion of the PID Bond proceeds not supported by the total overall 3 to 1 value to lien ratio and/or the deposit of cash to the trust estate for the shortfall. In certain limited circumstances, a performance bond, a letter of credit, or other security acceptable to the City prior to the issuance of the PID Bonds may be considered. The net proceeds from the sale of the PID Bonds will be deposited in and disbursed from a construction fund created and administered pursuant to the indenture under which the PID Bonds are issued.

7.2 Emergency Sirens. In consideration for the City's assistance and cooperation in connection with the issuance by the City of PID Bonds for any part of the Development, the Owner agrees to pay the City, simultaneously (a) with the closing and funding of the first issuance of PID Bonds, a fee in the amount of \$55,000, and (b) with the closing and funding of the second issuance of PID Bonds, a fee in the amount of \$55,000, to be used by the City to purchase and install two emergency warning sirens.

7.3 Costs for Non-Bank Qualified Bonds.

(a) If in any calendar year the City issues bonds, notes or other obligations as approved by the City Council for any given year in question that would constitute a qualified tax-exempt obligation but for the issuance of the PID Bonds or other bonds, notes or other obligations supporting public improvements for non-City owned development projects or City owned projects financed for a direct benefit to the non-City owned development projects, including either bonds authorized by Texas Tax Code Chapter 311 or bonds authorized by the PID Act, then the Owner shall pay to the City a fee (the "Bank Qualified Debt Fee") to compensate the City for the debt service savings the City would have achieved had the debt issued by the City been able to be classified as a qualified tax-exempt obligation provided that all other Owners or owners benefitting from the City issuing debt are similarly burdened with an obligation to compensate the City. The Bank Qualified Debt Fee of the Owner and all other Owners or owners on whose behalf the City issues debt, will be calculated as follows:

The net present value (calculated based on the Internal Revenue Service bond yield) of the debt service savings that would have accrued to the City had it been able to issue qualified tax-exempt obligation debt multiplied by a fraction, the numerator of which is the amount of debt issued by the City for any particular owner or Owner (including the Owner, as applicable) and the denominator of which is the total debt issued by the City for the benefit of all owners or Owners (including the Owner, as applicable).

(b) To the extent any Owner(s) or owner(s) (including the Owner, as applicable) has (have) paid the Bank Qualified Debt Fee for any particular calendar year, any such Bank Qualified Debt Fee paid subsequently by a Owner or owner (including the Owner, as applicable) to the City applicable to the same calendar year shall be reimbursed by the City to the Owner(s) or owner(s) (including the Owner, as applicable) as necessary so as to put all Owners and owners so paying for the same calendar year in the required payment proportion as set forth above, said reimbursement to be made by the City within ten (10) business days after its receipt of such subsequent payments of the Bank Qualified Debt Fee.

(c) If in any calendar year the City issues PID Bonds on its own account that exceed the amount that would otherwise qualify the City for the issuance of bank qualified debt, or if the City fails to charge the Bank Qualified Debt Fee to any other Owner or owner on whose behalf the City has issued debt and fails to cure such oversight, then no Bank Qualified Debt Fee shall be due under this provision and if any Bank Qualified Debt Fee had already been paid to the City under this provision, then such Bank Qualified Debt Fee shall be reimbursed promptly to the Owner from lawfully available and otherwise unencumbered funds.

7.4 **PID Notices.** When selling any of the Property after the PID is created, the Owner shall provide notices in a form required by Section 5.014 of the Texas Property Code, as amended, to anyone who purchases property within the PID notifying the purchaser: (a) that the property is located in the PID; (b) that the City has issued or may issue PID bonds; (c) that the City has levied or may levy PID assessments; (d) of the unpaid reimbursement amount of the PID assessment against the Property; (e) of the estimated annual installments if PID assessments are not paid in full; and (f) of the estimated duration of the PID assessment and annual installments. Further, the Owner shall contractually require builders selling homes to continuously post a notice of the PID assessments in a conspicuous location in each model home and provide an explanation of the PID assessments in written brochures and promotional materials given to each prospective purchaser. This section applies to all owners of all or any portion of the Property.

ARTICLE VIII **EVENTS OF DEFAULT; REMEDIES**

8.1 **Events of Default.** No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than 30 days after written notice of the alleged failure has been given). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure.

8.2 **Remedies.** If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT.

ARTICLE IX **ASSIGNMENT AND ENCUMBRANCE**

9.1 **Assignment by Owner to Successors.**

(a) The Owner has the right (from time to time without the consent of the City, but upon prior written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Owner under this Agreement, to any person or entity (an "**Owner Assignee**") that (i) is or will become an owner of any portion of the Property or (ii) is controlled by or under common control by the Owner and becomes an owner of any portion of the Property, provided that the Owner is not in breach of this Agreement at the time of such assignment. A Owner Assignee is considered the "Owner" and a "Party," under this Agreement

for purposes of the obligations, rights, title, and interest assigned to the Owner Assignee. Notice of each proposed assignment to a Owner Assignee shall be provided to the City at least fifteen (15) days prior to the effective date of the assignment, which notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address (if available) of a contact person representing the Owner Assignee.

(b) Each assignment shall be in writing executed by the Owner and the Owner Assignee and shall obligate the Owner Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each fully executed assignment to a Owner Assignee shall be provided to all Parties within fifteen (15) days after execution. From and after such assignment, the City agrees to look solely to the Owner Assignee for the performance of all obligations assigned to the Owner Assignee and agrees that the Owner shall be released from subsequently performing the assigned obligations and from any liability that results from the Owner Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, Owner shall not be released until the City receives such copy of the assignment.

(c) No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment unless the City approves the release in writing.

(d) The Owner shall maintain written records of all assignments made to Owner Assignees, including a copy of each executed assignment and the Owner Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

9.2 Assignment by the City. The City has the right (from time to time without the consent of another Party, but upon prior written Notice to each other Party) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, to any agency, authority, or political subdivision of the state (a "City Assignee"). Notice of each proposed assignment to a City Assignee shall be provided to each other Party at least 15 days prior to the effective date of the assignment, which Notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address of a contact person representing the City Assignee who the other Party may contact for additional information. Each assignment shall be in writing executed by the City and the City Assignee and shall obligate the City Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each fully executed assignment to a City Assignee shall be provided to all Parties within 15 days after execution. From and after such assignment, all Parties agrees to look solely to the City Assignee for the performance of all obligations assigned to the City Assignee and agrees that the City shall be released from subsequently performing the assigned obligations and from any liability that results from the City Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the other Parties within 15 days after execution, the City shall not be released until the other Parties receive such copy of the assignment. No assignment by the City shall release the City from any liability that resulted from an act or omission by the City that occurred prior to the effective date of the assignment unless the other Parties approve the release in writing. The City shall maintain written records of all assignments

made by the City to City Assignees, including a copy of each executed assignment and the City Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

9.3 Collateral Assignments. The Owner and Owner Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with prompt written Notice to, the City. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice (hereinafter defined) information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

9.4 Transfer of Warranties. Any Public Infrastructure that are transferred to the City shall be accompanied by all applicable third-party bonds and warranties related to construction and maintenance of such Public Infrastructure.

9.5 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a "Party" for the purposes of this Agreement. With the exception of the End-Buyer of a lot within the Property, any person or entity upon becoming an owner of land or upon obtaining an ownership interest in any part of the Property shall be deemed to be a "Owner" and have all of the obligations of the Owner as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

9.6 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

ARTICLE X **RECORDATION AND ESTOPPEL CERTIFICATES**

10.1 Binding Obligations. This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be

recorded in the deed records of Denton County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for Development within the Property. This Agreement, when recorded on or after the Effective Date, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer/homebuyer of a fully developed and improved lot (an "End-Buyer") and shall not negate the End-Buyer's obligation to comply with the City's Regulations, including but not limited to zoning ordinances, as they currently exist or may be amended.

10.2 Estoppel Certificates. From time to time upon written request of the Owner, if needed to facilitate a sale of all or a portion of the Property or a loan secured by all or a portion of the Property, the City will execute a written estoppel certificate in a form and substance satisfactory to the City, to its reasonable knowledge and belief, identifying any obligations of the Owner under this Agreement that are in default. The Owner shall pay the City \$1,000 at the time of the Owner's request for an estoppel certificate for each request in excess of one per calendar year.

ARTICLE XI ADDITIONAL PROVISIONS

11.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

11.2 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: City Manager City of Celina 142 North Ohio Celina, TX 75009 E-mail: jlaumer@celina-tx.gov TEL: (972) 382-2682 FAX: (972) 382-3736
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With a copy to:	Attn: Julie Fort
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Messer, Fort & McDonald, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034
E-mail: Julie@txmunicipallaw.com
TEL: (972) 668-6400

To the Owner: Attn: Margaret Thornton
Merritt/Thornton Farm Partnership, L.P.
5524 Edlen
Dallas, Texas 75220
Email: peggythornton@aimsleep.com

With a copy to: Attn: Robert Gunby
5826 Azalea Lane
Dallas, Texas 75230
Email: rgunby@rtcapital.com

With a copy to: Attn: David R. Blom
Tellus Group LLC
Prosper., Texas 75078
Email: dblom@tellusgroupllc.com

With a copy to: Attn: Misty Ventura
Shupe Ventura, PLLC
9406 Biscayne Blvd.
Dallas, Texas 75218
E-mail: misty.ventura@svlandlaw.com
TEL: (214) 328-1101

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.

11.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

11.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

11.5 Authority and Enforceability. 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) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Owner represents and warrants that this Agreement has been

approved by appropriate action of the Owner, and that the individual executing this Agreement on behalf of the Owner has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

11.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

11.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

11.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Denton County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Denton County District Court.

11.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

11.10 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.

11.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

11.12 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

- Exhibit A-1 Legal Description of the Property
- Exhibit A-2 Depiction of the Property
- Exhibit B-1 Legal Description of the Developer Property

Exhibit B-2	Depiction of the Developer Property
Exhibit C	Concept Plan
Exhibit D	Development Standards
Exhibit E	Trails and Open Space Exhibit
Exhibit F	Roadway Improvements
Exhibit F-1	Collector Road Not Required
Exhibit G	Water Improvements
Exhibit H	Wastewater Connections
Exhibit I	Legal Description of the Portion of the Property Located West of Doe Branch
Exhibit J	Annexation Tracts

11.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

11.14 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 three 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. The term "force majeure" shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

11.15 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and the Owner expressly amending the terms of this Agreement.

11.16 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[signatures on following pages]

EXECUTED by the City and the Owner on the respective dates stated below after approval of the City Council of the City on ~~April 13, 2021.~~

Date: June 8, 2021 ^{Jun 8 v.a.}

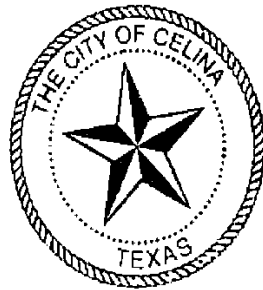
CITY OF CELINA
By: [Signature]
Sean Terry, Mayor

ATTEST:

[Signature]
Vicki Tarrant, City Secretary

APPROVED AS TO FORM

[Signature]
Julio Fort, Attorney for City

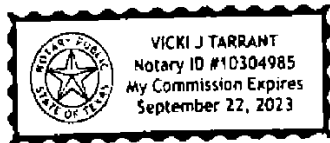


STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 8 day of June, 2021, by Sean Terry, the Mayor of the City of Celina, Texas, on behalf of said City.

[Signature]
Notary Public, State of Texas

(SEAL)



Vicki J. Tarrant
Name printed or typed

Commission Expires: 9-22-2023

OWNER:

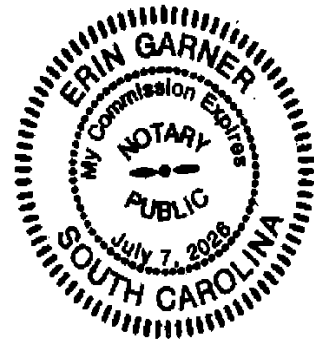
MERRITT/THORNTON FARM PARTNERSHIP, L.P.,
a Texas limited partnership

By: Margaret M. Thornton
Name: Margaret M. Thornton
Title: Manager

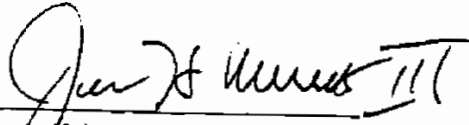
STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on June 14, 2021, personally appeared Margaret M. Thornton, Manager of Merritt/Thornton Farm Partnership, L.P., a Texas limited partnership and acknowledged that he executed the foregoing document on behalf of said limited partnership.

Erin Garner
Notary Public in and for the State of ~~Texas~~
South Carolina

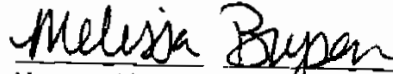


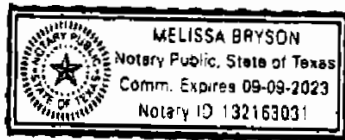
OWNER:


James H. Merritt, III

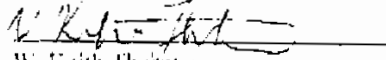
STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on June 9th, 2021, personally appeared James H. Merritt, III and executed the foregoing document.


Notary Public in and for the State of Texas

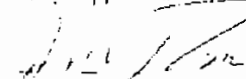


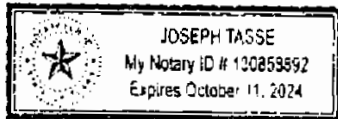
OWNER:


W. Keith Thornton

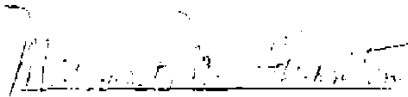
STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on June 11th, 2021, personally appeared W. Keith Thornton and executed the foregoing document.


Notary Public in and for the State of Texas

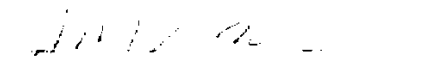


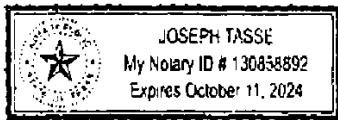
OWNER:


Margaret M. Thornton

STATE OF TEXAS §
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COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on June 10, 2021, personally appeared Margaret M. Thornton and executed the foregoing document.


Notary Public in and for the State of Texas



OWNER:

Susanna Parker
Susanna Parker

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on June 9th, 2021, personally appeared Susanna Parker and executed the foregoing document.

Melissa Bryson
Notary Public in and for the State of Texas

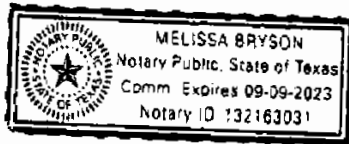


EXHIBIT A-1
DESCRIPTION OF THE PROPERTY

Tract A

BEING a tract of land located in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889, the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 and the A. THOMASON SURVEY, ABSTRACT NO. 1285, Denton County, Texas and being all of a tract of land described in Deed to Merritt/Thornton Farm Partnership, L.P., recorded in Document No. 99-096579, Deed Records, Denton County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found in the South line of a tract of land described in Deed to Sangani Properties LTD, recorded in Document No. 2004-35477, Deed Records, Denton County, Texas at the Northwest corner of said Merritt/Thornton tract and the Northeast corner of a tract of land described in Deed to Land Advisors, Ltd., recorded in Document No. 2006-28565, Deed Records, Denton County, Texas;

THENCE North 89 degrees 13 minutes 47 seconds East, along the North line of said Merritt/Thornton tract, a distance of 1,501.71 feet to a 1 inch iron pipe found at the Southeast corner of a tract of land described in Deed to Don F. Kendall, recorded in Volume 507, Page 392, Deed Records, Denton County, Texas and the Southwest corner of a tract of land described in Deed to Arthur R. Teasedale, recorded in Volume 1219, Page 998, Deed Records, Denton County, Texas;

THENCE North 89 degrees 06 minutes 09 seconds East, continuing along the North line of said Merritt/Thornton tract, a distance of 2,842.45 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the Northeast corner of said Merritt/Thornton tract, said point being South 89 degrees 06 minutes 09 seconds West, 1720.11 feet from the Southeast corner of a tract of land described in Deed to Royce G. Allen, recorded in Volume 2097, Page 310, Deed Records, Denton County, Texas;

THENCE South 00 degrees 29 minutes 21 seconds West, a distance of 3,416.82 feet to a 1/2 inch iron rod found at the Southwest corner of a tract of land described as Tract One in Deed to County Corners Partners LP, recorded in Document No. 2004-82310, Deed Records, Denton County, Texas;

THENCE North 89 degrees 28 minutes 44 seconds East, a distance of 1,738.53 feet to a 1 inch iron pipe found at the Southeast corner of said Tract One and the Southwest corner of a tract of land described in Deed to Celina Investment Partners, Ltd., recorded in Volume 5916, Page 862,

Deed Records, Collin County, Texas and the Northwest corner of a tract of land described as Tract Two in Deed to County Corners Development LP, recorded in Document No. 2004-82310, Deed Records, Collin County, Texas;

THENCE South 00 degrees 29 minutes 24 seconds West, a distance of 2,451.51 feet to a 5/8 inch iron rod found at the most Easterly Southeast corner of said Merritt/Thornton tract and the Northeast corner of a tract of land described in Deed to Marjorie E. Burnett, recorded in Volume 3062, Page 667, Deed Records, Denton County, Texas;

THENCE South 74 degrees 57 minutes 09 seconds West, a distance of 866.35 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northwest corner of said Burnett tract and the Northeast corner of a tract of land described in Deed to Leonard McCasland, recorded in Volume 477, Page 434, Deed Records, Denton County, Texas;

THENCE South 89 degrees 07 minutes 59 seconds West, a distance of 776.28 feet to a 1/2 inch iron rod found at the Northwest corner of said McCasland tract and the Northeast corner of a tract of land described in Deed to RH Two LP, recorded in Document No. 2004-86307, Deed Records, Denton County, Texas;

THENCE South 89 degrees 09 minutes 48 seconds West, a distance of 1,548.77 feet to a PK nail found at the Northwest corner of said RH Two LP tract and the Northeast corner of a tract of land described in Deed to The Mahard 2003 Partnership, recorded in Document No. 2004-24461, Deed Records, Denton County, Texas;

THENCE South 89 degrees 07 minutes 08 seconds West, along the North line of said Mahard 2003 tract, a distance of 3,174.21 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Southwest corner of said Merritt/Thornton tract and the Southeast corner of a tract of land described in Deed to Bruce Mungiguerra and wife, Eleonore Mungiguerra, recorded in Volume 981, Page 234, Deed Records, Denton County, Texas;

THENCE North 00 degrees 35 minutes 32 seconds West, leaving the North line of said Mahard 2003 tract, a distance of 1,156.81 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE North 03 degrees 12 minutes 09 seconds West, a distance of 225.36 feet to a 1/2 inch iron rod found in the South line of a tract of land described in Deed to Robert Warren and Tracy Glover, recorded in Document No. 94-0091385, Deed Records, Denton County, Texas and at the Northeast corner of said Mungiguerra tract;

THENCE North 01 degrees 49 minutes 22 seconds West, along the South line of said Warren and Glover tract, a distance of 105.75 feet to a fence corner post found for corner;

THENCE North 64 degrees 25 minutes 33 seconds East, continuing along the South line of said Warren and Glover tract, a distance of 414.33 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Easterly Southeast corner of said Warren and Glover tract,

THENCE North 00 degrees 43 minutes 47 seconds West, a distance of 828.43 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said Warren and Glover tract and the Southeast corner of Lot 4 of SMILEY ACRES, an Addition to Denton County, Texas according to the Plat thereof recorded in Cabinet D, Page 324, Plat Records, Denton County, Texas;

THENCE North 00 degrees 01 minutes 44 seconds West, along the East line of said Addition, a distance of 1,022.40 feet to a 1/2 inch iron rod found for corner;

THENCE North 03 degrees 02 minutes 44 seconds West, continuing along the East line of said Addition, a distance of 549.10 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of Lot 3 of said Addition and the Southeast corner of a tract of land described in Deed to Kenneth Earl Hancock, recorded in Volume 990, Page 29, Deed Records, Denton County, Texas;

THENCE North 02 degrees 58 minutes 07 seconds West, a distance of 686.67 feet to a 1/2 inch iron rod found at the Northeast corner of said Hancock tract and the Southeast corner of a tract of land described in Deed to James Merritt, III, recorded in Document No. 95-0068384, Deed Records, Denton County, Texas;

THENCE North 02 degrees 49 minutes 58 seconds West, a distance of 123.89 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE North 01 degrees 52 minutes 08 seconds East, a distance of 587.00 feet to a 1/2 inch iron pipe found at the Northeast corner of said James Merritt tract and the Southeast corner of said Land Advisors tract;

THENCE North 01 degrees 49 minutes 48 seconds East, a distance of 654.45 feet to the **POINT OF BEGINNING** and containing 718.503 acres of land, more or less.

Tract B

BEING a tract of land located in the JOHN MORTON SURVEY, ABSTRACT NO. 791, Denton County, Texas and being a part of a tract of land described in Deed to James Merritt III, recorded in Document Number 95-0068384, Deed Records, Denton County, Texas and being more particularly described as follows:

BEGINNING at a 3/8 inch iron rod found in Smiley Road at the Northwest corner of said James Merritt tract and at the Southwest corner of a tract of land described in Deed to Land Advisors, LTD., recorded in Document Number 2006-28565, Deed Records, Denton County, Texas;

THENCE North 89 degrees 53 minutes 30 seconds East, a distance of 1,903.70 feet to a 1/2 inch iron pipe found at Northeast corner of said James Merritt tract and the Southeast corner of said Land Advisors tract;

THENCE South 01 degrees 52 minutes 08 seconds West, along the East line of said James Merritt tract, a distance of 567.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE South 02 degrees 49 minutes 58 seconds East, continuing along said East line, a distance of 123.89 feet to a 1/2 inch iron rod found in the West line of a tract of land described in Deed to Merritt/Thomlon Farm Partnership, L.P., recorded in Document Number 99-096579, Deed Records, Denton County, Texas at the Southeast corner of said James Merritt tract;

THENCE South 89 degrees 53 minutes 38 seconds West, leaving said East line, a distance of 1,889.96 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" found at the Southwest corner of said James Merritt tract;

THENCE North 00 degrees 06 minutes 49 seconds West, a distance of 690.33 feet to the **POINT OF BEGINNING** and containing 29.996 acres of land, more or less.

Tract C

BEING a 9.2979 acre tract of land, situated in the JOHN MORTON SURVEY, ABSTRACT NO. 791 in Denton County, Texas and being part of the Tract 3 of the Smiley Acres, an Addition in Denton County, Texas, according to the plat thereof recorded in Cabinet D, Slide 324, Plat Records, Denton County, Texas, same being all of Tract 3; Save and Except a 3.00 acre tract of land conveyed to James Duane Hall and wife, Sheila Rayne Hall by deed recorded in County Clerk's File No. 97-R0034191, Deed Records, Denton County, Texas, more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found at the Northeast corner of said Tract 3, same being the Northeast corner of said Smiley Acres;

THENCE South 02 degrees 46 minutes 46 seconds East, along the East line of said Tract 3 and the East line of said Smiley Acres, a distance of 549.16 feet to a 1/2 inch iron rod found at an angle point in said Smiley Acres Addition East line;

THENCE South 00 degrees 13 minutes 09 seconds East, continuing along said East line of said Tract 3 and said East line of said Smiley Acres, a distance of 315.85 feet to a 5/8 inch iron rod set with yellow cap stamped DC & A RPLS 5299 at the Northeast corner of said Hall tract;

THENCE South 89 degrees 46 minutes 47 seconds West, along the North line of said Hall tract, a distance of 477.71 feet to a 1/2 inch iron rod found at the Northwest corner of said Hall tract on the West line of said Tract 3 and the East right of way line of Old Diary Farm Road, (60 foot right of way);

THENCE North 00 degrees 01 minute 30 seconds East, along said Tract 3 West line and along said Old Diary Farm Road East right of way line, passing an 1/2 inch iron rod found at the Northeast corner of said Old Diary Farm Road and the Southeast corner of Tract 2 of said Smiley Acres, at a distance of 444.33 feet and continuing along said Tract 3 and said Tract 2 common line, a total distance of 866.33 feet to a 1/2 inch iron pipe found at the Northwest corner of said Tract 3 and the Northeast corner of said Tract 2 on the North line of said Smiley Acres;

THENCE South 89 degrees 59 minutes 00 seconds East, along the North line of said Tract 3 and the North line of said Smiley Acres, a distance of 449.49 feet to the **POINT OF BEGINNING** and containing 405,058.39 square feet or 9.2989 acres of land, more or less.

EXHIBIT A-2
DEPICTION OF THE PROPERTY

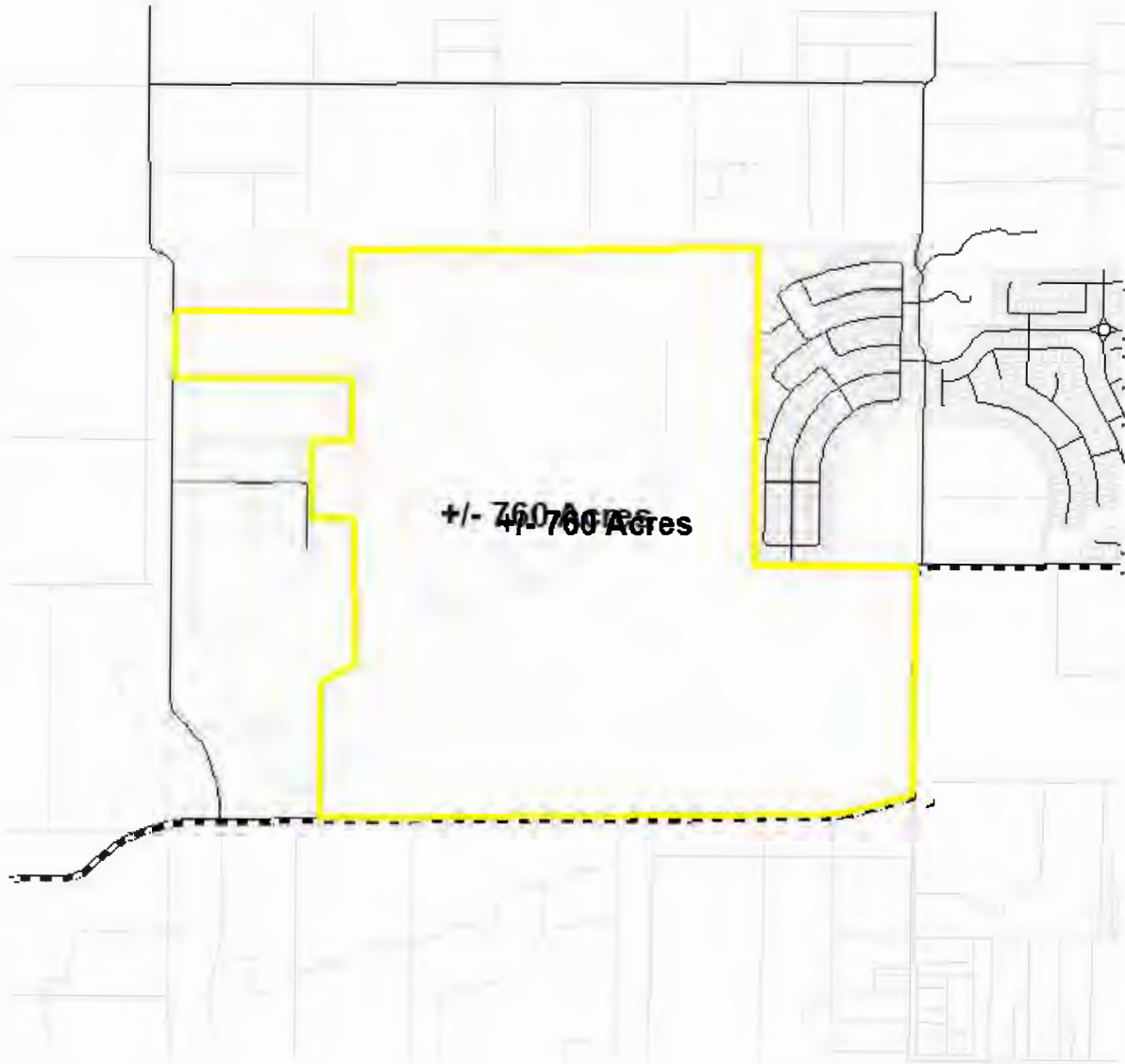


EXHIBIT B-1
DESCRIPTION OF THE DEVELOPER PROPERTY

The Developer Property consists of the following tracts described below: Tract 1 - 388.610 acres piece and Tract 2 – 45.369 acres (totaling 433.979 acres).

TRACT 1

BEING A TRACT OF LAND LOCATED IN THE C. COPENHAVER SURVEY, ABSTRACT NO. 253, THE JOHN MORTON SURVEY, ABSTRACT NO. 791, THE JOHN MCKIM SURVEY, ABSTRACT NO. 889, THE ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 AND THE A. THOMASON SURVEY, ABSTRACT NO. 1265, DENTON COUNTY, TEXAS AND BEING PART OF A TRACT OF LAND DESCRIBED IN DEED TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN DOCUMENT NO. 99-096579, DEED RECORDS, DENTON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON ROD FOUND AT A NORTHEASTERLY ELL CORNER OF SAID MERRITT TRACT AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A RIGHT-OF-WAY DEED TO THE CITY OF CELINA, RECORDED IN DOCUMENT NO. 2008-9821, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.);

THENCE NORTH 89°28'44" EAST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID CITY OF CELINA TRACT, A DISTANCE OF 894.91 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50°04'24", A RADIUS OF 1,160.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 45°31'30" WEST, 981.82 FEET;

THENCE SOUTHWESTERLY, LEAVING SAID COMMON LINE AND ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,013.78 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 20°29'18" WEST, A DISTANCE OF 1,116.79 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 68°42'59", A RADIUS OF 1,340.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 54°50'48" WEST, 1,512.50 FEET;

THENCE SOUTHWESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 1,607.10 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 89°12'19" WEST, A DISTANCE OF 3,185.91 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE WEST LINE OF SAID MERRITT TRACT AND THE EAST LINE OF A TRACT OF LAND DESCRIBED IN A CORRECTION DEED TO FRONTIER MINI STORAGE, LLC, RECORDED IN DOCUMENT NO. 2018-121216, O.R.D.C.T.;

THENCE NORTH 00°35'32" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID FRONTIER TRACT, A DISTANCE OF 1,053.99 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 03°12'09" WEST, CONTINUING ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID FRONTIER TRACT, A DISTANCE OF 225.36 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID FRONTIER TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO TEEL LAKES LLC;

THENCE NORTH 01°49'22" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 105.75 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 64°25'33" EAST, CONTINUING ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 414.33 FEET TO A 60D NAIL FOUND FOR CORNER;

THENCE EAST, LEAVING THE COMMON LINE OF SAID MERRITT TRACT AND SAID TEEL LAKES TRACT, A DISTANCE OF 333.20 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 68°47'46" EAST, A DISTANCE OF 401.09 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°00'07" EAST, A DISTANCE OF 260.45 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 33°08'43" EAST, A DISTANCE OF 1,522.09 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50°22'16", A RADIUS OF 125.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 11°46'54" EAST, 106.39 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 109.89 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 12°34'43" WEST, A DISTANCE OF 852.77 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 23°25'06" EAST, A DISTANCE OF 85.37 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 09°02'27" EAST, A DISTANCE OF 282.82 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 09°51'05" WEST, A DISTANCE OF 93.26 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 25°30'37" EAST, A DISTANCE OF 76.43 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 37°34'52" EAST, A DISTANCE OF 96.04 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 02°53'57" EAST, A DISTANCE OF 59.63 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 48°56'18" WEST, A DISTANCE OF 73.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 20°57'11" EAST, A DISTANCE OF 57.61 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 84°16'56" EAST, A DISTANCE OF 73.49 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 29°38'37" EAST, A DISTANCE OF 196.61 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 22°08'20" EAST, A DISTANCE OF 70.55 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 55°11'49" EAST, A DISTANCE OF 88.12 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°40'19" EAST, A DISTANCE OF 56.49 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 70°14'55" EAST, A DISTANCE OF 79.99 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 10°52'35" EAST, A DISTANCE OF 30.16 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 56°12'42" EAST, A DISTANCE OF 264.70 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 79°15'36" EAST, A DISTANCE OF 121.22 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 46°14'16" EAST, A DISTANCE OF 196.10 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 62°02'48" EAST, A DISTANCE OF 211.19 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 43°21'07" EAST, A DISTANCE OF 516.67 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 32°11'04" EAST, A DISTANCE OF 171.63 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 45°50'27" EAST, A DISTANCE OF 68.42 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 86°58'30" EAST, A DISTANCE OF 48.21 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 33°45'27" EAST, A DISTANCE OF 40.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 04°37'12" EAST, A DISTANCE OF 46.91 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 54°49'35" EAST, A DISTANCE OF 27.64 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 27°58'56" EAST, A DISTANCE OF 28.59 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 72°13'53" EAST, A DISTANCE OF 79.12 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 65°38'41" EAST, A DISTANCE OF 100.22 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 85°07'17" EAST, A DISTANCE OF 277.74 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 68°12'58" EAST, A DISTANCE OF 65.00 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 84°05'24" EAST, A DISTANCE OF 46.90 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 73°03'20" EAST, A DISTANCE OF 91.25 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 81°08'11" EAST, A DISTANCE OF 72.01 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 26°52'14" EAST, A DISTANCE OF 76.58 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 76°02'39" EAST, A DISTANCE OF 29.69 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 59°43'22" EAST, A DISTANCE OF 35.77 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 75°08'32" EAST, A DISTANCE OF 67.52 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE EAST LINE OF SAID MERRITT TRACT AND THE WEST LINE OF CREEKS OF LEGACY WEST PHASE 1, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN DOCUMENT NO. 2018-394, O.R.D.C.T.;

THENCE SOUTH 00°29'21" WEST, ALONG THE EAST LINE OF SAID MERRITT TRACT AND THE WEST LINES OF SAID CREEKS OF LEGACY WEST PHASE 1 AND CREEKS OF LEGACY WEST PHASE 2, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN DOCUMENT NO. 2020-80, O.R.D.C.T., AND SAID CITY OF CELINA TRACT RESPECTIVELY, A DISTANCE OF 3,332.35 FEET TO THE POINT OF BEGINNING AND CONTAINING 16,927,840 SQUARE FEET OR 388.610 ACRES OF LAND, MORE OR LESS.

TRACT 2

BEING A TRACT OF LAND LOCATED IN THE JOHN MCKIM SURVEY, ABSTRACT NO. 889, DENTON COUNTY, TEXAS AND BEING PART OF A TRACT OF LAND DESCRIBED IN DEED TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN DOCUMENT NO. 99-096579, DEED RECORDS, DENTON COUNTY, TEXAS (D.R.D.C.T.) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON ROD FOUND IN THE SOUTH LINE OF SAID MERRITT TRACT NEAR THE CENTER OF PARVIN ROAD AT THE NORTH COMMON CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO PROSPER MEADOWS LP, RECORDED IN DOCUMENT NO. 2019-65177, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.) AND A TRACT OF LAND DESCRIBED IN DEED TO THE LEONARD AND NORMA E. MCCASLAND REVOCABLE LIVING TRUST, RECORDED IN VOLUME 4683, PAGE 1919, D.R.D.C.T.;

THENCE SOUTH 89°09'48" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND PROSPER MEADOWS LP AND SAID PARVIN ROAD, A DISTANCE OF 1,283.28 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 58°43'14", A RADIUS OF 1,460.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 49°50'56" EAST, 1,431.68 FEET;

THENCE NORTHEASTERLY, LEAVING SAID COMMON LINE AND SAID PARVIN ROAD AND ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,496.31 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 20°29'18" EAST, A DISTANCE OF 1,116.79 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 22°00'32", A RADIUS OF 1,040.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 31°29'35" EAST, 397.04 FEET;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 399.49 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 25°52'19" EAST, A DISTANCE OF 55.01 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 77°40'24" EAST, A DISTANCE OF 199.78 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 55°29'00" EAST, A DISTANCE OF 321.28 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 22°53'19" WEST, A DISTANCE OF 329.02 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 02°13'02" EAST, A DISTANCE OF 532.60 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 17°12'36" WEST, A DISTANCE OF 650.64 FEET TO A POINT FOR CORNER;

THENCE SOUTH 04°16'27" WEST, A DISTANCE OF 267.37 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE SOUTH 00°36'28" EAST, A DISTANCE OF 282.76 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE COMMON LINE OF SAID MERRITT TRACT AND SAID MCCASLAND REVOCABLE TRUST TRACT NEAR THE CENTER OF SAID PARVIN ROAD;

THENCE SOUTH 89°07'59" WEST, ALONG THE COMMON LINE OF SAID MERRITT TRACT AND SAID MCCASLAND REVOCABLE TRUST TRACT AND SAID PARVIN ROAD, A DISTANCE OF 576.63 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,976,291 SQUARE FEET OR 45.369 ACRES OF LAND, MORE OR LESS.

EXHIBIT B-2
DEPICTION OF THE DEVELOPER PROPERTY

The Developer Property consists of the following tracts described below: Tract 1 - 388.610 acres piece and Tract 2 - 45.369 acres (totaling 433.979 acres).

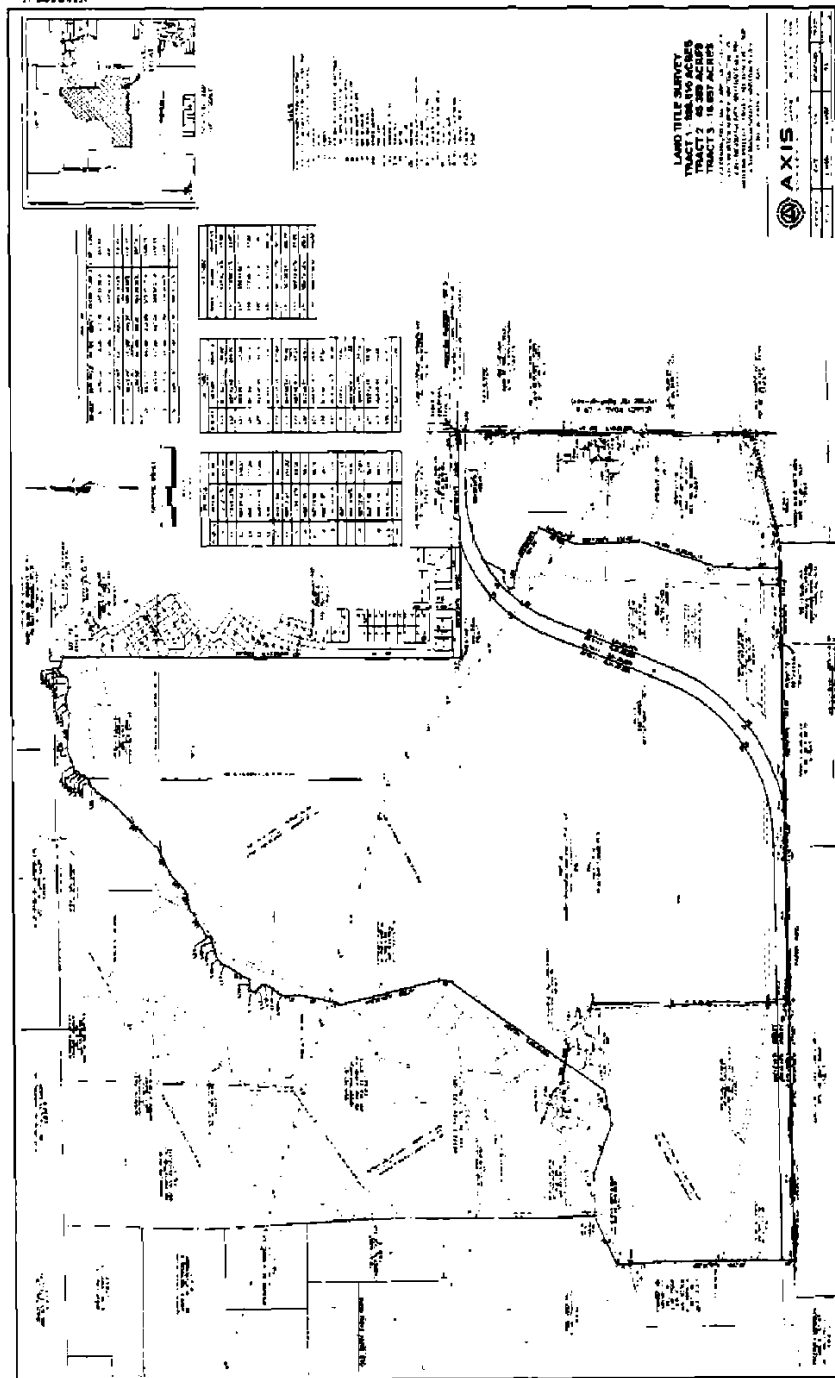


EXHIBIT C
CONCEPT PLAN

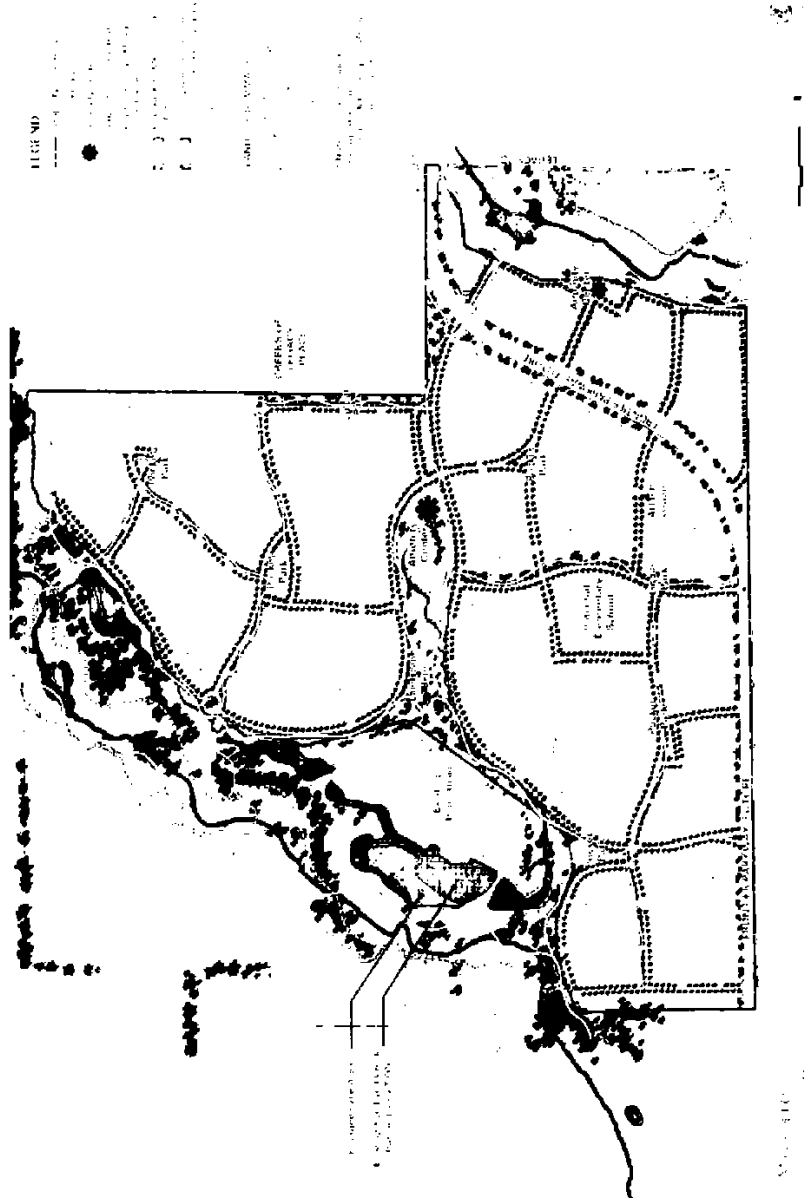


EXHIBIT D
DEVELOPMENT STANDARDS

In the event of any conflict between the City Regulations and the development standards on this **Exhibit D**, the development standards on this **Exhibit D** shall control.

Concept Plan

The subject property shall generally develop per the attached Concept Plan. The Concept Plan displays the general location and configuration of land uses, arterials, and other area features. Minor modifications due to the final engineering and design of the project (including changes to street layouts), and minor changes to the boundaries and configuration of each land use area, amenity center, and park shown on the original Concept Plan, are permitted at the time of platting and shall be administratively approved by the Director of Development Services if such modifications otherwise comply with these Development Standards. All other modifications to the original Concept Plan, such as major relocations of land uses, shall require a revision to the governing Planned Development district zoning.

Architecture

The subject property is an architecturally, historically, and culturally significant tract of land that is meaningfully located along a principal regional waterway and along a regionally significant east-west thoroughfare. Except as otherwise provided on this **Exhibit D**, the City's building material regulations in the zoning ordinance shall apply.

Open Space

The vision for the community includes extensive open space and activation of the floodplain areas with concrete trails and single-loaded streets that preserve the public view of the natural beauty. Below are the required elements:

1. Minimum 12-foot wide concrete trails along the creek, including trail heads and a pedestrian bridge to the western tract, in conformance with the Master Parks & Trails Plans.
2. One large amenity center including, at a minimum, an amenity center building, a swimming pool, bathrooms, a playground, and an open recreation area.
3. A second amenity center on the east side of Frontier Parkway including, at a minimum, an amenity center building, bathrooms, a playground, and an open recreation area. If the portion of the Property located on the east side of Frontier Parkway is developed with all single family, the second amenity center shall include a swimming pool.
4. A third amenity center on the western side of Doe Branch including, at a minimum, an amenity center building, a swimming pool, bathrooms, a playground, and an open recreation area.
5. Incorporation of open space in alignment with the Neighborhood Vision Book through use of pocket parks and activated open space throughout the community, as shown on the Concept Plan.
6. Connectivity and access to the creek views are a basis for many of the regulations within this Planned Development. Although minor adjustments to the lot layouts and street patterns shown on the Concept Plan are allowed, including allowing siding and backing of some lots to the creek, any material increase in the number of homes that either back or side onto the creek in a linear pattern would be considered a major amendment to the Concept Plan that would require a PD amendment.

Zoning

The project shall abide by all City regulations, and as may be amended, except as follows:

1. Flex Tracts 1 (Single Family, Multi-family, and Build to Rent)

The tracts shown on the Concept Plan for "SF, MF, and Build to Rent" shall be developed in accordance with one or more of the following zoning district regulations, and may be developed with any use permitted in any of the following zoning districts: SF-R (single family residential, detached), SF-A (single family residential, attached), MF-0 (Horizontal multi-family), MF-2 (Urban Edge multi-family), and MF-3 (Urban Living multi-family). These tracts shall include outdoor amenitization of the adjacent floodplain areas.

A maximum of 200 single family dwelling units are permitted within the Flex Tracts. Such units may be attached or detached. Detached dwelling units shall be located on a lot with a minimum of 40 feet in width. Alleys are required abutting single family attached and detached lots less than 50 feet in width.

A maximum of 600 multi-family dwelling units are permitted in Flex Tract 1 and Flex Tract 2 combined, and shall be developed per the regulations of the, MF-0, MF-2 or MF-3 districts. A maximum of 1 complex up to 200 horizontal multi-family dwelling units (MF-0) (also commonly referred to as single-family build to rent) are permitted in Flex Tract 1 and Flex Tract 2 combined, and shall be counted towards the maximum of 600 multi-family dwelling units in Flex Tract 1 and Flex Tract 2 combined. The limitations in this paragraph also apply to the flex tract described in Section 2 below.

2. Flex Tract 2 (Multi-family or Build to Rent)

The tract shown on the Concept Plan for "MF or Build to Rent" shall be developed in accordance with one or more of the following zoning district regulations, and may be developed with any use permitted in any of the following zoning districts: MF-0 (Horizontal multi-family), MF-2 (Urban Edge multi-family), and MF-3 (Urban Living multi-family). These tracts shall include outdoor amenitization of the adjacent floodplain areas. These tracts shall be subject to the unit count limitations on multi-family dwelling units and horizontal multi-family dwelling units set forth in Section 1 above. The minimum parking requirement shall not require more than an average of 1.5 parking spaces per unit within a single multi-family development. The City Manager or his or her designee, in his or her sole discretion, may approve the use of hardy board material in place of stone or stucco on the front facades of a multi-family development at the time of project submittal if the proposed use of hardy board demonstrates high quality.

3. Retail, Garden Office and Other Similar Non-Residential Uses

The tract shown on the Concept Plan for "Retail, Garden Office, and Other Similar Non-Residential Uses" shall be developed in accordance with the "C" zoning district regulations, and may be developed with any use permitted in the "C" zoning district.

4. Single Family Residential and School Site

Tracts shown on the Concept Plan for "Single Family Residential" and "School" shall be developed in accordance with the SF-R zoning district regulations, and may be developed with any use permitted in the SF-R zoning district, including, but not limited to, amenity centers and schools. Amenity centers shall comply with the SF-R zoning district

regulations, as modified by this Section 4. In addition, single family attached uses (townhomes) are permitted in accordance with the SF-A zoning district regulations, as modified by this Section 4.

- a. The total single family lot count on the "Single Family Residential" and "School" tracts shall not exceed 3,000 lots. The below lot mix shall govern the "Single Family Residential" area of the development and be calculated based upon the total lot count (not the lot cap figure of 3,000):

	Lot Type A	Lot Type B	Lot Type C	Lot Type D	Lot Type E
Min. Width	40'	50'	60'	70'	Townhomes
Lot % (Min/Max)	(0/20)	(0/30)	(20/0)	(10/0)	(0/10)

- b. Any single family detached or attached lot less than 50 feet in width shall be alley served.
- c. Architectural flexibility shall be provided for roof pitches that vary from the SF-R district and SF-A requirements, as applicable. Modern color schemes (specifically white) shall be permitted. Incorporation of stucco as an exterior building material shall be permitted, so long as the front facade's materials remain primarily brick/stone, except that homes with a Mediterranean or modern architectural design may be constructed 100 percent of stucco.

5. Homestead

The Homestead Tract is envisioned to remain preserved. However, if the Homestead Tract is redeveloped, it may be developed under any of the single family detached standards for other tracts set forth above. The City agrees to the development of a maximum of six single family residences within the Homestead Tract (the "Homestead Residences") without it qualifying as redevelopment.

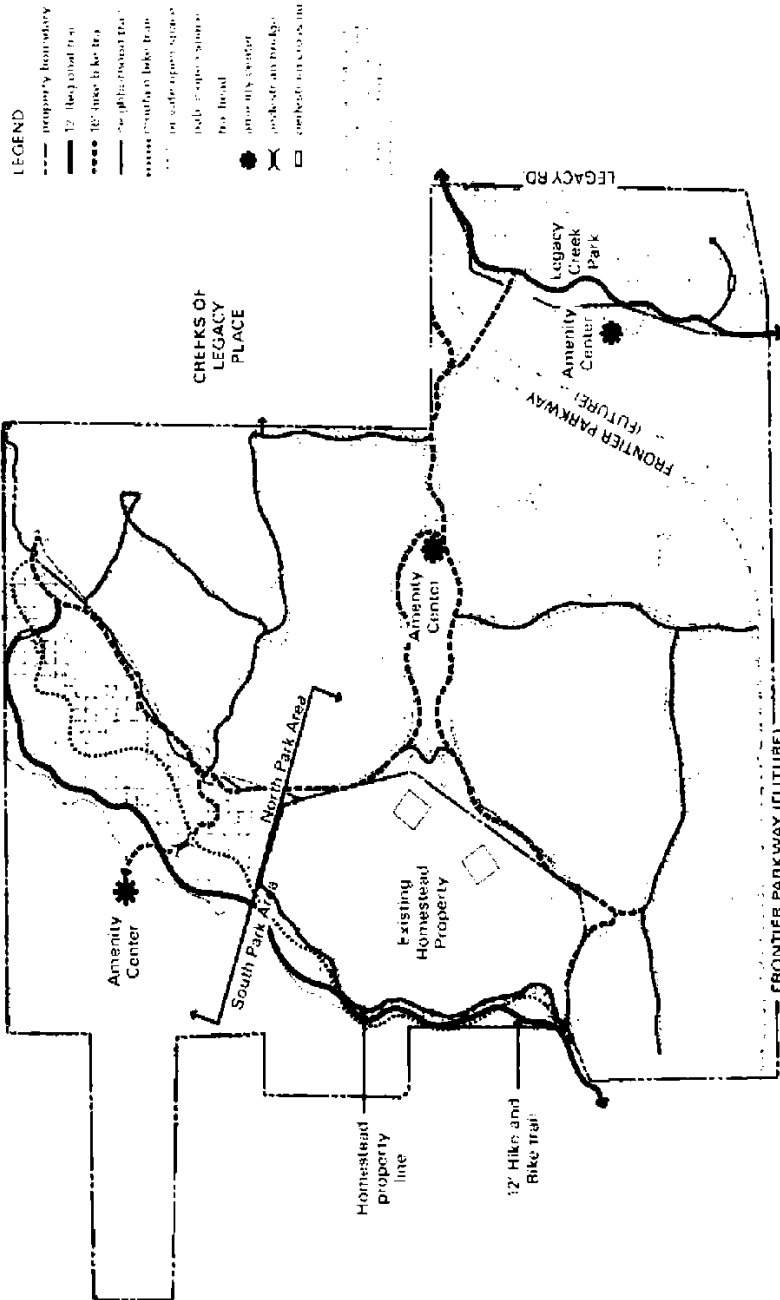
6. Retained Property

In addition to the other uses and development permitted on the Retained Property pursuant to the terms of this Agreement, the Owner may do the following on the Retained Property subject only to applicable state regulations and Denton County regulations:

- Water wells may be drilled on the Retained Property, and well water may be used for irrigation and other agricultural purposes, as well as for household/domestic use in the case of the Homestead Residences.
- A maximum of four homes (in addition to the two existing homes) may be constructed on the Retained Property pursuant to this Section 6. A minimum one-acre platted lot is required for each home.
- Agricultural uses, including modification of existing agricultural buildings as well as construction of new agricultural buildings and recreational buildings (or additions to existing buildings), are permitted.

If required, platting shall be in accordance with the subdivision and platting regulations applicable to the entire Property. The Owner may tap into the Public Infrastructure described in this Agreement to serve the six existing and proposed single family residences described in this Section 6.

EXHIBIT E TRAILS AND OPEN SPACE IMPROVEMENTS



Mosaic
Geographic Information Systems
12000 120th Street, Suite 100
Bellevue, WA 98005
Tel: 206.464.1000

T&G

Public Parks and Private Amenity Triggers

Item No.	Description	Construction Start	Public / Private Ownership and Maintenance
1	1 st (Central) Amenity Center	Prior to 100 th Building Permit West of Frontier and East of Doe Branch	Private
2	2 nd (Eastern) Amenity Center	Prior to the 100 th Building Permit East of Frontier	Private
3	3 rd (Western) Amenity Center	Prior to the 100 th Building Permit West of Doe Branch	Private
4	Legacy Creek Park Area	Prior to the 150 th Building Permit East of Frontier	Public
5	Legacy Creek Park Area 12FT Trail	Prior to the 150 th Building Permit East of Frontier	Public
6	North Park Area (Doe Branch)	Prior to 250 th Building Permit West of Frontier and East of Doe Branch	Public
7	North Park Area 12FT Trail	Prior to 250 th Building Permit West of Frontier and East of Doe Branch	Public
8	North Park Area Pedestrian Bridge	Prior to 300 th Building Permit West of Frontier and East of Doe Branch	Public
9	South Park Area (Doe Branch)	Prior to the 125 th Building Permit West of Doe Branch	Public
10	South Park Area 12FT Trail	Prior to the 125 th Building Permit West of Doe Branch	Public
	Internal Pocket & Linear Parks	On or before the date of substantial completion of the immediately adjacent Phase	Privately owned and maintained with public access to trails

Note: Public Parks will be detailed in a Mosaic Master Parks Plan, to be created, that makes efficient use of open space, flood plains, and non-flood plains. For purposes of the provisions in the table above, the property located west of Doe Branch is described on Exhibit I of this Agreement.

EXHIBIT F ROADWAY IMPROVEMENTS

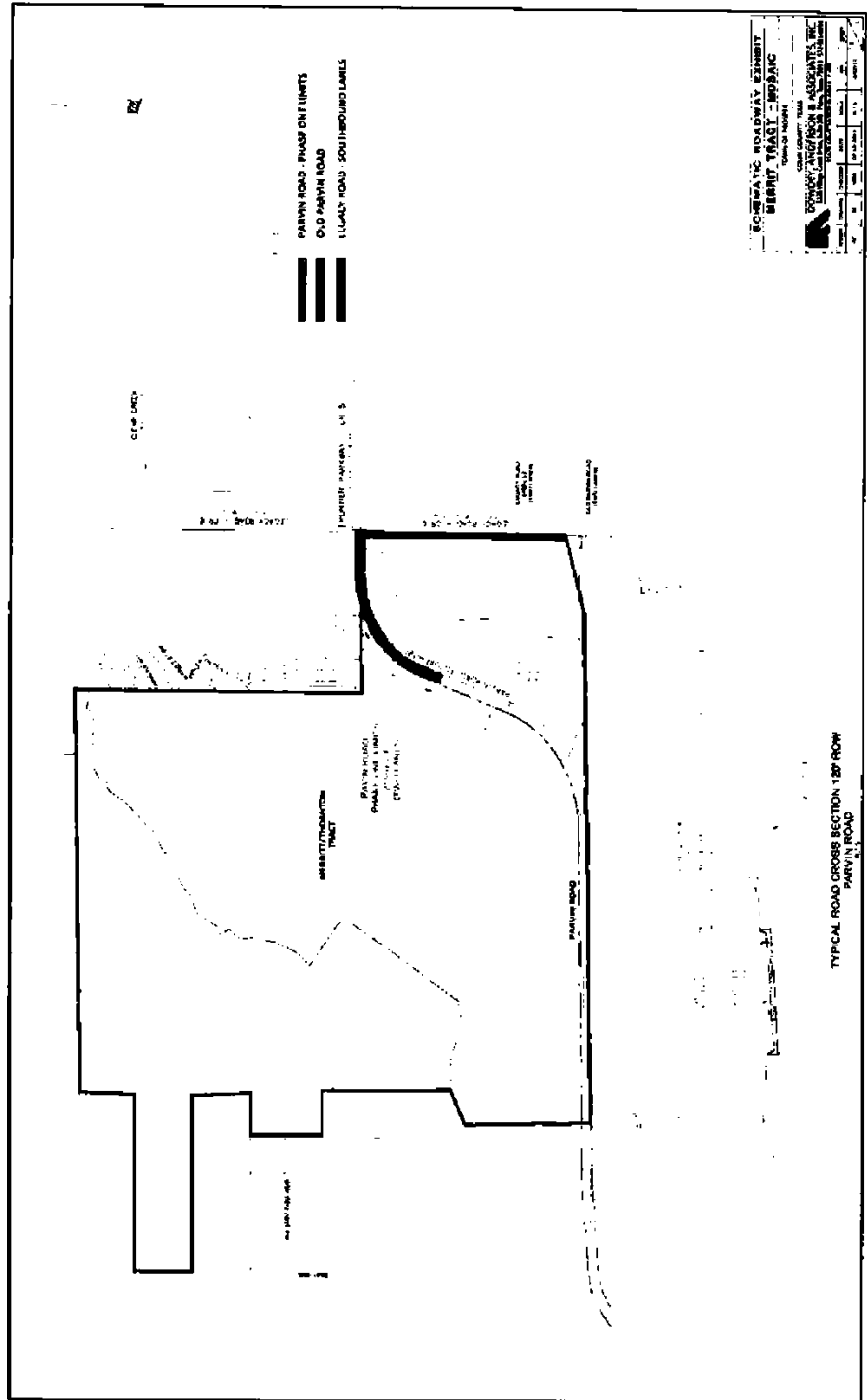


EXHIBIT F-1
COLLECTOR ROAD NOT REQUIRED

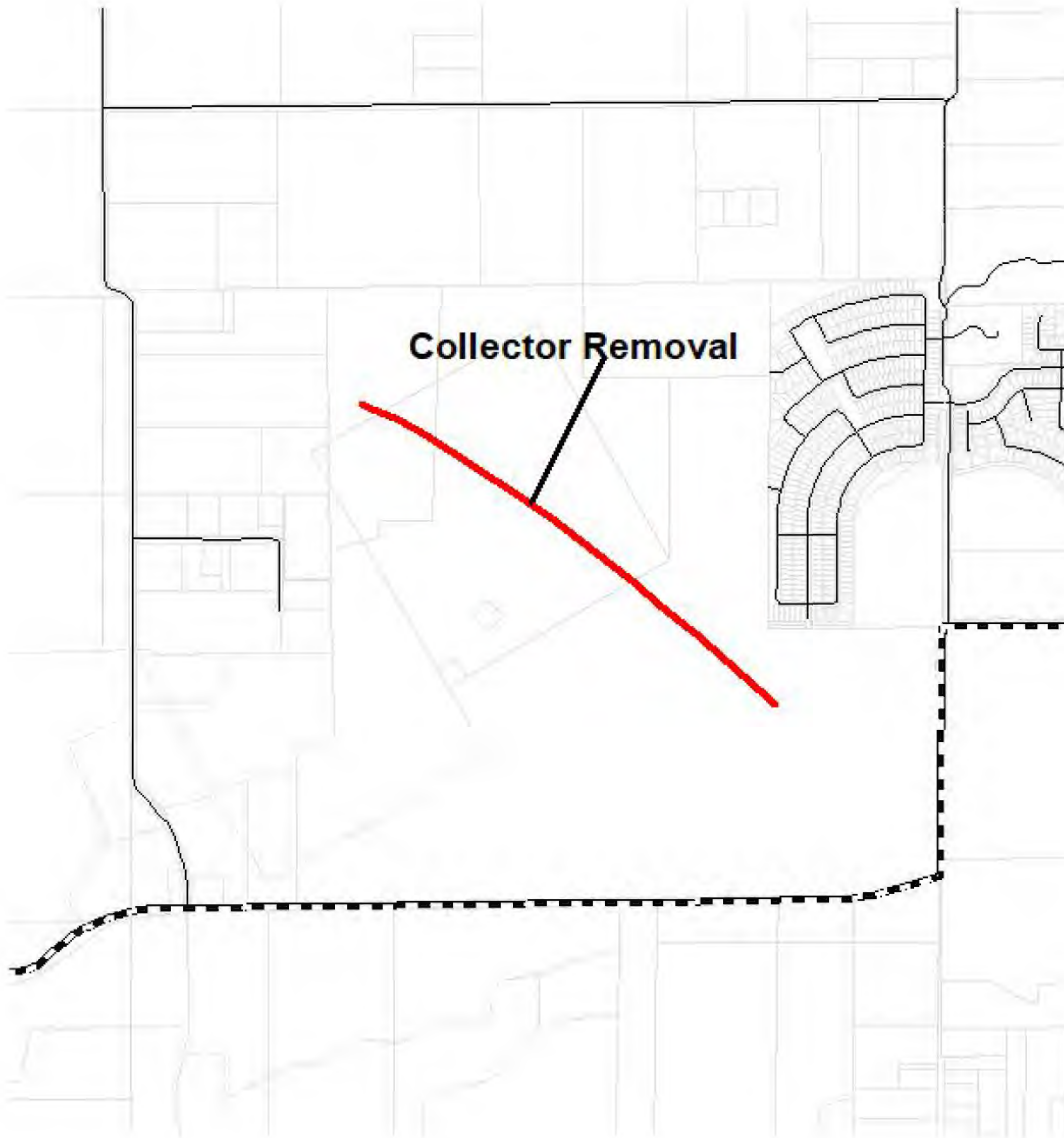
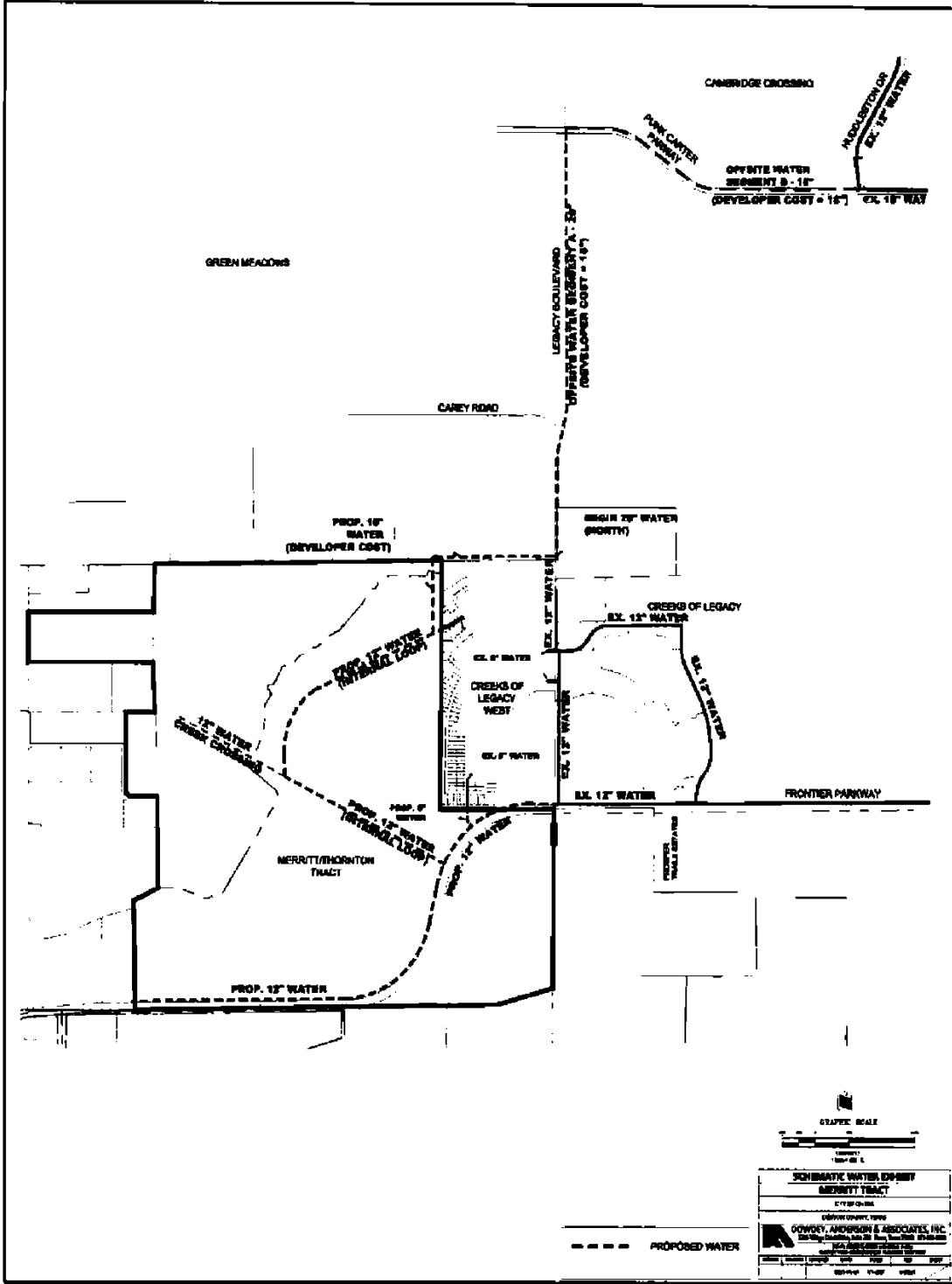


EXHIBIT G WATER IMPROVEMENTS



**EXHIBIT H
WASTEWATER CONNECTIONS**

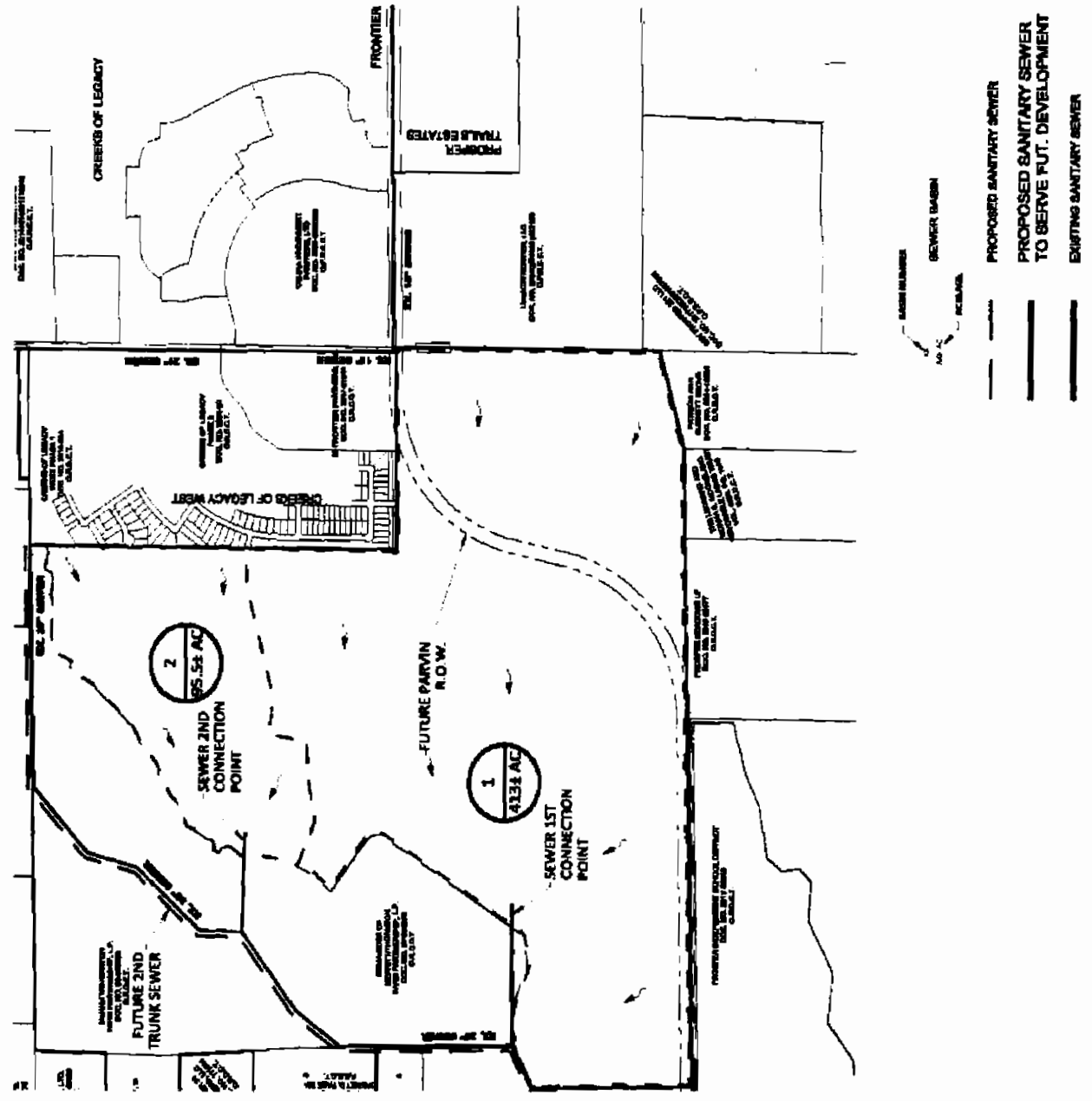


EXHIBIT I
LEGAL DESCRIPTION OF THE PORTION OF THE PROPERTY LOCATED WEST
OF DOE BRANCH

107.890 ACRE

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791 and the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and all of that tract of land conveyed in Deed to W. Keith Thornton and James H. Merritt, III, according to the document of record filed in Document number 95-0068384, Deed Records, Denton County, Texas, and being all of Lot 3, SMILEY ACRES, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet D, Page 324, Plat Records, Denton County, Texas, and conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of a record filed in Document Number 2007-42787, Deed Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found in the south line of that tract of land conveyed in Deed to Smiley Road, Ltd., according to the document of record filed in Document Number 2006-2173, Official Records, Denton County, Texas, for the common northwest corner of said Merritt/Thornton Farm Partnership, L.P. tract (Document Number 99-096579) and the northeast corner of that tract of land conveyed in Deed to Smiley Road, Ltd., according to the document of record file din Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 13' 47" E, partially with the common north line of said Merritt/Thornton Farm Partnership, L.P. tract and the south line of said Smiley Road, Ltd. (Document Number 2006-2173) and the south line of that tract of land conveyed in Deed to West Celina 86 Partners, Ltd., according to the document of record filed in Document Number 2015-23235, Official Records, Denton County, Texas, a distance of 1,501.71 feet to a 1" iron pipe found;

THENCE N 89° 06' 09" E, continuing with said common line, a distance of 521.31 feet;

THENCE Leaving said common line, over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

S 59° 03' 23" W, a distance of 37.29 feet;

S 38° 59' 30" W, a distance of 189.50 feet;

S 25° 20' 08" W, a distance of 35.09 feet;

S 13° 31' 17" W, a distance of 38.37 feet;
S 10° 45' 08" W, a distance of 151.50 feet;
S 67° 39' 26" W, a distance of 79.66 feet;
S 45° 40' 12" W, a distance of 60.35 feet;
S 71° 06' 01" W, a distance of 54.94 feet;
S 35° 51' 14" W, a distance of 36.34 feet;
S 01° 26' 06" E, a distance of 40.66 feet;
S 33° 16' 16" E, a distance of 75.38 feet;
S 16° 21' 04" W, a distance of 77.72 feet;
S 26° 40' 43" W, a distance of 93.49 feet;
S 34° 24' 13" W, a distance of 53.69 feet;
S 58° 27' 28" W, a distance of 50.09 feet;
S 69° 57' 18" W, a distance of 152.06 feet;
S 39° 18' 24" W, a distance of 84.57 feet;
S 61° 28' 34" W, a distance of 56.52 feet;
N 78° 23' 21" W, a distance of 41.08 feet;
S 51° 32' 59" W, a distance of 29.32 feet;
S 39° 29' 09" E, a distance of 102.47 feet;
S 12° 58' 16" E, a distance of 43.29 feet;
S 20° 12' 01" W, a distance of 30.10 feet;
S 45° 09' 28" W, a distance of 46.65 feet;

S 74° 19' 08" W, a distance of 37.25 feet;

N 70° 14' 59" W, a distance of 38.28 feet;

N 44° 03' 07" W, a distance of 34.35 feet;

S 64° 24' 36" W, a distance of 26.70 feet;

S 13° 08' 36" W, a distance of 53.15 feet;

S 47° 04' 12" W, a distance of 49.02 feet;

S 08° 21' 46" W, a distance of 140.65 feet;

S 45° 55' 48" W, a distance of 99.73 feet;

S 16° 16' 59" W, a distance of 221.10 feet;

S 65° 51' 34" W, a distance of 70.95 feet;

S 35° 02' 18" W, a distance of 54.83 feet;

S 28° 56' 45" E, a distance of 92.56 feet;

S 06° 35' 09" W, a distance of 68.64 feet;

S 52° 33' 00" W, a distance of 15.68 feet;

S 41° 38' 20" W, a distance of 160.93 feet;

S 58° 37' 19" W, a distance of 287.98 feet;

S 40° 24' 32" W, a distance of 188.62 feet;

S 59° 00' 32" W, a distance of 70.76 feet;

S 24° 39' 29" W, a distance of 480.57 feet;

S 65° 20' 07" W, a distance of 104.94 feet to a point in the common west line of the above mentioned Merritt/Thornton Farm Partnership, L.P. tract and the east line of the above mentioned Lot 3;

THENCE S 00° 01' 44" E, with said common line, a distance of 96.41 feet to a point for the common southeast corner of said Lot 3 and the northwest corner of that tract of land conveyed in Deed to James Duane Hall and wife, Sheila Rayne Hall, according to the document of record filed in Document Number 97-0034191, Deed Records, Denton County, Texas;

THENCE S 89° 54' 17" W, with the south line of said Lot 3, a distance of 477.13 feet to a point in the east line of Old Dairy Farm Road, a 60' right-of-way for the common southwest corner of said Lot 3 and the northwest corner of said James Duane Hall and wife, Sheila Rayne Hall tract;

THENCE N 00° 06' 35" W, with the west line of said Lot 3, a distance of 864.36 feet to a point in the south line of that tract of land conveyed in Deed to Prosper 30 Partners, LLC, according to the document of record filed in Document Number 111804, Official Records, Denton County, Texas, for the common northwest corner of said Lot 3 and the northeast corner of Lot 2 of the above mentioned SMILEY ACRES Addition;

THENCE N 89° 54' 16" E, with the north line of said Lot 3, a distance of 449.45 feet to a point in the west line of the above mentioned Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said Lot 3 and the southeast corner of said Prosper 30 Partners, LLC tract;

THENCE N 02° 58' 07" W, with said west line, a distance of 686.67 feet to a 1/2" iron rod found for the common southeast corner of the above mentioned W. Keith Thornton and James H. Merritt, III and the northeast corner of said Prosper 30 Partners, LLC tract;

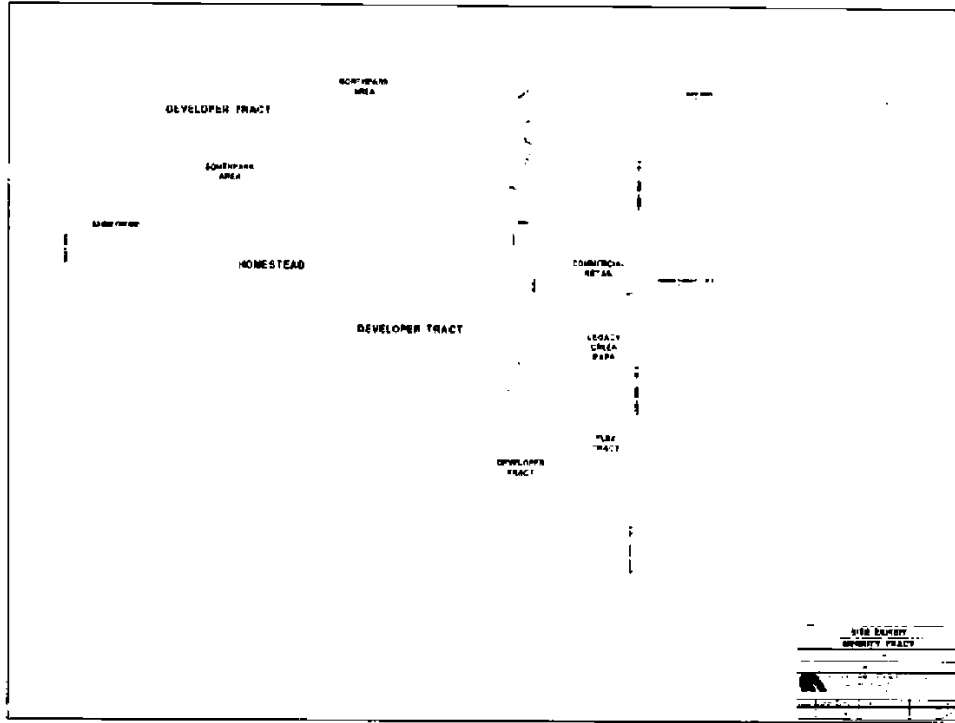
THENCE S 89° 53' 38" W, with the south line of said W. Keith Thornton and James H. Merritt, III tract, a distance of 1,889.96 feet to a point in the east line of that tract of land conveyed in Deed to Smiley Road, Ltd., according to the document of record filed in Document Number 2005-77986, Deed Records, Denton County, Texas, for the common southwest corner of said W. Keith Thornton and James H. Merritt, III tract and the northwest corner of that tract of land conveyed in Deed to Claude Wayne Adams, according to the document of record filed in Volume 990, Page 32, Deed Records, Denton County, Texas;

THENCE N 00° 06' 49" W, with the west line of said W. Keith Thornton and James H. Merritt, III tract, a distance of 690.33 feet to a point for the common northwest corner of said W. Keith Thornton and James H. Merritt, III tract and the southwest corner of that tract of land conveyed in Deed to Smiley Road, Ltd. according to the document of record filed in Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 53' 30" E, with the north line of said W. Keith Thornton and James H. Merritt, III, a distance of 1,903.70 feet to a 1/2" iron pipe found in the west line of said Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said W. Keith Thornton and James H. Merritt, III tract and the southeast corner of said Smiley Road, Ltd. tract;

THENCE N 01° 49' 48" E, with said west line, a distance of 654.45 feet to the POINT OF BEGINNING, and containing 107.890 acres of land, more or less.

EXHIBIT J
ANNEXATION TRACTS



Homestead Tract
Legal Description
72.819 ACRES

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN M. MCKIM SURVEY, ABSTRACT NO. 889 and the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas, and being all of Lots 1 and 2, MERRITT PARK ADDITION, an Addition to the City of Celina, Collin County, Texas, according to the Plat of record filed in Document Number 2013-303, Official Records, Collin County, Texas, and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

COMMENCING at a point for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the most easterly southeast corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas, from which a 1/2" iron rod found in the west line of said Merritt/Thornton Farm

Partnership, L.P. tract, for the common most southerly southeast corner of said Teel Lakes, LLC tract and the northeast corner of that tract of land conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026 (Correction Deed, Document Number 2018-121216), Official Records, Denton County, Texas, bears S 52° 30' 13" W, 467.16 feet;

THENCE Over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

N 00° 00' 00" E, a distance of 63.68 feet to the **POINT OF BEGINNING** of the tract of land described herein;

N 54° 52' 24" E, a distance of 40.69 feet;

N 32° 26' 23" E, a distance of 70.08 feet;

N 02° 32' 44" W, a distance of 13.69 feet;

N 89° 34' 08" E, a distance of 47.37 feet;

N 68° 41' 04" E, a distance of 49.27 feet;

N 72° 37' 27" E, a distance of 73.57 feet;

N 54° 03' 27" E, a distance of 45.73 feet;

N 09° 19' 17" E, a distance of 32.10 feet;

N 15° 43' 34" W, a distance of 40.22 feet;

N 32° 25' 42" W, a distance of 28.72 feet;

N 40° 58' 09" W, a distance of 69.41 feet;

N 18° 32' 55" W, a distance of 90.82 feet;

N 00° 57' 01" E, a distance of 112.83 feet;

N 16° 47' 39" W, a distance of 74.65 feet;

N 35° 42' 19" W, a distance of 102.42 feet;

N 20° 28' 35" W, a distance of 86.29 feet;

N 10° 48' 26" W, a distance of 82.16 feet;
N 19° 38' 00" W, a distance of 93.54 feet;
N 00° 00' 00" E, a distance of 62.22 feet;
N 39° 10' 53" E, a distance of 34.03 feet;
N 11° 13' 02" E, a distance of 129.62 feet;
N 44° 27' 46" E, a distance of 100.32 feet;
N 15° 23' 43" E, a distance of 44.07 feet;
N 06° 13' 09" E, a distance of 130.16 feet;
N 60° 23' 08" W, a distance of 109.36 feet;
N 06° 46' 51" E, a distance of 140.95 feet;
N 34° 29' 43" E, a distance of 115.46 feet;
N 40° 38' 06" E, a distance of 136.02 feet;
N 86° 44' 10" E, a distance of 215.82 feet;
N 16° 07' 11" E, a distance of 144.61 feet;
N 37° 40' 40" E, a distance of 204.49 feet;
N 57° 39' 24" E, a distance of 121.37 feet;
N 48° 05' 13" E, a distance of 267.21 feet;
N 17° 46' 03" E, a distance of 126.38 feet;
S 70° 22' 42" E, a distance of 652.06 feet;

S 12° 34' 43" E, a distance of 1,028.18 feet to a point at the beginning of a curve to the right
having a central angle of 50° 22' 16", a radius of 125.00 feet and a chord bearing and distance of
S 11° 46' 54" W, 106.39 feet;

With said curve to the right, an arc distance of 109.89 feet;

S 33° 08' 43" W, a distance of 1522.09 feet;

S 79° 00' 07" W, a distance of 260.45 feet;

N 68° 47' 46" W, a distance of 401.09 feet;

N 90° 00' 00" W, a distance of 312.21 feet to the **POINT OF BEGINNING**, and containing 72.819 acres of land, more or less.

**South Park Area
Legal Description
10.636 ACRES**

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253 and the, ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas, and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a point for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the most easterly southeast corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas, from which a 1/2" iron rod found in the west line of said Merritt/Thornton Farm Partnership, L.P. tract, for the common most southerly southeast corner of said Teel Lakes, LLC tract and the northeast corner of that tract of land conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026 (Correction Deed, Document Number 2018-121216), Official Records, Denton County, Texas, bears S 52° 30' 13" W, 467.16 feet;

THENCE N 00° 43' 47" W, with the common line of said Merritt/Thornton Farm Partnership, L.P. and said Teel Lakes LLC tract, a distance of 828.43 feet to a point for the common northeast corner of said Teel Lakes LLC tract and the southeast corner of Lot 4, SMILEY ACRES, an Addition to the City of Celina, Collin County, Texas, according to the Plat of record filed in Cabinet D, Page 324, Plat Records, Denton County, Texas;

THENCE N 00° 01' 44" W, with the common line of said Merritt/Thornton Farm Partnership, L.P. tract and said SMILEY ACRES Addition, a distance of 802.82 feet;

THENCE Leaving said common line, over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

N 65° 20' 07" E, a distance of 104.94 feet;
N 24° 39' 29" E, a distance of 480.57 feet;
N 59° 00' 32" E, a distance of 70.76 feet;
N 40° 24' 32" E, a distance of 188.62 feet;
N 58° 37' 19" E, a distance of 287.98 feet;
N 41° 38' 20" E, a distance of 160.93 feet;
S 70° 22' 42" E, a distance of 167.75 feet;
S 17° 46' 03" W, a distance of 126.38 feet;
S 48° 05' 13" W, a distance of 267.21 feet;
S 57° 39' 24" W, a distance of 121.37 feet;
S 37° 40' 40" W, a distance of 204.49 feet;
S 16° 07' 11" W, a distance of 144.61 feet;
S 86° 44' 10" W, a distance of 215.82 feet;
S 40° 38' 06" W, a distance of 136.02 feet;
S 34° 29' 43" W, a distance of 115.46 feet;
S 06° 46' 51" W, a distance of 140.95 feet;
S 60° 23' 08" E, a distance of 109.36 feet;
S 06° 13' 09" W, a distance of 130.16 feet;
S 15° 23' 43" W, a distance of 44.07 feet;
S 44° 27' 46" W, a distance of 100.32 feet;
S 11° 13' 02" W, a distance of 129.62 feet;

S 39° 10' 53" W, a distance of 34.03 feet;
S 00° 00' 00" W, a distance of 62.22 feet;
S 19° 38' 00" E, a distance of 93.54 feet;
S 10° 48' 26" E, a distance of 82.16 feet;
S 20° 28' 35" E, a distance of 86.29 feet;
S 35° 42' 19" E, a distance of 102.42 feet;
S 16° 47' 39" E, a distance of 74.65 feet;
S 00° 57' 01" W, a distance of 112.83 feet;
S 18° 32' 55" E, a distance of 90.82 feet;
S 40° 58' 09" E, a distance of 69.41 feet;
S 32° 25' 42" E, a distance of 28.72 feet;
S 15° 43' 34" E, a distance of 40.22 feet;
S 09° 19' 17" W, a distance of 32.10 feet;
S 54° 03' 27" W, a distance of 45.73 feet;
S 72° 37' 27" W, a distance of 73.57 feet;
S 68° 41' 04" W, a distance of 49.27 feet;
S 89° 34' 08" W, a distance of 47.37 feet;
S 02° 32' 44" E, a distance of 13.69 feet;
S 32° 26' 23" W, a distance of 70.08 feet;
S 54° 52' 24" W, a distance of 40.69 feet;
S 00° 00' 00" W, a distance of 63.68 feet;

N 90° 00' 00" W, a distance of 20.99 feet to the POINT OF BEGINNING, and containing 10.636 acres of land, more or less.

**North Park Area
Legal Description
59.903 ACRES**

BEING a tract of land in the JOHN MORTON SURVEY, ABSTRACT NO. 791, the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 and the A. THOMASON SURVEY, ABSTRACT NO. 1265, Denton County, Texas, and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a point in the south line of that tract of land conveyed in Deed to The RG Allen Revocable Trust, according to the document of record filed in Document Number 2015-46639, Official Records, Denton County, Texas, for the common northeast corner of said Merritt/Thornton Farm Partnership, L.P. tract and the northwest corner of CREEKS OF LEGACY WEST PHASE 1, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Document Number 2018-394, Official Records, Denton County, Texas;

THENCE S 00° 29' 21" W, with the east line of said Merritt/Thornton Farm Partnership, L.P. tract, a distance of 84.47 feet;

THENCE Leaving said east line, over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

N 75° 08' 32" W, a distance of 67.52 feet;

N 59° 43' 22" W, a distance of 35.77 feet;

S 76° 02' 39" W, a distance of 29.69 feet;

S 26° 52' 14" W, a distance of 76.58 feet;

S 81° 08' 11" W, a distance of 72.01 feet;

N 73° 03' 20" W, a distance of 91.25 feet;

S 84° 05' 24" W, a distance of 46.90 feet;

S 68° 12' 58" W, a distance of 65.00 feet;

N 85° 07' 17" W, a distance of 277.74 feet;
S 65° 38' 41" W, a distance of 100.22 feet;
S 72° 13' 53" W, a distance of 79.12 feet;
S 27° 58' 56" W, a distance of 28.59 feet;
S 54° 49' 35" W, a distance of 27.64 feet;
S 04° 37' 12" W, a distance of 46.91 feet;
S 33° 45' 27" W, a distance of 40.01 feet;
S 86° 58' 30" W, a distance of 48.21 feet;
S 45° 50' 27" W, a distance of 68.42 feet;
S 32° 11' 04" W, a distance of 171.63 feet;
S 43° 21' 07" W, a distance of 516.67 feet;
S 62° 02' 48" W, a distance of 211.19 feet;
S 46° 14' 16" W, a distance of 196.10 feet;
S 79° 15' 36" W, a distance of 121.22 feet;
S 56° 12' 42" W, a distance of 264.70 feet;
S 10° 52' 35" W, a distance of 30.16 feet;
S 70° 14' 55" W, a distance of 79.99 feet;
S 79° 40' 19" W, a distance of 56.49 feet;
S 55° 11' 49" W, a distance of 88.12 feet;
S 22° 08' 20" W, a distance of 70.55 feet;
S 29° 38' 37" W, a distance of 196.61 feet;

N 84° 16' 56" W, a distance of 73.49 feet;
S 20° 57' 11" W, a distance of 57.61 feet;
S 48° 56' 18" E, a distance of 73.01 feet;
S 02° 53' 57" W, a distance of 59.63 feet;
S 37° 34' 52" W, a distance of 96.04 feet;
S 25° 30' 37" W, a distance of 76.43 feet;
S 09° 51' 05" E, a distance of 93.26 feet;
S 09° 02' 27" W, a distance of 282.82 feet;
S 23° 25' 06" W, a distance of 85.37 feet;
N 12° 34' 43" W, a distance of 175.42 feet;
N 70° 22' 42" W, a distance of 819.82 feet;
N 52° 33' 00" E, a distance of 15.68 feet;
N 06° 35' 09" E, a distance of 68.64 feet;
N 28° 56' 45" W, a distance of 92.56 feet;
N 35° 02' 18" E, a distance of 54.83 feet;
N 65° 51' 34" E, a distance of 70.95 feet;
N 16° 16' 59" E, a distance of 221.10 feet;
N 45° 55' 48" E, a distance of 99.73 feet;
N 08° 21' 46" E, a distance of 140.65 feet;
N 47° 04' 12" E, a distance of 49.02 feet;
N 13° 08' 36" E, a distance of 53.15 feet;

N 64° 24' 36" E, a distance of 26.70 feet;
S 44° 03' 07" E, a distance of 34.35 feet;
S 70° 14' 59" E, a distance of 38.28 feet;
N 74° 19' 08" E, a distance of 37.25 feet;
N 45° 09' 28" E, a distance of 46.65 feet;
N 20° 12' 01" E, a distance of 30.10 feet;
N 12° 58' 16" W, a distance of 43.29 feet;
N 39° 29' 09" W, a distance of 102.47 feet;
N 51° 32' 59" E, a distance of 29.32 feet;
S 78° 23' 21" E, a distance of 41.08 feet;
N 61° 28' 34" E, a distance of 56.52 feet;
N 39° 18' 24" E, a distance of 84.57 feet;
N 69° 57' 18" E, a distance of 152.06 feet;
N 58° 27' 28" E, a distance of 50.09 feet;
N 34° 24' 13" E, a distance of 53.69 feet;
N 26° 40' 43" E, a distance of 93.49 feet;
N 16° 21' 04" E, a distance of 77.72 feet;
N 33° 16' 16" W, a distance of 75.38 feet;
N 01° 26' 06" W, a distance of 40.66 feet;
N 35° 51' 14" E, a distance of 36.34 feet;
N 71° 06' 01" E, a distance of 54.94 feet;

N 45° 40' 12" E, a distance of 60.35 feet;

N 67° 39' 26" E, a distance of 79.66 feet;

N 10° 45' 08" E, a distance of 151.50 feet;

N 13° 31' 17" E, a distance of 38.37 feet;

N 25° 20' 08" E, a distance of 35.09 feet;

N 38° 59' 30" E, a distance of 189.50 feet;

N 59° 03' 23" E, a distance of 37.29 feet to a point in the common north line of said Merritt/Thornton Farm Partnership, L.P. tract and the south line of that tract of land conveyed in Deed to West Celina 86 Partners, Ltd., according to the document of record filed in Document Number 2015-23235, Official Records, Denton County, Texas;

THENCE N 89° 06' 09" E, with said north line, a distance of 2,321.13 feet to the **POINT OF BEGINNING**, and containing 59.903 acres of land, more or less.

**Northwesternmost Developer Tract
Legal Description
107.890 ACRE**

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791 and the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and all of that tract of land conveyed in Deed to W. Keith Thornton and James H. Merritt, III, according to the document of record filed in Document number 95-0068384, Deed Records, Denton County, Texas, and being all of Lot 3, SMILEY ACRES, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet D, Page 324, Plat Records, Denton County, Texas, and conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of a record filed in Document Number 2007-42787, Deed Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found in the south line of that tract of land conveyed in Deed to Smiley Road, Ltd., according to the document of record filed in Document Number 2006-2173, Official Records, Denton County, Texas, for the common northwest corner of said Merritt/Thornton Farm Partnership, L.P. tract (Document Number 99-096579) and the northeast corner of that tract of land conveyed in Deed to

Smiley Road, Ltd., according to the document of record file in Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 13' 47" E, partially with the common north line of said Merritt/Thornton Farm Partnership, L.P. tract and the south line of said Smiley Road, Ltd. (Document Number 2006-2173) and the south line of that tract of land conveyed in Deed to West Celina 86 Partners, Ltd., according to the document of record filed in Document Number 2015-23235, Official Records, Denton County, Texas, a distance of 1,501.71 feet to a 1" iron pipe found;

THENCE N 89° 06' 09" E, continuing with said common line, a distance of 521.31 feet;

THENCE Leaving said common line, over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:

S 59° 03' 23" W, a distance of 37.29 feet;

S 38° 59' 30" W, a distance of 189.50 feet;

S 25° 20' 08" W, a distance of 35.09 feet;

S 13° 31' 17" W, a distance of 38.37 feet;

S 10° 45' 08" W, a distance of 151.50 feet;

S 67° 39' 26" W, a distance of 79.66 feet;

S 45° 40' 12" W, a distance of 60.35 feet;

S 71° 06' 01" W, a distance of 54.94 feet;

S 35° 51' 14" W, a distance of 36.34 feet;

S 01° 26' 06" E, a distance of 40.66 feet;

S 33° 16' 16" E, a distance of 75.38 feet;

S 16° 21' 04" W, a distance of 77.72 feet;

S 26° 40' 43" W, a distance of 93.49 feet;

S 34° 24' 13" W, a distance of 53.69 feet;

S 58° 27' 28" W, a distance of 50.09 feet;
S 69° 57' 18" W, a distance of 152.06 feet;
S 39° 18' 24" W, a distance of 84.57 feet;
S 61° 28' 34" W, a distance of 56.52 feet;
N 78° 23' 21" W, a distance of 41.08 feet;
S 51° 32' 59" W, a distance of 29.32 feet;
S 39° 29' 09" E, a distance of 102.47 feet;
S 12° 58' 16" E, a distance of 43.29 feet;
S 20° 12' 01" W, a distance of 30.10 feet;
S 45° 09' 28" W, a distance of 46.65 feet;
S 74° 19' 08" W, a distance of 37.25 feet;
N 70° 14' 59" W, a distance of 38.28 feet;
N 44° 03' 07" W, a distance of 34.35 feet;
S 64° 24' 36" W, a distance of 26.70 feet;
S 13° 08' 36" W, a distance of 53.15 feet;
S 47° 04' 12" W, a distance of 49.02 feet;
S 08° 21' 46" W, a distance of 140.65 feet;
S 45° 55' 48" W, a distance of 99.73 feet;
S 16° 16' 59" W, a distance of 221.10 feet;
S 65° 51' 34" W, a distance of 70.95 feet;
S 35° 02' 18" W, a distance of 54.83 feet;

S 28° 56' 45" E, a distance of 92.56 feet;

S 06° 35' 09" W, a distance of 68.64 feet;

S 52° 33' 00" W, a distance of 15.68 feet;

S 41° 38' 20" W, a distance of 160.93 feet;

S 58° 37' 19" W, a distance of 287.98 feet;

S 40° 24' 32" W, a distance of 188.62 feet;

S 59° 00' 32" W, a distance of 70.76 feet;

S 24° 39' 29" W, a distance of 480.57 feet;

S 65° 20' 07" W, a distance of 104.94 feet to a point in the common west line of the above mentioned Merritt/Thornton Farm Partnership, L.P. tract and the east line of the above mentioned Lot 3;

THENCE S 00° 01' 44" E, with said common line, a distance of 96.41 feet to a point for the common southeast corner of said Lot 3 and the northwest corner of that tract of land conveyed in Deed to James Duane Hall and wife, Sheila Rayne Hall, according to the document of record filed in Document Number 97-0034191, Deed Records, Denton County, Texas;

THENCE S 89° 54' 17" W, with the south line of said Lot 3, a distance of 477.13 feet to a point in the east line of Old Dairy Farm Road, a 60' right-of-way for the common southwest corner of said Lot 3 and the northwest corner of said James Duane Hall and wife, Sheila Rayne Hall tract;

THENCE N 00° 06' 35" W, with the west line of said Lot 3, a distance of 864.36 feet to a point in the south line of that tract of land conveyed in Deed to Prosper 30 Partners, LLC, according to the document of record filed in Document Number 111804, Official Records, Denton County, Texas, for the common northwest corner of said Lot 3 and the northeast corner of Lot 2 of the above mentioned SMILEY ACRES Addition;

THENCE N 89° 54' 16" E, with the north line of said Lot 3, a distance of 449.45 feet to a point in the west line of the above mentioned Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said Lot 3 and the southeast corner of said Prosper 30 Partners, LLC tract;

THENCE N 02° 58' 07" W, with said west line, a distance of 686.67 feet to a 1/2" iron rod found for the common southeast corner of the above mentioned W. Keith Thornton and James H. Merritt, III and the northeast corner of said Prosper 30 Partners, LLC tract;

THENCE S 89° 53' 38" W, with the south line of said W. Keith Thornton and James H. Merritt, III tract, a distance of 1,889.96 feet to a point in the east line of that tract of land conveyed in Deed to Smiley Road, Ltd., according to the document of record filed in Document Number 2005-77986, Deed Records, Denton County, Texas, for the common southwest corner of said W. Keith Thornton and James H. Merritt, III tract and the northwest corner of that tract of land conveyed in Deed to Claude Wayne Adams, according to the document of record filed in Volume 990, Page 32, Deed Records, Denton County, Texas;

THENCE N 00° 06' 49" W, with the west line of said W. Keith Thornton and James H. Merritt, III tract , a distance of 690.33 feet to a point for the common northwest corner of said W. Keith Thornton and James H. Merritt, III tract and the southwest corner of that tract of land conveyed in Deed to Smiley Road, Ltd. according to the document of record filed in Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 53' 30" E, with the north line of said W. Keith Thornton and James H. Merritt, III, a distance of 1,903.70 feet to a 1/2" iron pipe found in the west line of said Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said W. Keith Thornton and James H. Merritt, III tract and the southeast corner of said Smiley Road, Ltd. tract;

THENCE N 01° 49' 48" E, with said west line, a distance of 654.45 feet to the **POINT OF BEGINNING**, and containing 107.890 acres of land, more or less.

APPENDIX G

PID REIMBURSEMENT AGREEMENT

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**Amended and Restated PID Reimbursement Agreement
Mosaic Public Improvement District**

This Amended and Restated PID Reimbursement Agreement – Mosaic Public Improvement District (this "Agreement") is entered into by Tellus Texas I, LLC (the "Developer") and the City of Celina, Texas (the "City"), to be effective November 12, 2024 (the "Effective Date"). The Developer and the City are individually referred to as a "Party" and collectively as the "Parties." This Agreement amends and restates in its entirety that certain PID Reimbursement Agreement – Mosaic Public Improvement District between the Parties effective as of April 11, 2023.

SECTION 1. RECITALS

1.1 WHEREAS, capitalized terms used in this Agreement shall have the meanings given to them in Section 2;

1.2 WHEREAS, unless otherwise defined: (1) all references to "sections" shall mean sections of this Agreement; (2) all references to "exhibits" shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes; and (3) all references to "ordinances" or "resolutions" shall mean ordinances or resolutions adopted by the City Council;

1.3 WHEREAS, the Developer is a Texas limited liability company;

1.4 WHEREAS, the City is a Texas home-rule municipality;

1.5 WHEREAS, on November 9, 2021, the City Council passed and approved the PID Creation Resolution authorizing the creation of the PID pursuant to the Act, covering approximately 684.752 contiguous acres within the City's extraterritorial jurisdiction, which land is described in the PID Creation Resolution;

1.6 WHEREAS, on April 11, 2023, the City Council passed and approved an Assessment Ordinance (the "Phase #1 Assessment Ordinance") levying Assessments against Assessed Property within Phase #1 of the District in accordance with the Phase #1 Assessment Roll;

1.7 WHEREAS, on November 12, 2024, the City Council passed and approved an Assessment Ordinance (the "Improvement Area #2 Assessment Ordinance") levying Assessments against Assessed Property within Improvement Area #2 of the District in accordance with the Improvement Area #2 Assessment Roll;

1.8 WHEREAS, the City Council expects to pass and approve additional Assessment Ordinances related to other phases of development in the PID in the future as such phases are developed;

1.9 WHEREAS, each Assessment Ordinance approves the SAP, including each Assessment Roll attached thereto;

1.10 WHEREAS, the SAP identifies Authorized Improvements to be designed, constructed, and installed by or at the direction of the Parties that confer a special benefit on the Assessed Property;

1.11 WHEREAS, the SAP sets forth the Actual Costs of the Authorized Improvements;

1.12 WHEREAS, the Assessed Property is being developed in construction "Phases" and "Improvement Areas" consisting of multiple Phases;

1.13 WHEREAS, this Agreement shall apply to all Phases and Improvement Areas and no additional reimbursement agreement shall be required for Future Phases;

1.14 WHEREAS, the SAP determines and apportions the Actual Costs of the Authorized Improvements to the Assessed Property, which Actual Costs represent the special benefit that the Authorized Improvements confer upon the Assessed Property as required by the Act;

1.15 WHEREAS, in each Assessment Ordinance the City levied or expects to levy a portion of the Actual Costs of the Authorized Improvements as Assessments against the Assessed Property in the amounts set forth on the Assessment Roll(s);

1.16 WHEREAS, Assessments, including the Annual Installments thereof, are or will be due and payable as described in the SAP;

1.17 WHEREAS, Assessments, including the Annual Installments thereof, shall be billed and collected by the City or its designee;

1.18 WHEREAS, the Parties agree the City's obligations to reimburse the Developer for costs paid related to the Authorized Improvements constructed for the benefit of a Future Phase of development, including multiple Future Phases making up an Improvement Area, shall (i) only be paid from the Assessments and/or Annual Installments collected from Assessed Property within each such Phase or Improvement Area, as applicable, (ii) are contingent upon the City

levying such Assessments, and (iii) will not be due and owing unless and until the City actually levies such Assessments;

1.19 WHEREAS, Assessment Revenue from the collection of Assessments, including the Annual Installments thereof, shall be deposited (1) as provided in the applicable Indenture if PID Bonds secured by such Assessments are issued, or (2) into the PID Reimbursement Fund if no such PID Bonds are issued or none of such PID Bonds remain outstanding;

1.20 WHEREAS, Bond Proceeds shall be deposited as provided in the applicable Indenture;

1.21 WHEREAS, a PID Project Fund related to each series of PID Bonds shall only be used in the manner set forth in the applicable Indenture;

1.22 WHEREAS, this Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the Act;

1.23 WHEREAS, the foregoing RECITALS: (1) are part of this Agreement for all purposes; (2) are true and correct; and (3) each Party has relied upon such Recitals in entering into this Agreement; and

1.24 WHEREAS, all resolutions and ordinances referenced in this Agreement (e.g., the PID Creation Resolution and each Assessment Ordinance), together with all other documents referenced in this Agreement (e.g., the SAP and each Indenture), are incorporated as part of this Agreement for all purposes as if such resolutions, ordinances, and other documents were set forth in their entirety in or as exhibits to this Agreement.

NOW THEREFORE, for and in consideration of the mutual obligations of the Parties set forth in this Agreement, the Parties agree as follows:

SECTION 2. DEFINITIONS

2.1 "Act" is defined as Chapter 372, Texas Local Government Code, as amended.

2.2 "Actual Costs" are defined in the SAP.

2.3 "Additional Major Improvements" is defined in the SAP.

2.4 "Administrator" is defined in the SAP.

2.5 "Agreement" is defined in the introductory paragraph.

- 2.6 "Annual Collection Costs" are defined in the SAP.
- 2.7 "Annual Installment" is defined in the SAP.
- 2.8 "Applicable Laws" means the Act and all other laws or statutes, rules, or regulations of the State of Texas or the United States, as the same may be amended, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.
- 2.9 "Assessed Property" is defined in the SAP.
- 2.10 "Assessment" is defined in the SAP.
- 2.11 "Assessment Ordinance" is defined in the SAP.
- 2.12 "Assessment Revenue" means the revenues actually received by or on behalf of the City any one or more of the following: (i) an Assessment levied against Assessed Property, 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..
- 2.13 "Assessment Roll" is defined in the SAP.
- 2.14 "Authorized Improvements" are defined in the SAP.
- 2.15 "Bond Proceeds" mean the proceeds derived from the issuance and sale of a series of PID Bonds that are deposited and made available to pay Actual Costs in accordance with the applicable Indenture.
- 2.16 "Certificate for Payment" means a certificate (substantially in the form of Exhibit A or as otherwise approved by the Developer and the City Representative) executed by a representative of the Developer and approved by a City Representative, delivered to a City Representative (and/or, if applicable, to the trustee named in any applicable Indenture), specifying the work performed and the amount charged (including materials and labor costs) for Actual Costs, and requesting payment of such amount from the appropriate fund or funds. Each certificate shall include supporting documentation in the standard form for City construction projects and evidence that each Authorized Improvement (or its completed segment) covered by the certificate has been inspected by the City.
- 2.17 "City" is defined in the introductory paragraph.
- 2.18 "City Council" means the governing body of the City.

- 2.19 "City Representative" means any person authorized by the City Council to undertake the actions referenced herein.
- 2.20 "Closing Disbursement Request" means a request in the form of Exhibit B or as otherwise approved by the Parties.
- 2.21 "Commitment" is defined in Section 3.10.
- 2.22 "Default" is defined in Section 4.8.1.
- 2.23 "Delinquent Collection Costs" are defined in the SAP.
- 2.24 "Developer" is defined in the introductory paragraph.
- 2.25 "Developer Advances" mean advances made by the Developer to pay Actual Costs.
- 2.26 "Developer Improvement Account" means an account of the PID Project Fund which may be created and established under the applicable Indenture (and segregated from all other funds contained in the PID Project Fund) into which the City deposits or directs the applicable trustee to deposit any funds received from the Developer as required under such Indenture.
- 2.27 "Development Agreement" is defined in the SAP.
- 2.28 "Effective Date" is defined in the introductory paragraph.
- 2.29 "Failure" is defined in Section 4.8.1.
- 2.30 "Future Phases" is defined in the SAP.
- 2.31 "Improvement Area" is defined in the SAP.
- 2.32 "Improvement Area #2 Assessment Revenues" is defined in the SAP.
- 2.33 "Improvement Area #2 Improvements" is defined in the SAP.
- 2.34 "Improvement Area #2 Projects" is defined in the SAP.
- 2.35 "Indenture" means the applicable trust indenture pursuant to which PID Bonds are issued.
- 2.36 "Initial Major Improvements" is defined in the SAP.
- 2.37 "Maturity Date" is the date one year after the last Annual Installment is collected.
- 2.38 "Party" and "Parties" are defined in the introductory paragraph.

- 2.39 "Phase" is defined in the SAP.
- 2.40 "Phase #1 Assessed Property" is defined in the SAP.
- 2.41 "Phase #1 Assessment Ordinance" is defined in Section 1.6.
- 2.42 "Phase #1 Assessment Revenues" is defined in the SAP
- 2.43 "Phase #1 Improvements" is defined in the SAP.
- 2.44 "PID" is defined as the Mosaic Public Improvement District, created by the PID Creation Resolution.
- 2.45 "PID Bond Reimbursement Fund" means a fund which may be established by the City under the applicable Indenture (and segregated from all other funds of the City) into which the City transfers Assessments Revenues from the applicable PID Pledged Revenue Fund for the purpose of paying amounts due under this Reimbursement Agreement and/or Actual Costs of Authorized Improvements that are not paid from Bond Proceeds deposited in the applicable account of the PID Project Fund in accordance with each applicable Indenture related to a series of PID Bonds issued and still outstanding.
- 2.46 "PID Bonds" are defined in the SAP.
- 2.47 "PID Creation Resolution" is defined as Resolution No. 2021-104R passed and approved by the City Council on November 9, 2021, and recorded in the real property records of Denton County, Texas, as Instrument No. 208043 on November 12, 2021.
- 2.48 "PID Pledged Revenue Fund" means, collectively, the fund established by the City under each applicable Indenture (and segregated from all other funds of the City) into which the City deposits Assessment Revenue in accordance with each applicable Indenture related to a series of PID Bonds issued and still outstanding.
- 2.49 "PID Project Fund" means, collectively, the fund, including all accounts created within such fund, established by the City under each applicable Indenture (and segregated from all other funds of the City) into which the City deposits Bond Proceeds in the amounts and as described in the applicable Indenture.
- 2.50 "PID Reimbursement Fund" means the fund established by the City under this Agreement (and segregated from all other funds of the City) into which the City deposits Assessment Revenue related

to an Improvement Area or Phase of development if not deposited into the PID Pledged Revenue Fund or the PID Bond Reimbursement Fund.

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

2.52 "Reimbursement Agreement Balance" is defined in Section 3.3.

2.53 "SAP" is defined as *The Mosaic Public Improvement District Service and Assessment Plan* approved April 11, 2023 as part of the Assessment Ordinance, as the same may be updated or amended by City Council action in accordance with the Act.

2.54 "Transfer" and "Transferee" are defined in Section 4.11.

SECTION 3. FUNDING AUTHORIZED IMPROVEMENTS

3.1 Fund Deposits. Until PID Bonds payable from Assessment Revenues collected from a specific Phase of the development are issued, the City shall bill, collect, and immediately deposit into the PID Reimbursement Fund all Assessment Revenue consisting of: (1) revenue collected from the payment of Assessments (including pre-payments and amounts received from the foreclosure of liens but excluding costs and expenses related to collection); and (2) revenue collected from the payment of Annual Installments (excluding Annual Collection Costs and Delinquent Collection Costs). Funds in the PID Reimbursement Fund shall only be used to pay Actual Costs of the Authorized Improvements or all or any portion of the Reimbursement Agreement Balance in accordance with this Agreement. Once PID Bonds payable from Assessment Revenues collected from a specific Phase of the development are issued, the City shall bill, collect, and immediately deposit all Assessment Revenue securing such series of PID Bonds in the manner set forth in the applicable Indenture; and if applicable, the City shall continue to deposit all Assessment Revenue not securing a series of PID Bonds into the PID Reimbursement Fund.

Once PID Bonds payable from Assessment Revenues collected from a specific Phase of the development are issued, the City shall also deposit Bond Proceeds and any other funds authorized or required by the applicable Indenture into the funds established by the applicable Indenture in the manner set forth in the applicable Indenture. Annual Installments shall be billed and collected by the City (or by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as City ad valorem taxes are billed and collected. Funds in the PID Project Fund shall

only be used in accordance with the applicable Indenture; provided that funds disbursed from the applicable PID Project Fund pursuant to Section 3.5 below shall be made first from Bond Proceeds held in the applicable accounts within such PID Project Fund until such accounts are fully depleted and then from the Developer Improvement Account of the applicable PID Project Fund, if applicable. Funds in the PID Bond Reimbursement Fund shall only be used to pay Actual Costs of the Authorized Improvements not paid from the PID Project Fund in accordance with the applicable Indenture.

Notwithstanding any other provision in this Agreement, the Actual Costs of Authorized Improvements within each Phase shall be paid from: (1) the Assessment Revenue collected solely from Assessments levied on the property within such Phase benefitting from such Authorized Improvements, or (2) net Bond Proceeds or other amounts deposited in an account of the PID Project Fund created under an Indenture related to PID Bonds secured by the Assessment Revenue collected solely from Assessments levied on the property within such Phase benefitting from such Authorized Improvements. The City will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens related to such Assessments to be enforced continuously, in the manner and to the maximum extent permitted by the Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments for so long as any PID Bonds are outstanding or a Reimbursement Agreement Balance remains outstanding. The City shall determine or cause to be determined, no later than February 15 of each year whether any Annual Installment is delinquent. If a delinquencies exist, then 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 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 Property or to use any City funds, revenues, taxes, income, or property other than moneys collected from the Assessments except as set forth in the Development Agreement. Once PID Bonds are issued, the applicable Indenture shall control in the event of any conflict with this Agreement.

3.2 Payment of Actual Costs. If PID Bonds are not issued (or prior to such issuance) to pay Actual Costs of Authorized Improvements, the Developer may elect to make Developer Advances to pay Actual Costs. If PID Bonds are issued, the Bond Proceeds shall be used in the manner provided in the applicable Indenture; and, except as may be required under the Development Agreement and/or an

applicable Indenture, the Developer shall have no obligation to make Developer Advances for the related Authorized Improvements, unless the Bond Proceeds, together with any other funds in the PID Project Fund or PID Reimbursement Fund, are insufficient to pay the Actual Costs of such Authorized Improvements, in which case the Developer shall make Developer Advances to pay the deficit. If Developer Advances are required in connection with the issuance of a series of PID Bonds, then such Developer Advances may be reduced by the amount of payments of Actual Costs of the Authorized Improvements (or portions thereof) to be financed by such PID Bonds that the Developer has previously paid if (i) the Developer submits to the City all information related to such costs that would be required by a Closing Disbursement Request at least five (5) days prior to the scheduled closing date of such PID Bonds, and (ii) the City approves such Actual Costs in writing. The Developer shall also make Developer Advances to pay for cost overruns (after applying cost savings). The lack of Bond Proceeds or other funds in the PID Project Fund shall not diminish the obligation of the Developer to pay Actual Costs of the Authorized Improvements.

3.3 Payment of Reimbursement Agreement Balance. The City agrees to pay to the Developer, and the Developer shall be entitled to receive payments from the City, until the Maturity Date, for amounts shown on each approved Certificate for Payment (which amounts include all Actual Costs paid by or at the direction of the Developer) plus: (1) simple interest on the unpaid principal balance at the rate of five percent (5%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City Council of the City and reported in the month before the date the obligation is incurred (which date is the same date of the approval by the City of the Assessment Ordinance levying the Assessments from which the Reimbursement Agreement Balance, or a portion thereof, shall be paid) for years one through five beginning on the date each Certificate for Payment is delivered to the City Representative; and (2) simple interest on the unpaid principal balance at the rate of two percent (2%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City Council of the City reported in the month before the date of the obligation is incurred (which date is the same date of the approval by the City of the Assessment Ordinance levying the Assessments from which the Reimbursement Agreement Balance, or a portion thereof, shall be paid) for years six and later (the unpaid principal balance, together with accrued but unpaid interest, owed the Developer for all Certificates for Payment is referred to as the "Reimbursement Agreement Balance"); provided, however, upon the issuance of PID Bonds, the interest rate due and unpaid on amounts shown on each Certificate for Payment to be paid to the

Developer shall be the lower of: (1) the interest rate on the applicable series of PID Bonds issued to finance the costs of the Authorized Improvements for which the Certificate for Payment was filed, or (2) the interest rate approved by the City Council of the City in the Assessment Ordinance levying the Assessments from which such PID Bonds shall be paid. The interest rates set forth in this section have been approved by the City Council and are authorized by the Act. The principal amount of each portion of the Reimbursement Agreement Balance to be paid under each Assessment Ordinance, and the interest rate for such portion of the Reimbursement Agreement Balance, is shown on Schedule I attached to this Agreement and incorporated as a part of this Agreement for all purposes. As the City passes and approves additional Assessment Ordinances and/or issues PID Bonds, the City shall approve an updated Schedule I to this Agreement as part of the updated or amended SAP. Such updated Schedule I attached to the SAP shall automatically be incorporated as part of this Agreement for all purposes as if attached hereto without any further action from the Parties.

The Reimbursement Agreement Balance is payable solely from: (1) the PID Reimbursement Fund if no PID Bonds are issued for the purpose of paying the Authorized Improvements related to such Reimbursement Agreement Balance, or (2) from PID Bond Proceeds and the PID Bond Reimbursement Fund, if applicable, if PID Bonds are issued for the purpose of paying the Authorized Improvements related to such Reimbursement Agreement Balance. No other City funds, revenues, taxes, income, or property shall be used even if the Reimbursement Agreement Balance is not paid in full by the Maturity Date. Payments made from Bond Proceeds deposited in the PID Project Fund and payments made from the PID Bond Reimbursement Fund, if applicable, shall be made in the manner set forth in the applicable Indenture.

So long as no PID Bonds are issued and the City has received and approved a Certification for Payment, the City shall make a payment to the Developer from the PID Reimbursement Fund for an amount of the Reimbursement Agreement Balance at least annually, and no later than 60 days after the date payment of the Annual Installments are due, not to exceed the Assessment Revenue collected, and payable to the City. In the event that a Prepayment of an Assessment is made prior to the issuance of PID Bonds, the City shall remit payment to the Developer of an amount of the Reimbursement Agreement Balance then due and payable not to exceed the Assessment Revenue related to such Prepayment from the Assessment Revenue deposited into the PID Reimbursement Fund within 60 days after the Prepayment is made. Payments made from the PID Reimbursement Fund toward any outstanding Reimbursement Agreement Balance, shall first be applied to unpaid interest on such

Reimbursement Agreement Balance owed to the Developer, and second to unpaid principal of the Reimbursement Agreement Balance owed to the Developer. Each payment from the PID Reimbursement Fund shall be accompanied by an accounting that certifies the Reimbursement Agreement Balance as of the date of the payment and that itemizes all deposits to and disbursements from the fund since the last payment.

Approval of a Certificate for Payment and all payments under this Agreement are predicated on: (1) the Developer constructing and installing, or the City acquiring (if applicable), the Authorized Improvements (or portion thereof) shown on each Certificate for Payment as required under the Development Agreement, (2) the Developer providing the necessary supporting documentation in the standard form for City construction projects, and (3) the City's inspection of each Authorized Improvement (or portion thereof) covered by each Certificate for Payment; provided, in no event shall the City Representative be authorized to approve a Certificate for Payment if the City has not previously levied Assessments against Assessed Property within a Phase of the development related to the Authorized Improvements for which such Certification for Payment has been submitted. If there is a dispute over the amount of any payment, the City shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount before the next payment is made; however, if the Parties are unable to resolve the disputed amount, then the City's determination of the disputed amount (as approved by the City Council) shall control.

3.4 PID Bonds. The City, in its sole, legislative discretion, may issue PID Bonds, in one or more series, when and if the City Council determines it is financially feasible for the purposes of: (1) paying all or a portion of the Reimbursement Agreement Balance; or (2) paying directly Actual Costs of Authorized Improvements. PID Bonds issued for such purpose will be secured by and paid solely as authorized by the applicable Indenture. Upon the issuance of PID Bonds for such purpose and for so long as PID Bonds remain outstanding, the Developer's right to receive payments each year in accordance with Section 3.3 shall be subordinate to the deposits required under the applicable Indenture related to any outstanding PID Bonds and the Developer shall be entitled to receive funds pursuant to the flow of funds provisions of such Indenture. The failure of the City to issue PID Bonds shall not constitute a "Failure" by the City or otherwise result in a "Default" by the City. Upon the issuance of the PID Bonds, the Developer has a duty to construct those Authorized Improvements as described in the SAP and the Development Agreement. The Developer shall not be relieved of its duty to construct or cause to be constructed such improvements even if there are insufficient funds in the

PID Project Fund or the PID Bond Reimbursement Fund, if applicable, to pay the Actual Costs. This Agreement shall apply to all of the PID Bonds issued by the City whether in one or more series, and no additional reimbursement agreement shall be required for future series of PID Bonds.

3.5 Disbursements and Transfers at and after Bond Closing. The City and the Developer agree that from the proceeds of the PID Bonds, and upon the presentation of evidence satisfactory to the City Representative, the City will cause the trustee under the applicable Indenture to pay at closing of the PID Bonds approved amounts from the appropriate account to the persons entitled to payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the PID and any other eligible costs incurred by the Developer and the City as of the time of the delivery of the PID Bonds as described in the SAP. In order to receive disbursement, the Developer shall execute a Closing Disbursement Request to be delivered to the City no less than five (5) days prior to the scheduled closing date for the applicable series of PID Bonds for payment in accordance with the provisions of the Indenture. In order to receive additional disbursements from any applicable fund under an Indenture, the Developer shall execute a Certificate for Payment, no more frequently than monthly, to be delivered to the City for payment in accordance with the provisions of the applicable Indenture and this Agreement. Upon receipt of a Certificate for Payment (along with all accompanying documentation required by the City) from the Developer, the City shall conduct a review in order to confirm that such request is complete, to confirm that the work for which payment is requested was performed in accordance with all Applicable Laws and applicable plans therefore and with the terms of this Agreement and any other agreement between the parties related to property in the PID, and to verify and approve the Actual Costs of such work specified in such Certificate for Payment. The City shall also conduct such review as is required in its discretion to confirm the matters certified in the Certificate for Payment. The Developer agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. The Developer further agrees that if the City provides to the Developer a sales tax exemption certificate then sales tax will not be approved for payment under a Certification for Payment. Within ten (10) business days following receipt of any Certificate for Payment, the City shall either: (1) approve the Certificate for Payment and forward it to the trustee for payment, or (2) provide the Developer with written notification of disapproval of all or part of a Certificate for Payment, specifying the basis for any such disapproval. Any disputes shall be resolved as required by Section 3.3 herein. The City shall deliver the approved or partially approved

Certificate for Payment to the trustee for payment, and the trustee shall make the disbursements as quickly as practicable thereafter.

3.6 Obligations Limited. The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than the PID Reimbursement Fund, the PID Project Fund or the PID Bond Reimbursement Fund, if applicable. The Parties further agree that the City's obligation under this agreement with respect to the Actual Costs of Authorized Improvements within Future Phases shall be contingent upon the City levying Assessments against property within such Phase related to the Authorized Improvements which will benefit such Phase. The levying of the Assessments against each Future Phase will create the fund out of which the City will pay its obligation related to such Future Phase and until such time, this Agreement does not create an obligation of the City with respect to each such Future Phase. Unless approved by the City, no other City funds, revenues, taxes, or income of any kind shall be used to pay: (1) the Actual Costs of the Authorized Improvements; (2) the Reimbursement Agreement Balance even if the Reimbursement Agreement Balance is not paid in full on or before the Maturity Date; or (3) debt service on any PID Bonds. None of the City or any of its elected or appointed officials or any of its officers, employees, consultants or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.7 Obligation to Pay. Subject to the provisions of Section 3.3 and 3.6, if the Developer is in substantial compliance with its obligations under the Development Agreement, then following the inspection and approval of any portion of Authorized Improvements for which Developer seeks reimbursement of the Actual Costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay from Assessment Revenue or the net proceeds of PID Bonds, as applicable, disbursements (whether to the Developer or to any person designated by the Developer) identified in any Closing Disbursement Request or in any Certificate for Payment and to pay debt service on PID Bonds are unconditional AND NOT subject to any defenses or rights of offset except as may be provided by law or in any Indenture.

3.8 City Delegation of Authority. All Authorized Improvements shall be constructed by or at the direction of the Developer in accordance with the plans, the Development Agreement, applicable City ordinances and regulation, and this Agreement and any other agreement between the parties related to property in the PID. 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 Authorized Improvements 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 has sole responsibility of ensuring that all Authorized Improvements are constructed in accordance with the Development Agreement and 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 Authorized Improvements to be acquired and accepted by the City from the Developer. If any Authorized Improvements are or will be on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Authorized Improvements. Inspection and acceptance of Authorized Improvements will be in accordance with applicable City ordinances and regulations.

3.9 Security for Authorized Improvements. Prior to completion and conveyance to the City of any Authorized Improvements, the Developer shall cause to be provided to the City a maintenance bond in the amount required by the City's subdivision regulations for applicable Authorized Improvements, which maintenance bond shall be for a term of two years from the date of final acceptance of the applicable Authorized Improvements. 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 legal counsel for the City has the right to reject any surety company regardless of such company's authorization to do business in Texas. 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 mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto so long as

such delay in performance shall not subject the Authorized Improvements to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to the Authorized Improvements is contested, the Developer shall be required to post or cause the delivery of a surety bond or letter of credit, whichever is preferred by the City, in an amount reasonably determined by the City, not to exceed 120 percent of the disputed amount.

3.10 Ownership and Transfer of Authorized Improvements. If requested in writing by the City, the Developer shall furnish to the City a commitment for title insurance (a "Commitment") for land related to the Authorized Improvements to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City. The Commitment shall be made available for City review and must be approved at least fifteen (15) business days prior to the scheduled transfer of title. The City agrees to approve the Commitment unless it reveals a matter which, in the reasonable judgment of the City, would materially affect the City's use and enjoyment of the Authorized Improvements. If the City objects to any Commitment, the City shall not be obligated to accept title to the applicable Authorized Improvements until the Developer has cured the objections to the reasonable satisfaction of the City.

SECTION 4. ADDITIONAL PROVISIONS

4.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earlier to occur of the Maturity Date or the date on which the Reimbursement Agreement Balance is paid in full.

4.2 No Competitive Bidding. Construction of the Authorized Improvements shall not require competitive bidding pursuant to Section 252.022(a) (9) of the Texas Local Government Code, as amended. All plans and specifications, but not construction contracts, shall be reviewed and approved, in writing, by the City prior to Developer selecting the contractor. The City, at its election made prior to the Developer entering into a construction contract, shall have the right to examine and approve the contractor selected by the Developer prior to executing a construction contract with the contractor, which approval shall not be unreasonably delayed or withheld.

4.3 Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City.

4.4 Audit. The City Representative shall have the right, during normal business hours and upon five (5) business days' prior written notice to the 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 Authorized Improvements. For a period of two years after completion of the Authorized Improvements, the Developer shall maintain proper books of record and account for the construction of the Authorized Improvements and all costs related thereto. Such accounting books shall be maintained in accordance with customary real estate accounting principles. The Developer shall have the right, during normal business hours, to review all records and accounts pertaining to the Assessments upon written request to the City. The City shall provide the Developer an opportunity to inspect such books and records relating to the Assessments during the City's regular business hours and on a mutually agreeable date no later than ten (10) business days after the City receives such written request. The City shall keep and maintain a proper and complete system of records and accounts pertaining to the Assessments for so long as PID Bonds remain outstanding or Reimbursement Agreement Balance remains unpaid.

4.5 Developer's Right to Protest Ad Valorem Taxes. Nothing in this Agreement shall be construed to limit or restrict Developer's right to protest ad valorem taxes. The Developer's decision to protest ad valorem taxes on Assessed Property does not constitute a Default under this Agreement.

4.6 PID Administration and Collection of Assessments. If the City designates an administrator who shall have the responsibilities provided in the SAP related to the duties and responsibilities of the administration of the PID, the City shall provide the Developer with a copy of the agreement between the City and the administrator. If the City contracts with a third-party for the collection of Annual Installments of the Assessments, the City shall provide the Developer with a copy of such agreement. For so long as PID Bonds remain outstanding or the Reimbursement Agreement Balance remains unpaid, the City shall notify the Developer of any change of administrator or third-party collection of the Assessments.

4.7 Representations and Warranties.

4.7.1 The Developer represents and warrants to the City that: (1) the Developer has the authority to enter into and perform its obligations under this Agreement; (2) the Developer has the financial resources, or the ability to collect sufficient financial resources, to meet its obligations under this Agreement; (3) the person executing this Agreement on behalf of the Developer has been duly authorized to do so; (4) this Agreement is binding upon the Developer in accordance with its terms; and (5) 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.

4.7.2 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.

4.8 Default/Remedies.

4.8.1 If either Party fails to perform an obligation imposed on such Party by this Agreement (a "Failure") and such Failure is not cured after notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." If a Failure is monetary, the non-performing Party shall have ten (10) days within which to cure. If the Failure is non-monetary, the non-performing Party shall have thirty (30) days within which to cure.

4.8.2 If the Developer is in Default, the City shall have available all remedies at law or in equity; provided no default by the Developer shall entitle the City to terminate this Agreement or to withhold payments then owed to the Developer from the PID Reimbursement Fund, the PID Project Fund or the PID Bond Reimbursement Fund, as applicable, in accordance with this Agreement and the Indenture.

4.8.3 If the City is in Default, the Developer shall have available all remedies at law or in equity; provided, however, no Default by the City shall entitle the Developer to terminate this Agreement.

4.8.4 The City shall give notice of any alleged Failure by the Developer to each Transferee identified in any notice from the Developer, and such Transferees shall have the right, but not the obligation, to cure the alleged Failure within the same cure periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer

shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Agreement unless the Transferee agrees in writing to be bound.

4.9 Remedies Outside the Agreement. Nothing in this Agreement constitutes a waiver by the City of any remedy the City may have outside this Agreement against the Developer, any Transferee, or any other person or entity involved in the design, construction, or installation of the Authorized Improvements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the PID. 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, or subdivision requirements relating to the development property in the PID.

4.10 Estoppel Certificate. From time to time upon written request of the Developer, the City Manager will execute a written estoppel certificate in form and substance satisfactory to both Parties that: (1) identifies any obligations of the Developer under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; or (2) stating, to the extent true, that to the best knowledge and belief of the City, the Developer is in compliance with its duties and obligations under this Agreement. The Developer shall pay the City \$1,000 at the time of the Developer's request for an estoppel certificate for each request in excess of one per calendar year.

4.11 Transfers. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with notice to) the City, the Developer's right, title, or interest to payments under this Agreement (but not performance obligations) including, but not limited to, any right, title, or interest of the Developer in and to payments of the Reimbursement Agreement Balance, whether such payments are from the PID Reimbursement Fund, the PID Project Fund or the PID Bond Reimbursement Fund, as applicable, in accordance with Section 3.3 or from Bond Proceeds (any of the foregoing, a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"). provided, however, that no such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance shall be made without prior written consent of the City if such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance 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. Notwithstanding the foregoing, no Transfer shall be effective until notice of the Transfer is given to the City. The City may

rely on notice of a Transfer received from the Developer without obligation to investigate or confirm the validity of the Transfer. The Developer waives all rights or claims against the City for any funds paid to a third party as a result of a Transfer for which the City received notice.

4.12 Applicable Law; Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Agreement. In the event of a dispute involving this Agreement, venue shall lie in any court of competent jurisdiction in Denton County, Texas.

4.13 Notice. Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (1) when delivered by a nationally recognized delivery service such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (2) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the City: Attn: Jason Laumer, City Manager
City of Celina
142 N Ohio St.
Celina, Texas 75009
E-mail: jlaumer@celina-tx.gov
TEL: (972) 382-2682
FAX: (972) 382-3736

With a copy to: Attn: Julie Fort
Messer, Fort & McDonald PLLC
6371 Preston Road Ste. 200
Frisco, Texas 75034
E-mail: julie@txmunicipallaw.com
TEL: (972) 668-6400
FAX: (972) 668-6414

To the Developer: Attn: David R. Blom
TELLUS TEXAS I, LLC
2242 Good Hope Rd
Prosper, Texas 75078
E-mail: dblom@tellusgrouppllc.com
TEL: (469) 532-0689

With a copy to: Attn: Misty Ventura
 Shupe Ventura, PLLC
 9406 Biscayne Blvd.
 Dallas, Texas 75218
 E-mail:misty.ventura@svlandlaw.com
 TEL: (214) 328-1101
 FAX: (800) 519-3768

Any Party may change its address by delivering notice of the change in accordance with this section.

4.14 Conflicts; Amendment. In the event of any conflict between this Agreement and any other instrument, document, or agreement by which either Party is bound, the provisions and intent of the applicable Indenture controls. This Agreement may only be amended by written agreement of the Parties.

4.15 Severability. If any provision of this Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

4.16 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

4.17 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the City, the Developer, and Transferees any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the City, the Developer, and Transferees.

4.18 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

4.19 Employment of Undocumented Workers. During the term of this Agreement, the Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the Developer is notified by the City of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101(c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

4.20 Statutory Verifications. The Developer makes the following representations and covenants in Section 4.21 through 4.24 below pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended, in entering into this Agreement (the "Verifications"). As used in such Verifications, 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. Liability for breach of any such Verifications during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything contained in this Agreement to the contrary.

4.21 Iran, Sudan and Foreign Terrorist Organizations. 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. The foregoing representation 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.

4.22 No Boycott of Israel. 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. As used in the foregoing verification, 'boycott Israel,' has the meaning in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, and 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.

4.23 No Discrimination Against Firearm Entities and Firearm Trade Associations. 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. As used in the foregoing verification and the following definitions:

4.23.1 'discriminate against a firearm entity or firearm trade association,' has the meaning in Section 2274.001(3), Texas Government Code, and means: (A) 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;

4.23.2 'firearm entity,' has the meaning in Section 2274.001(6), Texas Government Code, and means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, 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 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 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

4.23.3 'firearm trade association,' has the meaning in Section 2274.001(7), Texas Government Code, and 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.

4.24 No Discrimination Against Fossil Fuel Companies. 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. As used in the foregoing verification, "boycott energy companies" has the meaning in Section 2276.001(1), Texas Government Code, by reference to Section 809.001, Texas Government Code, and means, 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.

4.25 Texas Attorney General Standing Letter. The Developer represents that it has, as of the Effective Date, on file with the Texas Attorney General a standing letter addressing the representations and verifications hereinbefore described in the form attached as Exhibit A to the All Bond Counsel Letter from the Office of the Texas Attorney General (November 1, 2023), as last supplemented on December 29, 2023 (a "Standing Letter"). In addition, if the Developer or the parent company, a wholly- or majority-owned subsidiary or another affiliate of the Developer receives or has received a letter from the Texas Comptroller of Public Accounts or the Texas Attorney General seeking written verification that the Developer is a member of the Net Zero Banking Alliance, Net Zero Insurance Alliance, Net Zero Asset Owner Alliance, or Net Zero Asset Managers or of the representations and certifications contained in the Developer's Standing Letter (a "Request Letter"), the Developer shall

promptly notify the City (if it has not already done so) and provide to the City, two business days prior to the Effective Date and additionally upon request by the City, written verification to the effect that its Standing Letter described in the preceding sentence remains in effect and may be relied upon by the City and the Texas Attorney General (the "Bringdown Verification"). The Bringdown Verification shall also confirm that the Developer (or the parent company, a wholly- or majority-owned subsidiary or other affiliate of the Developer that received the Request Letter) intends to timely respond or has timely responded to the Request Letter. The Bringdown Verification may be in the form of an e-mail.

4.26 Form 1295. Submitted herewith is a completed Form 1295 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 City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application system not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City 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 Developer; and, neither the City nor its consultants have verified such information.

[Remainder of page left blank intentionally. Execution pages follow.]

CITY OF CELINA, TEXAS

By: _____
 , Mayor

ATTEST:

By: _____
 Lauren Vaughns, City Secretary

TELLUS TEXAS I, LLC,

a Texas limited liability company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By: _____

David R. Blom, its Manager

EXHIBIT A

CERTIFICATE FOR PAYMENT FORM

The undersigned is an agent for _____ (the "Developer") and requests payment from the applicable account of the [PID Reimbursement Fund] [PID Project Fund] [PID Bond Reimbursement Fund] from the City of Celina, Texas (the "City") 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 within The Mosaic Public Improvement District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the PID Reimbursement Agreement (the "Reimbursement Agreement").

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 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 amount listed for the Authorized Improvements below is a true and accurate representation of the Actual Costs associated with the creation, acquisition, or construction of said Authorized Improvements, and such costs (i) are in compliance with the Reimbursement Agreement, and (ii) are consistent with the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Service and Assessment Plan and the Development Agreement.
5. The Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity the Developer controls owes, located in the Mosaic Public Improvement District and has no outstanding delinquencies for such assessments.
6. All conditions set forth in the Indenture (as defined in the Reimbursement Agreement) and the Reimbursement Agreement for the payment hereby requested have been satisfied.
7. The work with respect to the Authorized Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Authorized Improvements (or its completed segment).
8. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

9. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for major improvements or any phase of Authorized Improvements identified may be paid until the work with respect to such Authorized Improvements (or segment) has been completed and the City has accepted such Authorized Improvements (or segment). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Authorized Improvements (or segment).

[10. THIS SECTION TO BE USED SOLELY FOR PAYMENTS FROM NET PID BOND PROCEEDS OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS SERIES 2024 (MOAIC PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #2 PROJECT) (THE "SERIES 2024 IA #2 BONDS"): The amounts listed for the Authorized Improvements below are for the costs of the Improvement Area #2 Projects consisting of [Improvement Area #2 Improvements] [and] [the Initial Major Improvements allocable to Improvement Area #2]; and, no proceeds of the Series 2024 IA #2 Bonds are being requested under this Certificate for Payment to pay for the costs of Additional Major Improvements allocable to Improvement Area #2.]

Payments requested are as follows:

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

[If the Authorized Improvements are to be paid in part from one series of PID Bonds and in part from another, insert the following:

As required by Section ____ of the Indenture, the costs for the Authorized Improvements that constitutes the pro-rata share of such Authorized Improvements allocable to the designated Bonds shall be paid as follows:

Authorized Improvements:	Amount to be paid from _____ Fund	Amount to be paid from _____ Fund	Total Cost of Authorized Improvements

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 Reimbursement 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.

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

TELLUS TEXAS I, LLC,
a Texas limited liability company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By: _____
Name: _____
Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the Authorized Improvements (or its completed segment) covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from the appropriate account of the [PID Project][PID Bond Reimbursement] Fund] [direct payment from the PID Reimbursement Fund] to the Developer or to any person designated by the Developer.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for _____ (the "Developer") and requests payment to the Developer (or to the person designated by the Developer) from the applicable account of the PID Project Fund from _____ (the "Trustee") in the amount of _____ (\$ _____) to be transferred from the applicable account of the PID Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of the Mosaic Public Improvement District (the "District"), as follows. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the [INSERT NAME OF BONDS] (the "PID Bonds").

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 Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds have not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below costs is a true and accurate representation of the Actual Costs associated with the establishment, administration and operation of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Service and Assessment Plan, and the Development Agreement.
5. All conditions set forth in the Indenture and the Reimbursement Agreement 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:

[Information regarding Payee, amount, and deposit instructions attached]

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

TELLUS TEXAS I, LLC,
a Texas limited liability company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By: _____

David R. Blom, its Manager

APPROVAL OF REQUEST BY CITY

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 shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from Costs of Issuance Account upon delivery of the PID Bonds.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE I

1. Reimbursement Agreement Balance – Phase #1 Improvements

A. Portion to be paid from net PID Bond Proceeds of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2023 (Mosaic Public Improvement District Phase #1 Project) (the "Series 2023 Phase 1 Bonds"):

- Original Principal Amount: **\$15,923,000**
- Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Agreement Balance – Phase #1 Improvements shall be the lesser of: (1) the interest rates on the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2023 (Mosaic Public Improvement District Phase #1 Project), or (2) 5.85% based on the Bond Index Rate of 5.85% as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date the City approved the Phase #1 Assessment Ordinance which is the same date the obligation to pay the Reimbursement Agreement Balance - Phase #1 Improvements was incurred.
- Date of Phase #1 Assessment Ordinance Approval: Ordinance No. 2023-31 approved on April 11, 2023 and recorded in the real property records of Denton County, Texas on April 17, 2023, as Instrument No. 38050.
- Payment Source: Solely from net bond proceeds of the Series 2023 Phase 1 Bonds secured by the Assessments levied against the Phase #1 Assessed Property shown on the Phase #1 Assessment Roll attached as Appendix G to the SAP.

B. Portion to be paid from net PID Bond Proceeds of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Phase #1B Project) (the "Series 2024 Phase 1B Bonds"):

- Original Principal Amount: **\$6,425,000**
- Interest Rate: _____ %
- Date of Phase #1 Assessment Ordinance Approval: Ordinance No. 2023-31 approved on April 11, 2023 and recorded in the real property records of Denton County, Texas on April 17, 2023, as Instrument No. 38050.
- Payment Source: Solely from net bond proceeds of the Series 2024 Phase 1B Bonds secured by the Assessments levied against the Phase #1 Assessed Property shown on the Phase #1 Assessment Roll attached as Appendix G to the SAP, as updated in connection with the issuance of the Series 2024 Phase 1B Bonds.

2. Reimbursement Agreement Balance – Improvement Area #2 Projects

A. Portion to be paid from net PID Bond Proceeds of the City of Celina, Texas, Special Assessment Revenue Bonds Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project)(the "Series 2024 IA #2 Bonds"):

- Original Principal Amount: \$ _____
- Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Agreement Balance – Improvement Area #2 Projects shall be the lesser of: (1) the interest rates on the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2024 (Mosaic Public Improvement District Improvement Area #2 Project) (the "Series 2024 IA #2 Bonds"), or (2) ____% based on the Bond Index Rate of ____% as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City in the month before the date the City approved the Improvement Area #2 Assessment Ordinance which is the same date the obligation to pay the Reimbursement Agreement Balance – Improvement Area #2 Projects was incurred.
- Date of Improvement Area #2 Assessment Ordinance Approval: Ordinance No. _____ approved on November 12, 2024, and recorded in the real property records of Collin County, Texas on [_____], 2024, as Document No. [_____].
- Improvements Paid: The proceeds of the Series 2024 IA #2 Bonds shall only be used to pay for the costs of the Improvement Area #2 Improvements and the Initial Major Improvements allocable to Improvement Area #2. No proceeds of the Series 2024 IA #2 Bonds can be used to pay for the Additional Major Improvements allocable to Improvement Area #2 and such Additional Major Improvements allocable to Improvement Area #2 shall not be required to be completed before such time as 100% of the proceeds of the Series 2024 IA #2 Bonds can be disbursed pursuant to a Certification For Payment attached to the Amended and Restated PID Reimbursement Agreement.
- Payment Source: Solely from net bond proceeds of the Series 2024 IA #2 Bonds secured by the Assessments levied against the Improvement Area #2 Assessed Property shown on the Improvement Area #2 Assessment Roll attached as Appendix H to the SAP. The net bond proceeds of the Series 2024 IA #2 Bonds deposited in the Improvement Area #2 Project Account of the Project Fund established by the trust indenture relating to the Series 2024 IA #2 Bonds shall only be used to pay for the costs of the Improvement Area #2 Improvements and the Initial Major Improvements allocable to Improvement Area #2. No proceeds of the Series 2024 IA #2 Bonds can be used to pay for the Additional Major Improvements allocable to Improvement Area #2 and such Additional Major Improvements allocable to Improvement Area #2 shall not be required to be completed before such time as 100% of the proceeds of the Series 2024 IA #2 Bonds can be disbursed pursuant to a Certification For Payment attached to the Amended and Restated PID Reimbursement Agreement.

B. Portion to be paid from Improvement Area #2 Assessment Revenues under the Amended and Restated PID Reimbursement Agreement:

- Original Principal Amount: \$ _____
- Interest Rate: _____ %
- Bond Index Rate approved by the City Council: _____ % as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date the City approved the Improvement Area #2 Assessment Ordinance which is the same date the obligation to pay the Reimbursement Agreement Balance – Improvement Area #2 Projects was incurred.
- Date of Improvement Area #2 Assessment Ordinance Approval: Ordinance No. _____ approved on November 12, 2024, and recorded in the real property records of Collin County, Texas on [_____], 2024, as Document No. [_____].
- Improvements Paid: The costs of the Improvement Area #2 Projects may be paid for Assessment Revenues pursuant to the provisions of the Amended and Restated PID Reimbursement Agreement and as described below.
- Payment Source: Solely from Improvement Area #2 Assessment Revenues from the collection of the Assessments levied against the Improvement Area #2 Assessed Property shown on the Improvement Area #2 Assessment Roll attached as Appendix H to the SAP not securing the Series 2024 IA #2 Bonds. The Improvement Area #2 Assessment Revenues on deposit in the Reimbursement Fund established by the trust indenture relating to the Series 2024 IA #2 Bonds shall be used first to pay the actual costs of the Initial Major Improvements allocable to Improvement Area #2, next to pay the costs of the Improvement Area #2 Improvements, and finally to pay costs of the Additional Major Improvements allocable to Improvement Area #2.

APPENDIX H
APPRAISAL

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Integra Realty Resources

Dallas

Appraisal of Real Property

Mosaic Public Improvement District, Improvement Area #2

A Residential Master-Planned Development

North sides of Meander Way and Keya Drive, northwest of Frontier Parkway

Celina, Denton County, Texas 75078

Prepared For:

FMSbonds, Inc.

Date of the Report:

August 10, 2024

Report Format:

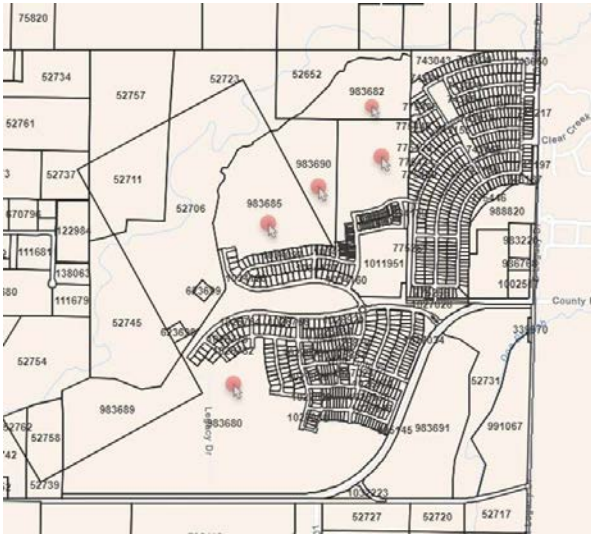
Appraisal Report

IRR - Dallas

File Number: 191-2024-0671

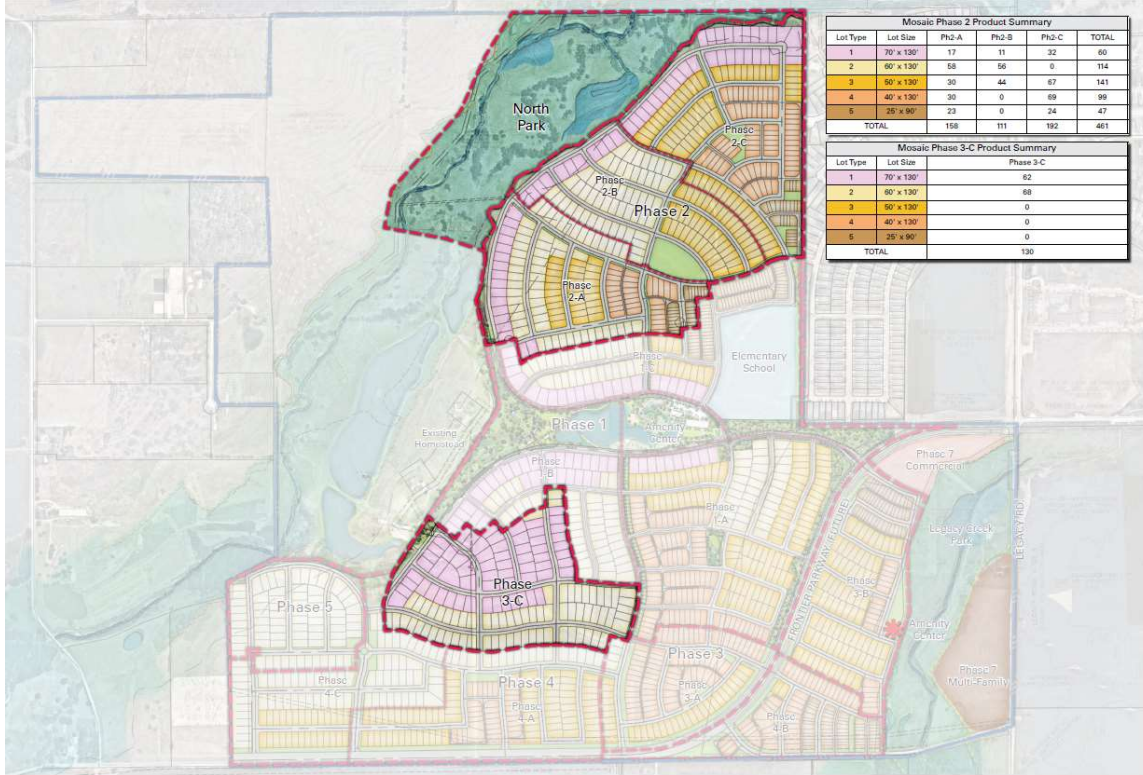


Subject Photographs



Mosaic Public Improvement District, Improvement Area #2
North sides of Meander Way and Keya Drive, northwest of Frontier Parkway
Celina, Denton County, Texas

Concept Plan – IA #2



Mosaic Phase 2 Product Summary					
Lot Type	Lot Size	Ph2-A	Ph2-B	Ph2-C	TOTAL
1	70' x 130'	17	11	32	60
2	80' x 130'	58	56	0	114
3	80' x 130'	30	44	67	141
4	40' x 130'	30	0	69	99
5	25' x 90'	23	0	24	47
TOTAL		158	111	192	461

Mosaic Phase 3-C Product Summary		
Lot Type	Phase 3-C	
1	52	
2	88	
3	0	
4	0	
5	0	
TOTAL		130



Improvement Area #2
 Celina, Texas 080724
All lot areas based on 10% probability storm and
 subject to change with final engineering review.





August 10, 2024

Mr. R. R. "Tripp" Davenport, III
Director
FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, TX 75034

SUBJECT: Market Value Appraisal
Mosaic Public Improvement District, Improvement Area #2
North sides of Meander Way and Keya Drive, northwest of Frontier Parkway
Celina, Denton County, Texas 75078
IRR - Dallas File No. 191-2024-0671

Dear Mr. Davenport, III:

Integra Realty Resources – Dallas is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the fee simple interest in the property as of the effective dates of the appraisal. The following opinions of value are provided:

- Prospective Cumulative Retail Market Value As Completed (IA #2 – Phases 2A, 2B, & 2C) as of September 30, 2024
- Prospective Cumulative Retail Market Value As Completed (IA #2 – Phase 3C) as of March 30, 2025

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 offering memorandum for PID bonds.

The subject represents Improvement Area #2 (IA #2) as part of the Mosaic Public Improvement District (PID) located in Celina, Denton County, Texas. IA #2 is being developed within four phases (2A, 2B, 2C, and 3C). Phases 2A, 2B, and 2C within IA #2 are currently under construction simultaneously with a total of 461 single-family lots with five typical lot types (25' townhome lots and 40', 50', 60', and 70' frontage lots) and with an expected completion date of September 30, 2024. Phase 3C within IA #2 is platted and planned to be developed with 130 single-family lots with two typical lot types (60' and 70' frontage lots) with an expected completion date of March 30, 2025. The PID is zoned PD - 135 (Planned Development - 135) which permits residential uses according to the approved concept plan for the Mosaic master-planned development. Amenities in the development will include indoor/outdoor gathering spaces, lakes, parks and nature trails, fitness center, locker room, playground, dog park, and a future Prosper ISD Elementary School.

Following is a summary of IA #2 and the unit mix per phase:

Mosaic PID, IA #2, Celina, Denton County, Texas								
Phase	Acres	Density	TH	Typical Lot Dimensions				Total Lots
		Per Acre	25' x 90'	40' x 120'	50' x 130'	60' x 130'	70' x 130'	
2A	35.930	4.4	23	30	30	58	17	158
2B	30.956	3.6	0	0	44	56	11	111
2C	41.552	4.6	24	69	67	0	32	192
3C	38.522	3.4	0	0	0	68	62	130
Totals	146.960	4.0	47	99	141	182	122	591

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations.

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.



Based upon the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded prospective opinions of value are as follows:

Value Conclusions			
Parcel	Interest Appraised	Date of Value	Value Conclusion
Prospective Cumulative Retail Market Value As Completed (IA #2, Phases 2A, 2B, & 2C)	Fee Simple	September 30, 2024	\$84,035,000
Prospective Cumulative Retail Market Value As Completed (IA #2, Phase 3C)	Fee Simple	March 30, 2025	\$30,733,000

It should be clearly understood that the summation of lot values does not represent our opinion of the market discounted/bulk value, as if the lots are all sold in bulk in a single transaction.

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 Spiars Engineering, Inc. (engineering/surveyors), Tellus Texas I, LLC (owner/developer), the city of Celina, and the Denton Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to the prospective effective dates.
3. Our opinions of the prospective market value at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024 (IA #2, Phases 2A, 2B, & 2C) and March 30, 2024 (IA #2, Phase 3C), the effective appraisal dates.
4. 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.

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.



Mr. R. R. "Tripp" Davenport, III
FMSbonds, Inc.
August 10, 2024
Page 4

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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60' Frontage Lots (60' x 130'; 7,800 SF)	90		
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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	Mosaic Public Improvement District, Improvement Area #2
Address/Location	North sides of Meander Way and Keya Drive, northwest of Frontier Parkway Celina, Denton County, Texas 75078
Property Type	Land - Single Family Development Land
Owner of Record	Tellus Texas I, LLC
Tax ID	983685, 983690, 983682, and part of 983680
Legal Description	John M. McKim Survey, Abstract No. 889, A. Thompson Survey, Abstract No. 1265, John Morton Survey, Abstract No. 791, City of Celina, Denton County, Texas
School District	Prosper ISD
Land Area (Phases 2A, 2B, & 2C)	108.438 acres; 4,723,559 SF
Land Area (Phase 3C)	38.522 acres; 1,678,018 SF
Total Lots (Phases 2A, 2B, & 2C)	461
Total Lots (Phase 3C)	130
Typical Lot Dimensions (Phases 2A, 2B, & 2C)	47 TH lots (25' x 90'); 99 lots (40' x 120'); 141 lots (50' x 130'); 114 lots (60' x 130'); and 60 lots (70' x 130')
Typical Lot Dimensions (Phase 3C)	68 lots (60' x 130') and 62 lots (70' x 130')
Zoning Designation	PD - 135, Planned Development - 135
Highest and Best Use	Single-family residential use
Highest and Best Use - As Improved	Residential subdivision
Exposure Time; Marketing Period	9 - 12 months; 9 - 12 months
Effective Date of the Appraisal	September 30, 2024; March 30, 2025
Date of the Report	August 10, 2024
Property Interest Appraised	Fee Simple

Value Conclusions		
25' Frontage TH Lots	\$122,500	(\$4,900/Front Footage)
40' Frontage Lots	\$142,000	(\$3,550/Front Footage)
50' Frontage Lots	\$177,500	(\$3,550/Front Footage)
60' Frontage Lots	\$213,000	(\$3,550/Front Footage)
70' Frontage Lots	\$248,500	(\$3,550/Front Footage)
60' Frontage Lots - Phase 3C	\$219,000	(\$3,650/Front Footage)
70' Frontage Lots - Phase 3C	\$255,500	(\$3,650/Front Footage)

Value Conclusions			
Value Type & Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Prospective Cumulative Retail Market Value As Completed (IA #2, Phases 2A, 2B, & 2C)	Fee Simple	September 30, 2024	\$84,035,000
Prospective Cumulative Retail Market Value As Completed (IA #2, Phase 3C)	Fee Simple	March 30, 2025	\$30,733,000

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.

It should be clearly understood that the summation of lot values does not represent our opinion of the market discounted/bulk value, as if the lots are all sold in bulk in a single transaction.



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 Spiars Engineering, Inc. (engineering/surveyors), Tellus Texas I, LLC (owner/developer), the city of Celina, and the Denton Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to the prospective effective dates.
3. Our opinions of the prospective market value at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of September 30, 2024 (IA #2, Phases 2A, 2B, & 2C) and March 30, 2024 (IA #2, Phase 3C), the effective appraisal dates.
4. 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.

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 developed lots in market area
- Limited amount of available land in market area
- High demand for residential lots in market area
- The property is located in a fast-growing area.
- Easy access to major thoroughfares
- The property is located within a Public Improvement District.
- Excellent school district
- Increasing population base

Weaknesses

- Potential competition from other developments

Opportunities

- Profit from lot sales
- Demand for new housing remains relatively strong
- Large number of new homes under construction in the immediate area

Threats

- Inflation has risen in the past year as the economy recovers from the pandemic economic shutdowns and demand shocks. This may tend to inflate operating costs diminishing profit on the project.
 - Although Federal Reserve Chairman Powell remains non-committal, it is certain that the Federal Reserve will continue to closely monitor inflationary factors as well as unemployment in the U.S. economy. Based on favorable and positive unemployment as well as other inflationary measures, the Fed could decide to keep interest rates stable or even implement a series of interest rate cuts beginning in mid-2024. This inflation/unemployment monitoring will continue on a quarterly basis throughout the remainder of 2024. As such, depending on inflation factors/unemployment figures, there could still be emerging upward pressure on lending interest rates.
-

Identification of the Appraisal Problem

Subject Description

The subject represents Improvement Area #2 (IA #2) as part of the Mosaic Public Improvement District (PID) located in Celina, Denton County, Texas. IA #2 is being developed within four phases (2A, 2B, 2C, and 3C). Phases 2A, 2B, and 2C within IA #2 are currently under construction simultaneously with a total of 461 single-family lots with five typical lot types (25' townhome lots and 40', 50', 60', and 70' frontage lots) and with an expected completion date of September 30, 2024. Phase 3C within IA #2 is platted and planned to be developed with 130 single-family lots with two typical lot types (60' and 70' frontage lots) with an expected completion date of March 30, 2025. The PID is zoned PD - 135 (Planned Development - 135) which permits residential uses according to the approved concept plan for the Mosaic master-planned development. Amenities in the development will include indoor/outdoor gathering spaces, lakes, parks and nature trails, fitness center, locker room, playground, dog park, and a future Prosper ISD Elementary School.

Legal descriptions of the property are provided in the addenda.

Property Identification

Property Name	Mosaic Public Improvement District, Improvement Area #2
Address	North sides of Meander Way and Keya Drive, northwest of Frontier Parkway Celina, Texas 75078
Tax ID	983685, 983690, 983682, and part of 983680
Owner of Record	Tellus Texas I, LLC

Sale History

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

To the best of our knowledge, the property, as a whole, is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date. However, the lots in IA #2, Phases 2A, 2B, and 2C are contracted as follows:



Lot Contract Summary IA #2 (Phases 2A, 2B, & 2C)							
Home Builder	Total Lots	Lot Type	Typical Lot		Base Lot Price*	Base Price/FF	Absorption
			Dimensions	Total SF			
Cadence Homes	47	TH	25' x 90'	2,250	\$122,500	\$4,900	10.0 units/quarter
American Legend Homes	44	40	40' x 120'	4,800	\$142,000	\$3,550	Bulk
Highland Homes	55	40	40' x 120'	4,800	\$142,000	\$3,550	Bulk
American Legend Homes	52	50	50' x 130'	6,500	\$177,500	\$3,550	Bulk
Highland Homes	53	50	50' x 130'	6,500	\$177,500	\$3,550	Bulk
Perry Homes	36	50	50' x 130'	6,500	\$177,500	\$3,550	Bulk
American Legend Homes	57	60	60' x 130'	7,800	\$213,000	\$3,550	Bulk
Highland Homes	57	60	60' x 130'	7,800	\$213,000	\$3,550	Bulk
Highland Homes	35	70	70' x 130'	9,100	\$248,500	\$3,550	Bulk
Tradition Homes	25	70	70' x 130'	9,100	\$248,500	\$3,550	Bulk
Total Lots	461						

*All lots, except for the townhome lots contracted with a 7% escalator, are contracted to the homebuilders in bulk 30 days after substantial completion with additional fees totaling \$7,500/lot. Lots in Phase 3C are not under contract and are being negotiated at the same front footage lot pricing for 60' and 70' frontage lots.

The contracted lot prices are supported by market data and our opinions of value. It is noted the lots in IA #2, Phase 3C are not currently under contract and are being negotiated at the same front footage lot pricing shown for the 60' and 70' frontage lots in Phase 2.

Appraisal Purpose

The purpose of the appraisal is to develop an opinion of the fee simple interest in the property as of the effective dates of the appraisal. The following opinions of value are provided:

- Prospective Cumulative Retail Market Value As Completed (IA #2 – Phases 2A, 2B, & 2C) as of September 30, 2024
- Prospective Cumulative Retail Market Value As Completed (IA #2 – Phase 3C) as of March 30, 2025

The date of the report is August 10, 2024. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;



4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.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

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(s) is intended to 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

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

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

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.

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.

The client requested that only the most applicable approach to value be utilized, and that other appropriate valuation methods for the subject be excluded. To determine the appropriate scope of work, the client's request in relation to the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, property zoning, existing easements and encumbrances, access and exposure 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
Shelley Sivakumar	On-site	August 1, 2024
Jimmy H. Jackson, MAI	None	N/A
Ernest Gatewood	On-site	August 1, 2024

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 - (Subdivision Development Analysis)	Applicable	Not Utilized

The Sales Comparison Approach involves research, verification, and comparison of sales of other vacant lots. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file.

The Cost Approach involves research, verification, and comparison of sales of other vacant land with the subject land. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file. Cost figures were obtained from the developer and compared to cost figures on competing developments. The cost figures are based on actual costs provided by the developer. Developer's profit is based on profit expectations reported by developers as well as actual profit on similar developments.

In the Income Capitalization Approach, specific appraisal techniques are applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.

In the Subdivision Development Approach, the retail value of the lots has been estimated. The individual lot values are based on lot sales in competing developments. The absorption rates, expenses, and discount rates are also based on competing developments. The indicated value by the Income Capitalization Approach is based on the sellout of the lots with deductions for holding costs and discounted to a net present value.

Economic Analysis

Denton County Area Analysis

Denton County is 878 square miles in size and has a population density of 1,160 persons per square mile.

Population

Denton County has an estimated 2024 population of 1,019,105, which represents an average annual 3.0% increase over the 2020 census of 906,422. Denton County added an average of 28,171 residents per year over the 2020-2024 period, and its annual growth rate exceeded the Dallas MSA rate of 1.6%.

Looking forward, Denton County's population is projected to increase at a 2.0% annual rate from 2024-2029, equivalent to the addition of an average of 21,182 residents per year. Denton 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	2024 Estimate	2029 Projection	2020 - 2024	2024 - 2029
Denton County, TX	906,422	1,019,105	1,125,017	3.0%	2.0%
Dallas-Fort Worth-Arlington, TX Metro	7,637,387	8,126,208	8,541,837	1.6%	1.0%
Texas	29,145,505	30,665,339	32,119,807	1.3%	0.9%
USA	331,449,281	336,157,119	344,209,992	0.4%	0.5%

Source: Claritas

Employment

Total employment in Denton County was estimated at 304,116 jobs as of June 2023. Between year-end 2013 and 2023, employment rose by 104,933 jobs, equivalent to a 52.7% increase over the entire period. There were gains in employment in ten out of the past ten years. Denton County's rate of employment growth over the last decade surpassed that of the Dallas MSA, which experienced an increase in employment of 27.3% or 854,880 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Denton County unemployment rate has been consistently lower than that of the Dallas MSA, with an average unemployment rate of 4.0% in comparison to a 4.5% rate for the Dallas MSA. A lower unemployment rate is a positive indicator.



Recent data shows that the Denton County unemployment rate is 3.1% in comparison to a 3.3% rate for the Dallas MSA, a positive sign that is consistent with the fact that Denton 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.)	
	Denton County	Change %	Dallas MSA	Change %	Denton County	Dallas MSA
2013	199,183		3,127,712		5.4%	6.2%
2014	211,482	6.2%	3,254,583	4.1%	4.5%	5.1%
2015	224,936	6.4%	3,360,668	3.3%	3.6%	4.1%
2016	233,551	3.8%	3,441,839	2.4%	3.4%	3.9%
2017	244,353	4.6%	3,526,930	2.5%	3.4%	3.7%
2018	253,596	3.8%	3,606,436	2.3%	3.2%	3.6%
2019	267,253	5.4%	3,719,023	3.1%	3.0%	3.3%
2020	267,588	0.1%	3,595,494	-3.3%	6.5%	7.2%
2021	290,438	8.5%	3,829,259	6.5%	4.4%	5.1%
2022	300,599	3.5%	3,966,180	3.6%	3.2%	3.5%
2023*	304,116	1.2%	3,982,592	0.4%	3.6%	3.8%
Overall Change 2013-2023	104,933	52.7%	854,880	27.3%		
Avg Unemp. Rate 2013-2023					4.0%	4.5%
Unemployment Rate - December 2023					3.1%	3.3%

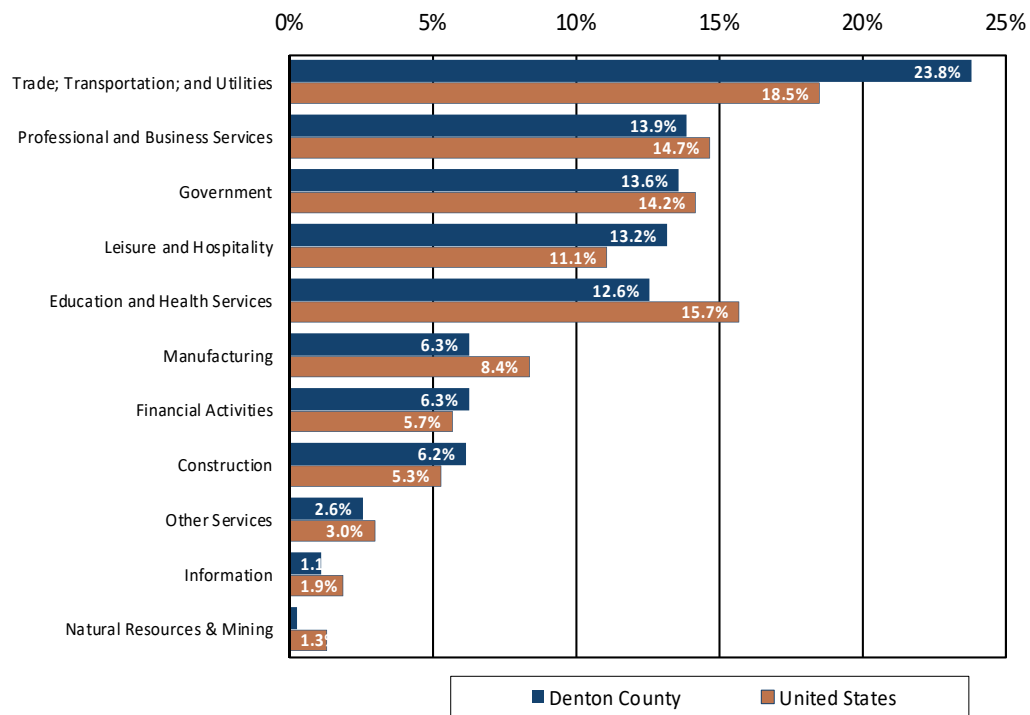
*Total employment data is as of June 2023.

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 Denton County job market is depicted in the chart below. A complete data set is not available for the Dallas MSA, so Denton County will be compared to the United States. Total employment for the two areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Denton County jobs in each category.

Employment Sectors - 2023



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Denton County has greater concentrations than the United States in the following employment sectors:

1. Trade; Transportation; and Utilities, representing 23.8% of Denton County payroll employment compared to 18.5% for the nation overall. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Leisure and Hospitality, representing 13.2% of Denton County payroll employment compared to 11.1% for the nation overall. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
3. Financial Activities, representing 6.3% of Denton County payroll employment compared to 5.7% for the nation overall. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.



4. Construction, representing 6.2% of Denton County payroll employment compared to 5.3% for the nation overall. This sector includes construction of buildings, roads, and utility systems.

Denton County is underrepresented in the following sectors:

1. Professional and Business Services, representing 13.9% of Denton County payroll employment compared to 14.7% for the nation overall. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
2. Government, representing 13.6% of Denton County payroll employment compared to 14.2% for the nation overall. This sector includes employment in local, state, and federal government agencies.
3. Education and Health Services, representing 12.6% of Denton County payroll employment compared to 15.7% for the nation overall. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
4. Manufacturing, representing 6.3% of Denton County payroll employment compared to 8.4% for the nation overall. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

Major Employers

Major employers in Denton County are shown in the following table.

Major Employers - Denton County, TX	
Name	Number of Employees
1 Peterbilt Motors	3,075
2 Texas Health Presbyterian Hospital Denton	1,076
3 Medical City - Denton	950
4 Sally Beauty Company, Inc.	950
5 Safran Electrical & Power	700
6 Flowers Baking Company	480
7 Jostens, Inc.	450
8 ESAB Victor Technologies	450
9 Tetra Pak Materials, L.P.	425
10 Fastenal	380

Source: <https://dentonedp.com/business/major-employers>

Major employers in the DFW metro area are shown in the following table.

Major Employers - DFW Metro	
Name	Number of Employees
1 AMR Corporation	24,700
2 Bank of America Corporation	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	14,126
8 JP Morgan Chase & Co.	13,500
9 UT-Southwestern Medical Center	13,122
10 City of Dallas	12,836

Source: <http://www.destinationdfw.com/Largest-Employers-in-Dallas-Fort-Worth-Texas/>

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 Denton County than the Dallas MSA overall during the past five years. Denton County has grown at a 7.1% average annual rate while the Dallas MSA has grown at a 4.1% rate. Denton County continues to perform better than the Dallas MSA. GDP for Denton County rose by 6.4% in 2022 while the Dallas MSA's GDP rose by 5.7%.

Denton County has a per capita GDP of \$46,935, which is 37% less than the Dallas MSA's GDP of \$74,582. This means that Denton County industries and employers are adding relatively less value to the economy than their counterparts in the Dallas MSA.

Gross Domestic Product

Year	(\$,000s)		(\$,000s)	
	Denton County	% Change	Dallas MSA	% Change
2017	32,503,089	–	483,732,021	–
2018	33,816,542	4.0%	506,219,605	4.6%
2019	35,977,333	6.4%	525,852,321	3.9%
2020	39,570,027	10.0%	519,282,910	-1.2%
2021	43,110,011	8.9%	560,290,164	7.9%
2022	45,868,233	6.4%	592,452,179	5.7%
Compound % Chg (2017-2022)		7.1%		4.1%
GDP Per Capita 2022	\$46,935		\$74,582	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2023.

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 2017 dollars.

Household Income

Denton County is more affluent than the Dallas MSA. Median household income for Denton County is \$102,026, which is 23.8% greater than the corresponding figure for the Dallas MSA.

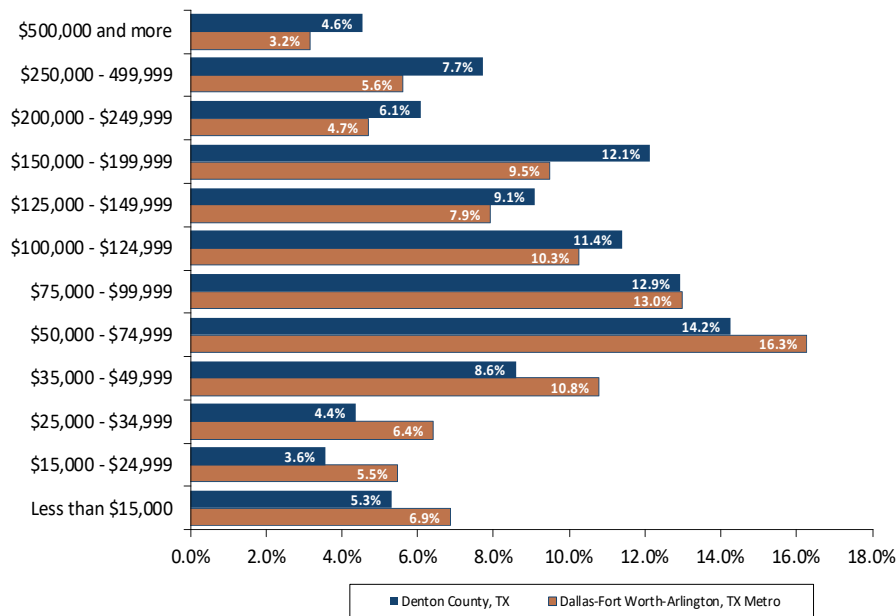
Median Household Income - 2024

	Median
Denton County, TX	\$102,026
Dallas-Fort Worth-Arlington, TX Metro	\$82,381
Comparison of Denton County, TX to Dallas-Fort Worth-Arlington	+ 23.8%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. Denton County has a greater concentration of households in the higher income levels than the Dallas MSA. Specifically, 30% of Denton County households are at the \$150,000 or greater levels in household income as compared to 23% of Dallas MSA households. A lesser concentration of households is apparent in the lower income levels, as 22% of Denton County households are below the \$50,000 level in household income versus 30% of Dallas MSA households.

Household Income Distribution - 2024



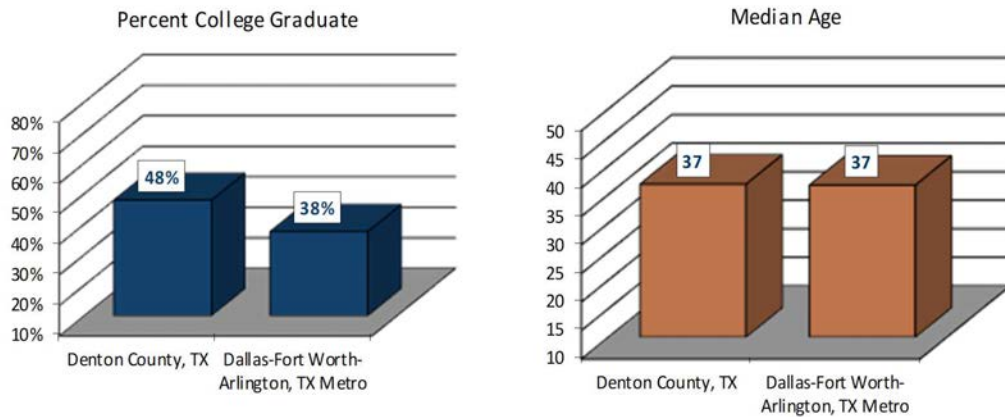
Source: Claritas



Education and Age

Residents of Denton County have a higher level of educational attainment than those of the Dallas MSA. An estimated 48% of Denton County residents are college graduates with four-year degrees, versus 38% of Dallas MSA residents. People in Denton County are similar in age to their Dallas MSA counterparts. The median age of both Denton County and the Dallas MSA is 37 years.

Education & Age - 2024



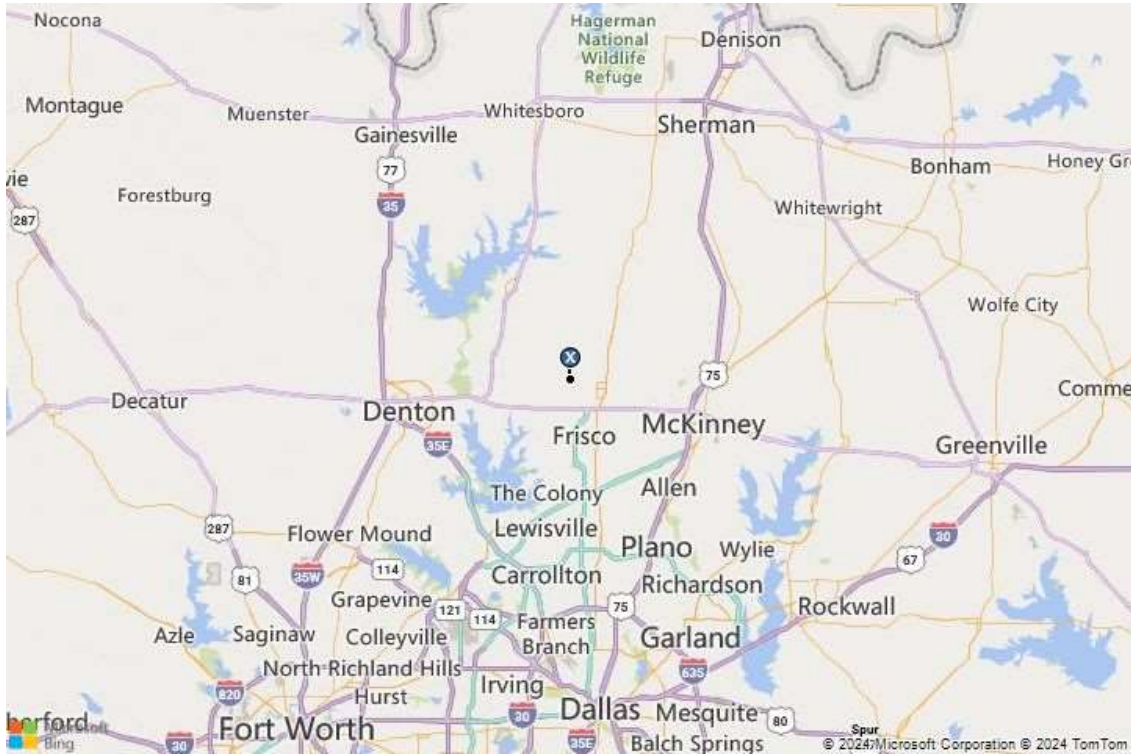
Source: Claritas

Conclusion

The Denton County economy will benefit from a growing population base and higher income and education levels. Denton 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 Denton County economy will improve, and employment will grow, strengthening the demand for real estate.



Area Map



Surrounding Area Analysis

Boundaries

The subject is located in the city of Celina in northeast Denton County, Texas. This area is generally delineated as follows:

Boundaries & Delineation	
Boundaries	
Market Area	Dallas-Fort Worth, TX
Submarket	Prosper
Area Type	Suburban
Delineation	
North	FM-428
South	US-380
East	SH-289 (Preston Road)
West	FM-1385

A map identifying the location of the property follows this section.

Access and Linkages

Access & Linkages	
Vehicular Access	
Major Highways	US-380, Dallas Parkway, Frontier Parkway, SH-289
Primary Corridors	W. Frontier Parkway, Legacy Drive, Parvin Road, FM-1385
Vehicular Access Rating	Average
Airport(s)	
Name	Dallas/Fort Worth International Airport
Distance	37 Miles
Driving Time	45 Minutes
Primary Transportation Mode	Automobile

Life Cycle

Real estate is affected by cycles involving development trends within a market area as well as market and economic forces. Trends in demand for development in a particular market are described by the Market Area Life Cycle, while market and economic trends are described by the Real Estate Cycle.

A Market Area Life Cycle typically evolves through four stages:⁴

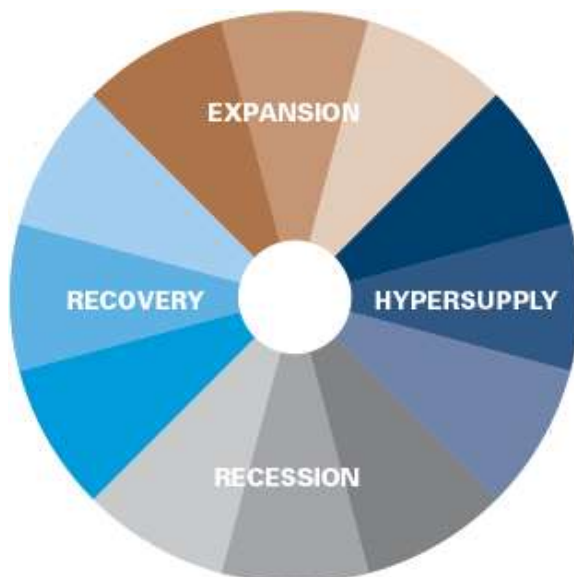
- Growth – a period during which the market area gains public favor and acceptance
- Stability – a period of equilibrium without marked gains or losses
- Decline – a period of diminishing demand
- Revitalization – a period of renewal, redevelopment, modernization, and increasing demand

The subject's market area is in the growth stage of the Market Area Life Cycle.

The Real Estate Cycle also impacts a neighborhood. The stages of the Real Estate Cycle include:

- Expansion – Sustained growth in demand, increasing construction
- Hypersupply – Positive but falling demand, increasing vacancy
- Recession – Falling demand, increasing vacancy
- Recovery – Increasing demand, decreasing vacancy

These stages are illustrated below, along with a summary of common characteristics of each stage of the Real Estate Cycle. The subject is in the expansion stage of the Real Estate Cycle.



⁴ Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020)

EXPANSION	HYPERSUPPLY	RECESSION	RECOVERY
Decreasing Vacancy Rates Moderate/High New Construction High Absorption Moderate/High Employment Growth Med/High Rental Rate Growth	Increasing Vacancy Rates Moderate/High New Construction Low/Negative Absorption Moderate/Low Employment Growth Med/Low Rental Rate Growth	Increasing Vacancy Rates Moderate/Low New Construction Low Absorption Low/Negative Employment Growth Low/Neg Rental Rate Growth	Decreasing Vacancy Rates Low New Construction Moderate Absorption Low/Moderate Employment Growth Neg/Low Rental Rate Growth

Demographic Factors

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	Denton County, TX	Dallas-Fort Worth-Arlington, TX Metro
2024 Estimates					
Population 2020	378	7,370	44,260	906,422	7,637,387
Population 2024	521	9,826	58,809	1,019,105	8,126,208
Population 2029	630	11,499	68,237	1,125,017	8,541,837
Compound % Change 2020-2024	8.4%	7.5%	7.4%	3.0%	1.6%
Compound % Change 2024-2029	3.9%	3.2%	3.0%	2.0%	1.0%
Households 2020	122	2,207	13,346	328,884	2,760,991
Households 2024	177	2,960	17,694	369,987	2,938,027
Households 2029	217	3,483	20,584	408,878	3,091,922
Compound % Change 2020-2024	9.7%	7.6%	7.3%	3.0%	1.6%
Compound % Change 2024-2029	4.2%	3.3%	3.1%	2.0%	1.0%
Median Household Income 2024	\$95,503	\$166,173	\$146,075	\$102,026	\$82,381
Average Household Size	3.1	3.4	3.3	2.7	2.7
College Graduate %	41%	63%	57%	48%	38%
Median Age	35	36	35	37	37
Owner Occupied %	81%	87%	88%	63%	59%
Renter Occupied %	19%	13%	12%	37%	41%
Median Owner Occupied Housing Value	\$436,678	\$591,411	\$507,636	\$427,811	\$351,083
Median Year Structure Built	2016	2017	2017	2002	1992
Average Travel Time to Work in Minutes	35	35	38	30	30

Source: Claritas

As shown above, the current population within a 10-minute drive time of the subject is 9,826, and the average household size is 3.4. Population in the area has grown since the 2020 census, and this trend is projected to continue over the next five years. Compared to Denton County overall, the population within a 10-minute drive time is projected to grow at a faster rate.

Median household income is \$166,173, which is higher than the household income for Denton County. Residents within a 10-minute drive time have a considerably higher level of educational attainment than those of Denton County, while median owner-occupied home values are considerably higher.



Land Use

In the immediate vicinity of the subject, predominant land uses are single-family residential. Other land use characteristics are summarized as follows:

Immediate Surroundings

North	Vacant Land/Single-Family Residential
South	Single-Family Residential/Vacant Land
East	Single-Family Residential
West	Vacant Land



Development Activity and Trends

During the last five years, development has been predominantly of single-family residential uses with supportive commercial uses. Following are developments/projects in the immediate and surrounding neighborhood areas including nearby Prosper, Texas. The pace of development has generally accelerated over this time.

Prosper Independent School District is a public-school district encompassing 57.75 square miles with a student enrollment of approximately 17,000 students. The district is comprised of 12 elementary schools, four middle schools, and two high schools. The district is known for their academic excellence as well as several state championships. In 2020, *Niche* ranks the Prosper ISD as the 13th best public school system in the state of Texas, and in the Top 10 Dallas-Fort Worth school districts in three categories: overall best district, school safety, and best for athletes. Prosper ISD is among only 250 school districts in the United States and Canada and only 17 school districts in the State of Texas named to the College Board AP District Honor Roll. The district offers 29 Advanced Placement (AP) courses, 20 Pre-AP courses and 10 dual credit courses at the high-school level.

Celina, Texas – the Celina City Council recently approved the new “Downtown Master Plan” for the future improvements, amenities and development of the downtown area. The plans encompass rezoning and expanding historic preservation efforts. The council also approved a downtown linear park to be known as Ousley Park to be developed on 30 acres featuring the old Bobcat football field.

Venetian Lagoon is a master-planned community being developed by Megatel Homes/Lenart Development Company in Celina, Texas. The development is planned with a total of 1,231 homesites with 204 lots developed to date. This community will eventually include a unique state-of-the-art waterpark with a swim up bar. The development is in the McKinney ISD.

Collin College-Central Park – serves all residents of Collin County with an enrollment of 59,000 credit and non-credit continuing education students. It is the only public college in Collin County and offers more than 100 degrees and certificates. Collin College also offers two programs to earn a four-year degree: Bachelor of Applied Technology in Cybersecurity and Bachelor of Science in Nursing. A \$36 million, 120,000 square-foot Collin College campus is located near CR-88 and CR-86 in Celina serving 1,500 students.

Children’s Health Stadium - opened in August 2019, is a \$52 million facility housing the football stadium, natatorium, and meeting facilities.

North Square at Uptown is a 78-lot single-family development constructed on 13.136 acres located just north of the Square at Historical Downtown Celina on the west side of N. Louisiana Drive at Chestnut Street.

Baylor Family Medicine at Prosper is a 4,700-square-foot facility located within the 16,000-square-foot Eagle Crossing II mixed-use development located at 861 N. Coleman in Prosper. Dallas-based Lee Design Group, under a contract with Health Texas Providers Network, designed the medical space. Eagle Crossings II was constructed by Crossland Construction Company.

Texas Health Recovery & Wellness Center is a 65,000 square-foot health care campus in Prosper located on US-380, west of the Dallas North Tollway offering care for adolescents struggling with drug and alcohol addiction and other behavioral illnesses.

Green Meadows - Addison-based Tomlin Investments is developing a \$2-billion master-planned community on 1,408 acres with approximately 5,355 homesites known as Green Meadows. A total of 396 lots have been developed to date. This development is located about 40 miles north of Dallas. The development offers a \$4.5 million amenity center, multiple resort-style pools, dog park, community garden, playgrounds, sand volleyball courts, grilling area, party center, and daycare center. Homes are ranging from \$416,000 to \$821,000 in the initial phases. Another section is planned with 450 townhome lots.

Lakewood at Brookhollow is a master-planned development by Hines Developers located at Coit Road and US-380 which offers walking trails, parks, a clubhouse, fitness center, and neighborhood swimming pool. A total of 779 lots have been developed with home prices range from \$300,000 - \$1,055,000. Homebuilders include Highland Homes, Gehan Homes, Shaddock Homes, Tradition Homes, and Toll Brothers, Inc.

Mustang Lakes - is a \$1.1 billion master-planned development which will eventually be built with 1,920 homes. A total of 1,575 lots have been developed to date with 345 lots planned in future phases. The development is located on FM-1461 at FM-2478. The 682-acre community sits within Celina's city limits (although in Prosper ISD) with homes ranging from \$300,000 to \$2,082,000. Homebuilders include K. Hovnanian Homes, Highland Homes, Shaddock Homes, Drees Homes, Britton Homes, Coventry Homes, Dave R. Williams Homes, and Sharif & Munir Custom Homes. Community amenities include waterfalls, fitness center, spa, lazy river, four tennis courts and ten miles of walking trails. Mustang Lakes also includes eight lakes. Mustang Lakes also has upwards of 35 acres zoned for a neighborhood services center, which could build about 200,000 square feet of retail space.

Star Trail - a 1,000-acre residential community being developed by Blue Star Land in Prosper. A total of 1,754 homes are eventually planned with 14,415 lots being completed to date. Home prices are ranging from \$350,000 to \$1,384,000. This development is located at the northwest corner of Prosper Trail and the Dallas North Tollway.

Legacy Hills is a 3,000+-acre proposed mixed-use development to be located at the extension of the Dallas North Tollway near FM-455 in Celina which is planned to eventually be developed with 6,993 homesites. The first phase is expected to be completed in mid-2024 with approximately 1,500 lots with seven homebuilders (D.R. Horton Homes, Ashton Woods Homes, M/I Homes, First Texas Homes, Beazer Homes, Mattamy Homes, and Lennar Homes). Home prices are expected to range from \$466,000 - \$646,000. The developed is eventually planned with 6,993 homes.

Lilyana - is a 400-acre master-planned subdivision being developed by Hillwood Communities located at the northeast corner of FM-1461 (Frontier Parkway) and Coit Road in Celina (Prosper ISD). A total of 1,556 lots are eventually planned with 1,157 lots developed to date. The total investment in the development will be about \$400 million. Home prices are ranging from \$384,000 to \$800,000. Homebuilders include Highland Homes, David Weekley Homes, American Legend Homes, M/I Homes, Perry Homes, and Village Builders. The master-planned community includes resort-style amenities, multiple community parks, 63 acres of greenspace, and miles of trails.

The Homestead at Ownsby Farms is a residential development located in Celina in Celina ISD. A total of 373 lots with two typical lot sizes (50' and 60') have been developed with home prices ranging from \$378,000 to \$792,000. Homebuilders include First Texas Homes and Megatel Homes.

Bluewood – is a 244-acre master-planned subdivision being developed by Hillwood Communities located at the northwest corner of Ownsby Parkway and Coit Road in Celina, Texas. The development is located in the Celina ISD. A total of 833 lots have been developed with home prices ranging from \$268,000 to \$724,000. Homebuilders include D.R. Horton Homes, First Texas Homes, M/I Homes, and Meritage Homes. Amenities include community pools, pocket parks, hike/bike trails, and an on-site elementary school.

Light Farms (aka Light Ranch) is a 1,070-acre master-planned development in Celina and located in the Prosper ISD. The development has access from the future extension of the Dallas North Tollway. Amenities include resort-style pools, miles of trails, a fitness center, tennis court complex, and a central lawn with gazebo for events. Amenities also include front-yard maintenance. Homebuilders in the community include American Legend Homes, Britton Homes, MainVue Homes, Drees Homes, Highland Homes, Horizon Homes, Huntington Homes, K. Hovnanian Homes, and Shaddock Homes. Home prices are ranging from \$400,000 to \$1,049,000.

Parks/Trails – Prosper is home to more than 350 acres of park land that include open spaces, recreational venues and athletic facilities and tennis courts. More than 30 miles of hike and bike trails weave throughout Prosper with plans for additional trails in future development.

East Prosper Village is a 12,640 square-foot retail center located at the northeast corner of Coit Road and Prosper Trail in Prosper.

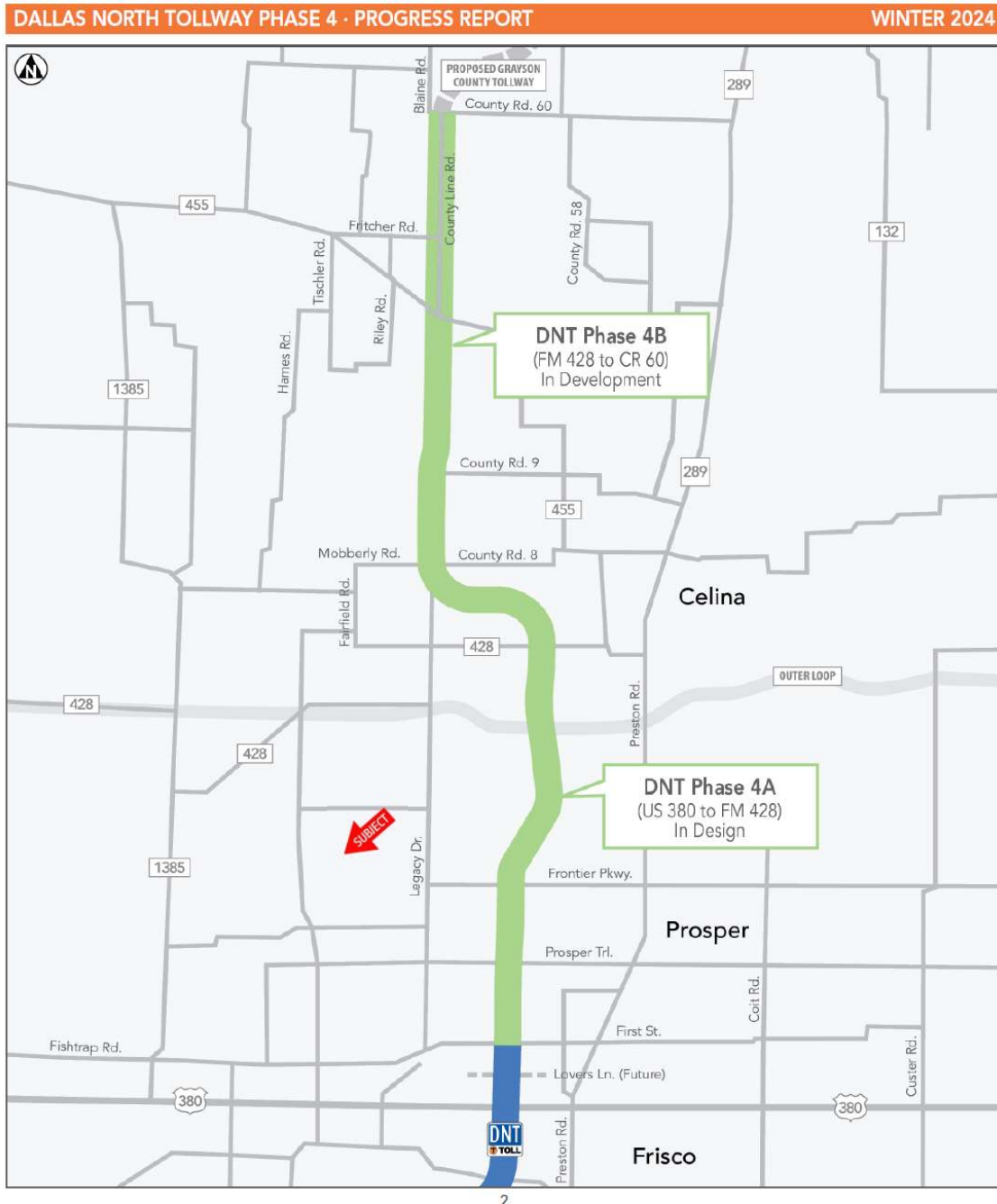
Prosper Plaza located at the northwest corner of Custer Road and US-380 adjacent to a Wal-Mart Supercenter, is a 355,000 square-foot retail center anchored by Lowes.

Gates of Prosper is a 650-acre, one-billion-dollar master-planned mixed-use development located at both the northeast and northwest corners of Preston Road and US-380 in Prosper.

Shops at Prosper Trail - Located at the northeast corner of Prosper Trail and Preston Road, the center is anchored by the 123,000 square-foot Kroger Marketplace which was completed in 2016 on what was the former homesite of Deion Sanders. MQ Development Partners constructed 45,000 square feet of adjoining retail and restaurant space.

Frontier Community Park features a major sports complex with lighted natural and turf fields for a variety of sports. Other features include trails, a pavilion, concessions, a catch and release pond, a splash pad and a windmill playground. In August 2020, Frontier Park was voted “Best Park” by readers of Living Magazine.

North Texas Tollway Authority (NTTA) opened a new bridge on the Dallas North Tollway (DNT) over US-380 in March 2023. The bridge extends the DNT into Prosper and is the first part of a Phase 4 project for Collin and Denton counties. The project will eventually extend DNT main lanes to the Grayson County line. The next phase, which will involve the construction of the main lanes north of the bridge has begun. The Phase 4A extension will extend the DNT by six (6) miles from US-380 to FM-428. The capital plan includes \$236.9 million for design and construction. The total project costs are estimated at \$350 million. The Phase 4B extension will then run an additional eight (8) miles from FM-428 to Grayson County.



Collin County Outer Loop - In its current state, the Outer Loop runs 4.6 miles from US-75 in Anna to SH-121 just northeast of Melissa. This section was built at a cost of \$21 million. This section of road runs as a bi-directional two-lane road, which will eventually be the north frontage road. The Outer Loop is planned to run for approximately 50 miles from the future northern extension of the Dallas North Tollway in Celina to IH-30 near Royse City. The loop will be built in five segments (including Segment 1 which is already open).

- **Segment 1: U.S. 75 to S.H. 121 (Between Anna and Melissa)**

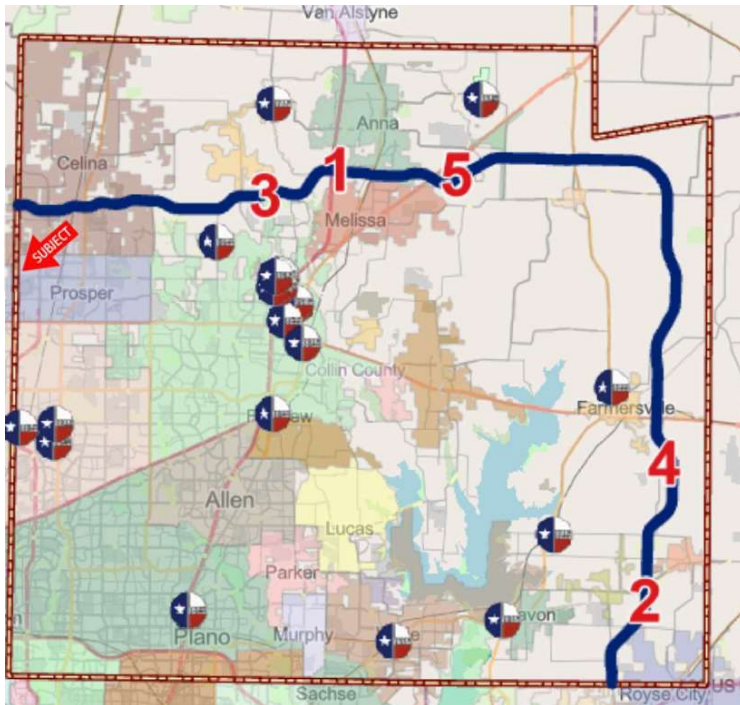
The County completed the two-lane roadway, which will function as the future westbound service road of the freeway, from US 75 to SH 121.

- **Segment 2: FM 6 (Between Nevada and Josephine) to Rockwall County line (E. of Royse City)**

The technically preferred alignment was approved in 2009. Collin County is in the early process of moving forward on the development of the schematic.

- **Segment 3: Denton/Collin County Line (in Celina) to U.S. 75 (Between Anna and Melissa)**

The county completed the 2-lane roadway from Dallas Pkwy to FM 2478 (Custer Rd.) Construction of a two-lane roadway from FM 2478 (Custer Rd.) to US 75 will begin February 2024.

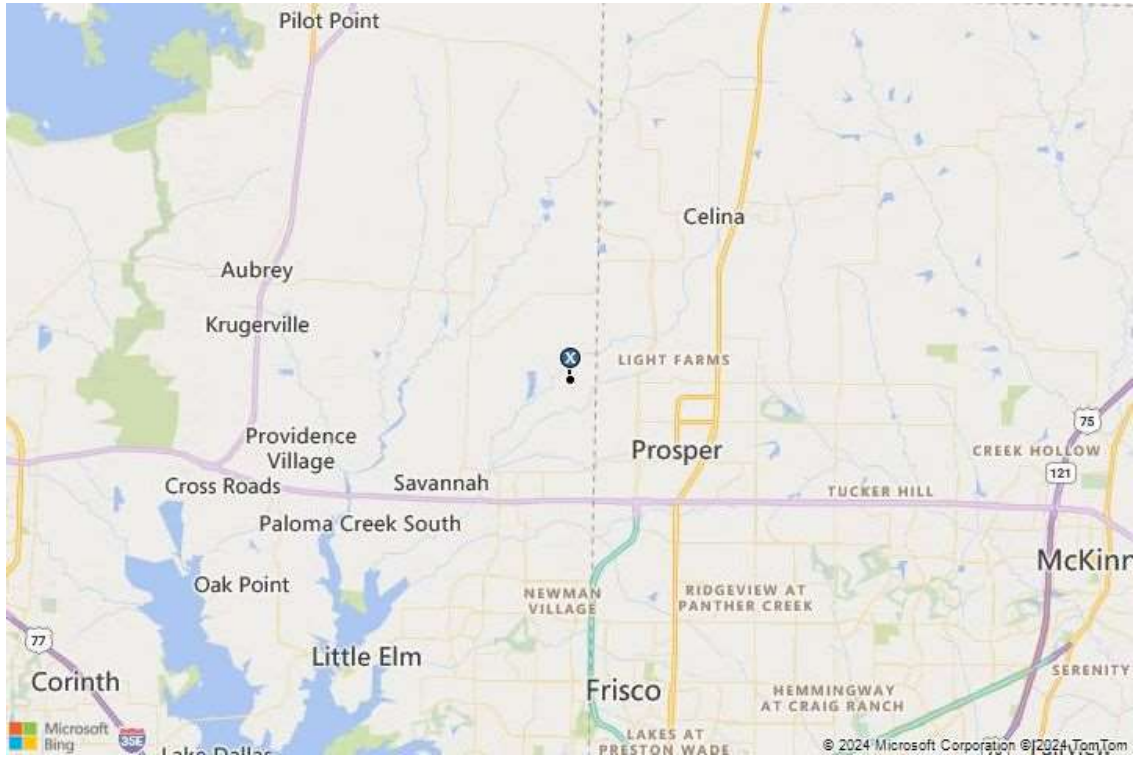


Outlook and Conclusions

The area is in the growth stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will increase in the near future.



Surrounding Area Map



Residential Analysis

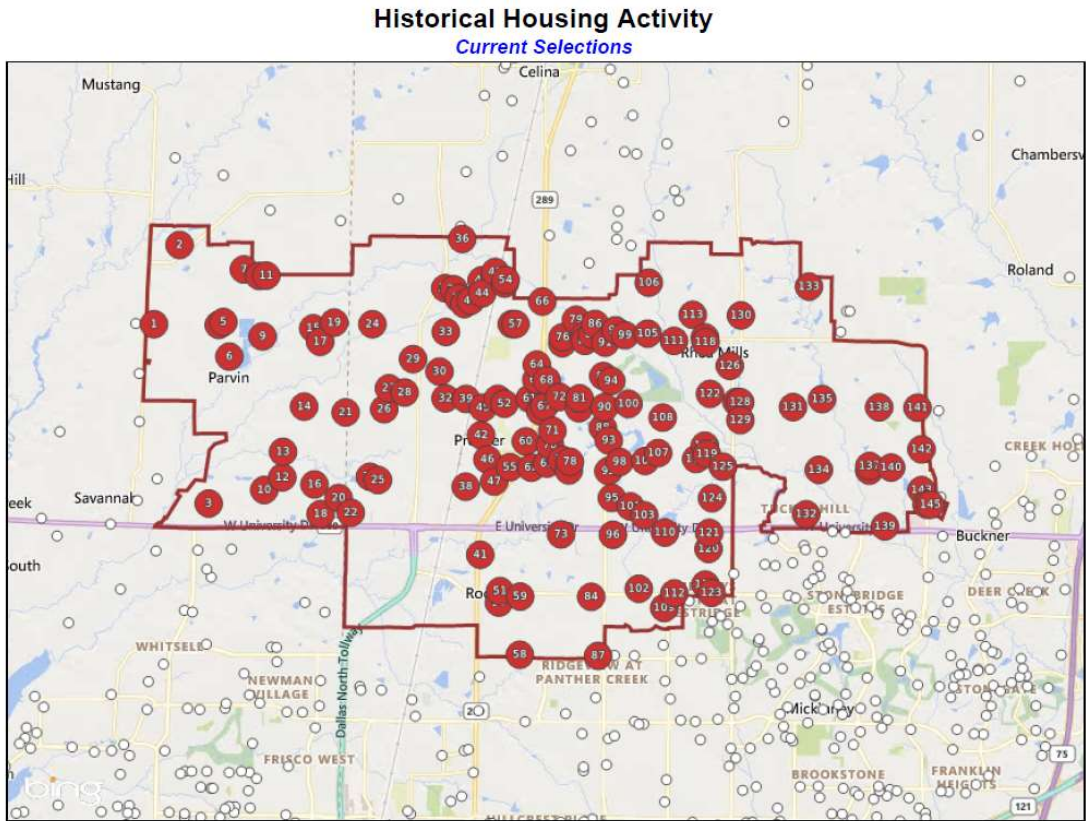
When analyzing the financially feasible and maximally productive use of the site, all of the uses that are both physically possible and legally permissible must be considered. For the subject, the primary potential use is considered to be single-family residential development. As mentioned, the subject is under construction with single-family lots. Thus, an important factor affecting development of the subject is the surrounding land usage. The neighborhood is predominantly vacant land that is being developed into single-family residential uses. The immediate area surrounding the subject is residential in nature.

During the past decade, the residential real estate market has seen many positive changes. With the steady increase in multifamily residential rental rates, coupled with the low interest rates and the large numbers pertaining to job growth, there has been a trend of individuals choosing to purchase homes rather than to rent apartments and multifamily housing. Furthermore, with the decline in the availability of vacant developable land, population growth has quickly expanded into the suburban areas of the 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 Celina in Denton County and is within the Prosper Independent School District in close proximity to the Town of Prosper. Therefore, data obtained from Metrostudy/Zonda as of Second Quarter 2024 for the defined combined area of "Prosper ISD & Celina ISD", as shown in the following map, will be analyzed with a summary of the details following.



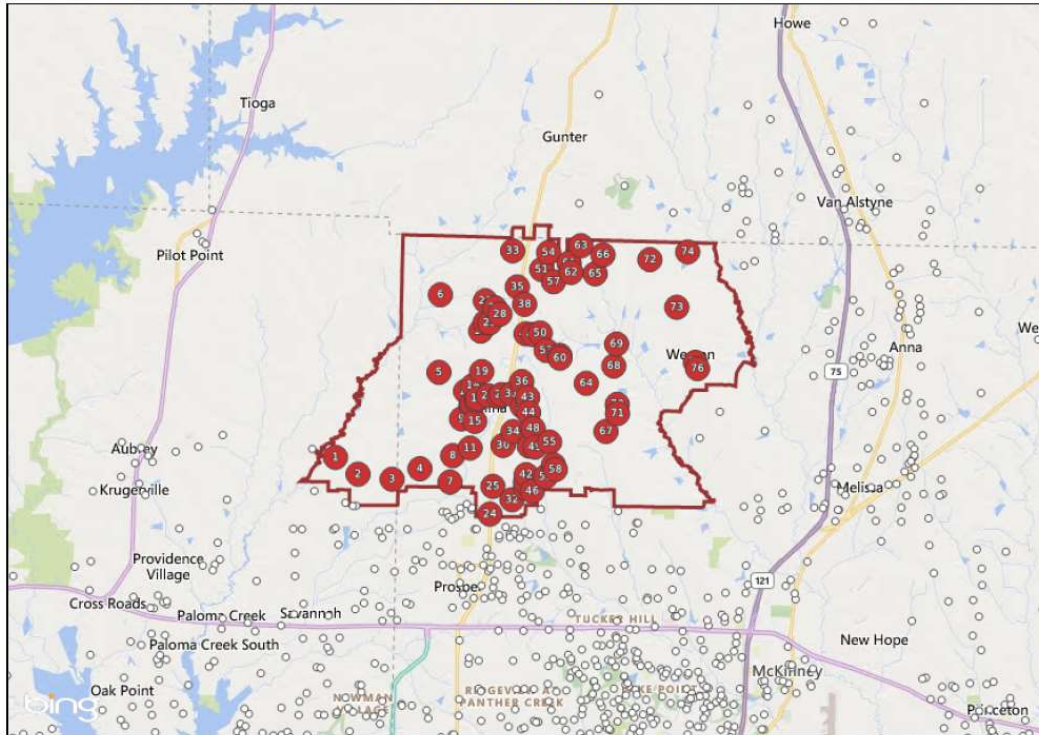
Defined Submarket Map Areas – Prosper ISD & Celina ISD

Prosper ISD



Celina ISD

Historical Housing Activity
Current Selections

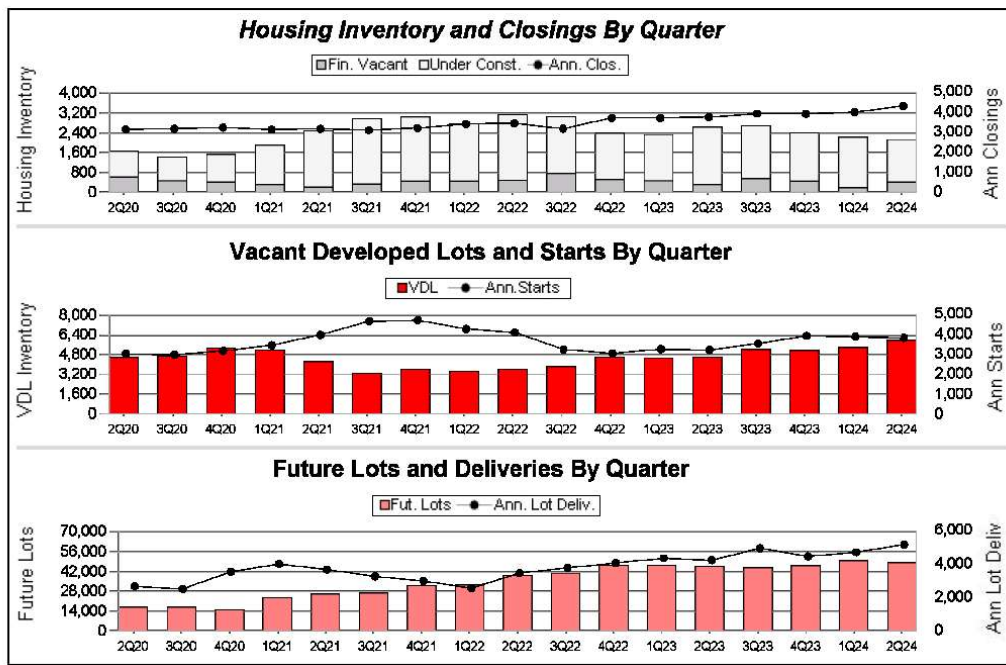


Following is a chart provided by Metrostudy/Zonda summarizing the historical home/lot absorption from the past several years for the defined submarket area:



Historical Housing Chart – Prosper ISD & Celina ISD

Historical Housing Activity Summary													
Current Selections													
Qtr	Qtr Clos	Ann Clos	Model	FinVac	UC	Total Inv	Total Supply	Qtr Starts	Ann Starts	VDL	VDL Supply	Fut Lots	Ann Lot Deliv
2Q20	723	3,123	128	619	1,062	1,809	7.0	839	3,019	4,581	18.2	16,760	2,654
3Q20	965	3,155	125	469	957	1,551	5.9	707	2,976	4,716	19.0	17,047	2,503
4Q20	758	3,212	124	415	1,140	1,679	6.3	886	3,165	5,355	20.3	15,394	3,523
1Q21	668	3,114	116	319	1,594	2,029	7.8	1,018	3,450	5,191	18.1	23,740	3,987
2Q21	763	3,154	123	210	2,288	2,621	10.0	1,355	3,966	4,267	12.9	26,413	3,652
3Q21	895	3,084	111	350	2,647	3,108	12.1	1,382	4,641	3,317	8.6	27,010	3,242
4Q21	866	3,192	113	452	2,608	3,173	11.9	931	4,686	3,635	9.3	32,269	2,966
1Q22	875	3,399	105	466	2,320	2,891	10.2	593	4,261	3,473	9.8	32,629	2,543
2Q22	794	3,430	103	501	2,666	3,270	11.4	1,173	4,079	3,636	10.7	39,436	3,448
3Q22	627	3,162	100	778	2,307	3,185	12.1	542	3,239	3,836	14.2	41,222	3,758
4Q22	1,402	3,698	102	537	1,881	2,520	8.2	731	3,039	4,641	18.3	46,712	4,045
1Q23	870	3,693	100	479	1,875	2,454	8.0	804	3,250	4,553	16.8	46,656	4,330
2Q23	842	3,741	97	332	2,317	2,746	8.8	1,134	3,211	4,641	17.3	46,272	4,216
3Q23	794	3,908	97	569	2,146	2,812	8.6	860	3,529	5,229	17.8	44,824	4,922
4Q23	1,394	3,900	102	456	1,978	2,536	7.8	1,118	3,916	5,174	15.9	46,592	4,449
1Q24	945	3,975	101	201	2,043	2,345	7.1	754	3,866	5,374	16.7	50,082	4,687
2Q24	1,159	4,292	106	412	1,745	2,263	6.3	1,077	3,809	5,985	18.9	48,394	5,153



Dallas/Ft. Worth Residential Survey (2Q24)
Copyright Metrostudy



Defined Submarket Area

As shown in the chart on the previous page, the absorption of homes/lots within the submarket area was relatively stable from mid-2020 with a slight increase in late 2022 through First Quarter 2024 with another increase in the current Second Quarter 2024. According to Metrostudy/Zonda, the submarket area absorbed the following total homes/lots from 2020 to Second Quarter 2024:

MetroStudy Analysis	Historical Absorption	
	Annual	Past 2 QTR
Year 1 (2020)	3,165	
Year 2 (2021)	4,686	
Year 3 (2022)	3,039	
Year 4 (2023)	3,916	
Past 12 Months	3,809	1,831
Historical Annual Average		3,697
Existing VDL	5,985	
Historical Absorption Average	3,697	
Past 12 Months	3,809	
Lot Supply (4.5± Year Historical)	1.6	Years Supply
Lot Supply (12 Months)	1.6	Years Supply

As can be seen, since 2020 (4.5 years), the annual average of homes/lots absorbed was 3,697 homes/lots. Utilizing the more recent 12-month absorption of homes/lots, the number of homes/lots absorbed significantly increases to 3,809 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 substantially increased from a low of 3,317 vacant lots in Third Quarter 2021 to the current level of 5,985 lots in Second Quarter 2024 as developers try to meet demand.

Based upon the Metrostudy/Zonda absorption figures of the past 4.5 years, there is currently only a 1.6±-year (5,985 lots ÷ 3,697 lots = 1.6±-years) total supply of existing lots available in the submarket. This total supply is considered to be well below the optimum lot supply levels of 2.0 to 2.5 years per Metrostudy/Zonda. Also, when utilizing the more current 12-month absorption of 3,809 home/lots, the total supply of existing lots available in the subject’s defined submarket remains at 1.6±-years (5,985 lots ÷ 3,809 lots/year = 1.6±-years).

Thus, the total lot supply within the subject’s submarket is estimated to be 1.6±-years. Currently, this total lot supply is considered to be well below the optimum supply levels. Also, taking into consideration that new developments require a typical nine to 12-month construction period, with increasing demand and dwindling lot supply, it appears that additional lot product in the submarket is feasible at the current time.



Property Analysis

Land Description and Analysis

Location

The Mosaic PID, IA #2 (Phases 2A, 2B, and 2C) is generally located on the north sides of Meander Way and Keya Drive, northwest of Frontier Parkway in the city of Celina in northeast Denton County, Texas. Phase 3C is located on the east side of Parvin Road, west of Triadic Lane. The master-planned development is within the Prosper ISD.

Land/Lot Areas

The following table summarizes the subject's land areas and lot sizes within IA #2.

Mosaic PID, IA #2, Celina, Denton County, Texas								
Phase	Acres	Density	TH	Typical Lot Dimensions				Total Lots
		Per Acre	25' x 90'	40' x 120'	50' x 130'	60' x 130'	70' x 130'	
2A	35.930	4.4	23	30	30	58	17	158
2B	30.956	3.6	0	0	44	56	11	111
2C	41.552	4.6	24	69	67	0	32	192
3C	38.522	3.4	0	0	0	68	62	130
Totals	146.960	4.0	47	99	141	182	122	591

Shape and Dimensions

The overall site is irregular in shape, with site utility based upon shape and dimensions considered to be average.

Topography

The overall 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.

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.



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	48121C0290G
Date	April 18, 2011
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No

Ground Stability

A soils report was not provided for review. Based on the viewing of the subject and 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

Access to IA #2 is provided by the extension of the existing Meander Way and Keya Drive as well as from Parvin Road. Access to the Mosaic master-planned development is from a main entry/exit from Frontier Parkway located along the eastern boundary of the development.

Utilities

Utilities available to the subject are summarized below.

Utilities	
Service	Provider
Water	City of Celina, Texas
Sewer	City of Celina, Texas



Zoning

The subject is within the Planned Development - 135 zone, which is intended to allow for single-family residential use according to the approved concept plan for the Mosaic PID. The following table summarizes the applicable zoning requirements affecting the subject.

Zoning Summary

Zoning Jurisdiction	City of Celina, Texas
Zoning Designation	PD - 135
Description	Planned Development - 135
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Permitted Uses	Residential uses according to the approved concept plan for the Mosaic master-planned development

According to the local planning department, there are no pending or prospective zoning changes.

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

Based upon a review of the property plats, 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 residential uses according to the approved concept plan for the Mosaic master-planned development. No other restrictions on development are apparent.



General Description - Mosaic Public Improvement District, Improvement Area #2

The subject represents Improvement Area #2 (IA #2) as part of the Mosaic Public Improvement District (PID) located in Celina, Denton County, Texas. IA #2 is being developed within four phases (2A, 2B, 2C, and 3C). Phases 2A, 2B, and 2C within IA #2 are currently under construction simultaneously with a total of 461 single-family lots with five typical lot types (25' townhome lots and 40', 50', 60', and 70' frontage lots) and with an expected completion date of September 30, 2024. Phase 3C within IA #2 is platted and planned to be developed with 130 single-family lots with two typical lot types (60' and 70' frontage lots) with an expected completion date of March 30, 2025. The PID is zoned PD - 135 (Planned Development - 135) which permits residential uses according to the approved concept plan for the Mosaic master-planned development. Amenities in the development will include indoor/outdoor gathering spaces, lakes, parks and nature trails, fitness center, locker room, playground, dog park, and a future Prosper ISD Elementary School.

Improvements will also include concrete streets with curbs and gutters, streetlights, landscaping, and an entry feature.

The Mosaic PID, IA #2 is summarized in the following exhibit:

Mosaic PID, IA #2, Celina, Denton County, Texas								
Phase	Acres	Density	TH	Typical Lot Dimensions				Total Lots
		Per Acre	25' x 90'	40' x 120'	50' x 130'	60' x 130'	70' x 130'	
2A	35.930	4.4	23	30	30	58	17	158
2B	30.956	3.6	0	0	44	56	11	111
2C	41.552	4.6	24	69	67	0	32	192
3C	38.522	3.4	0	0	0	68	62	130
Totals	146.960	4.0	47	99	141	182	122	591





Subject



Subject



Subject



Subject



Subject



Subject



Meander Way



Intersection at Keya Drive



Amenity

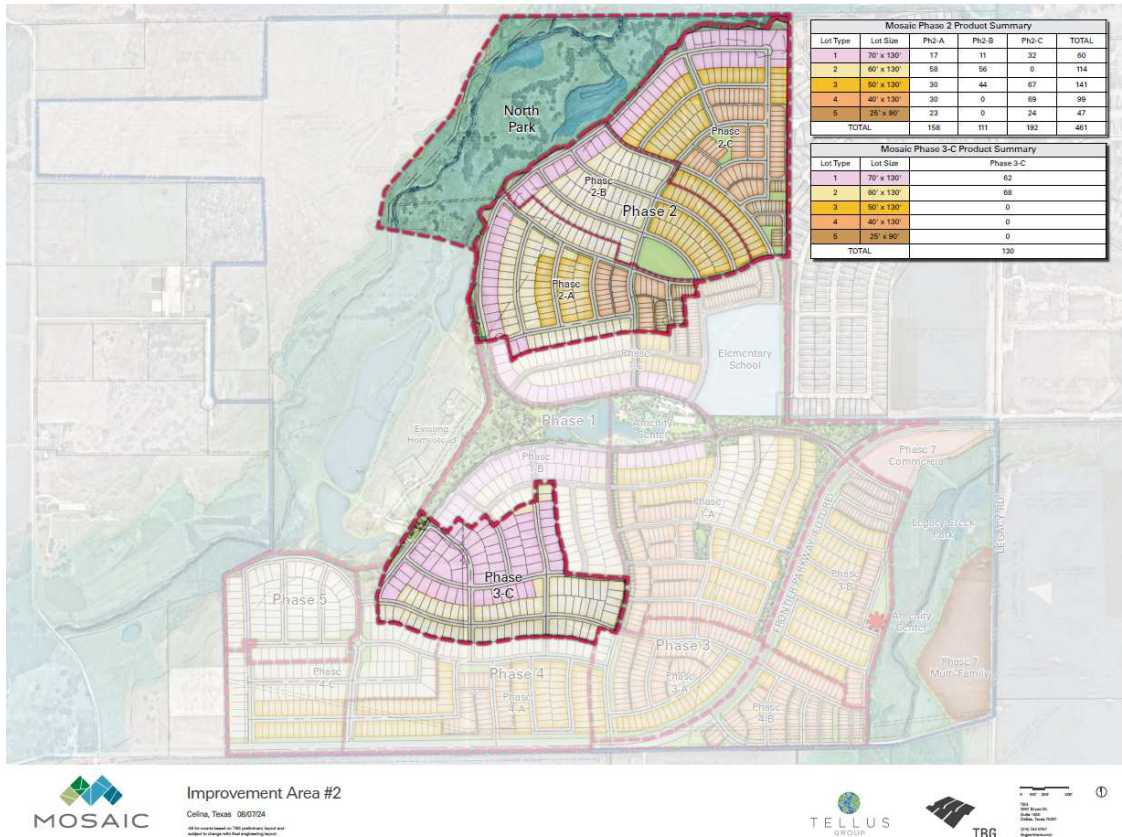


Future Amenities



Future Amenities

Concept Plan



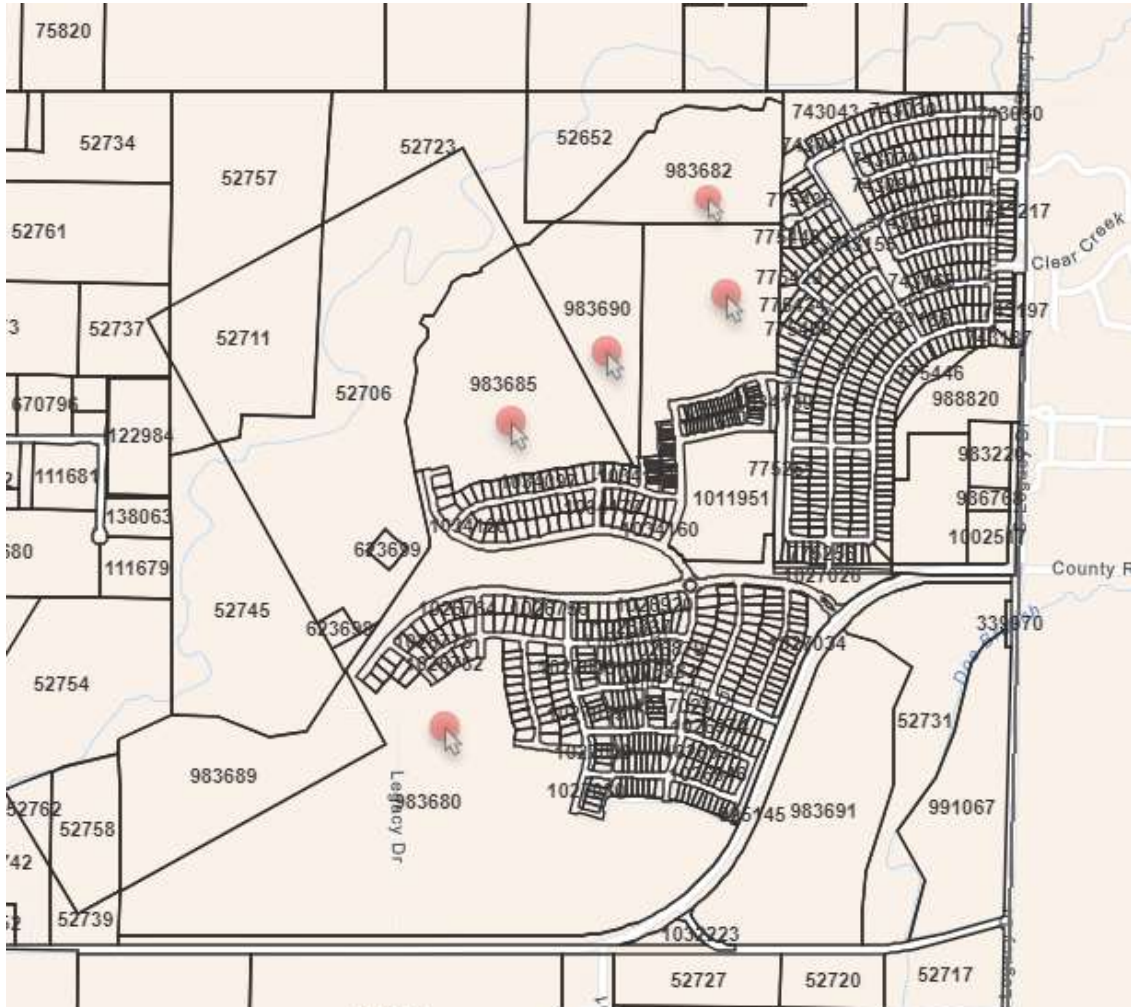
Improvement Area #2
 Celina, Texas 060724
All are based on 100' gridlines based on
 address to range with the existing street.



Aerial Photograph



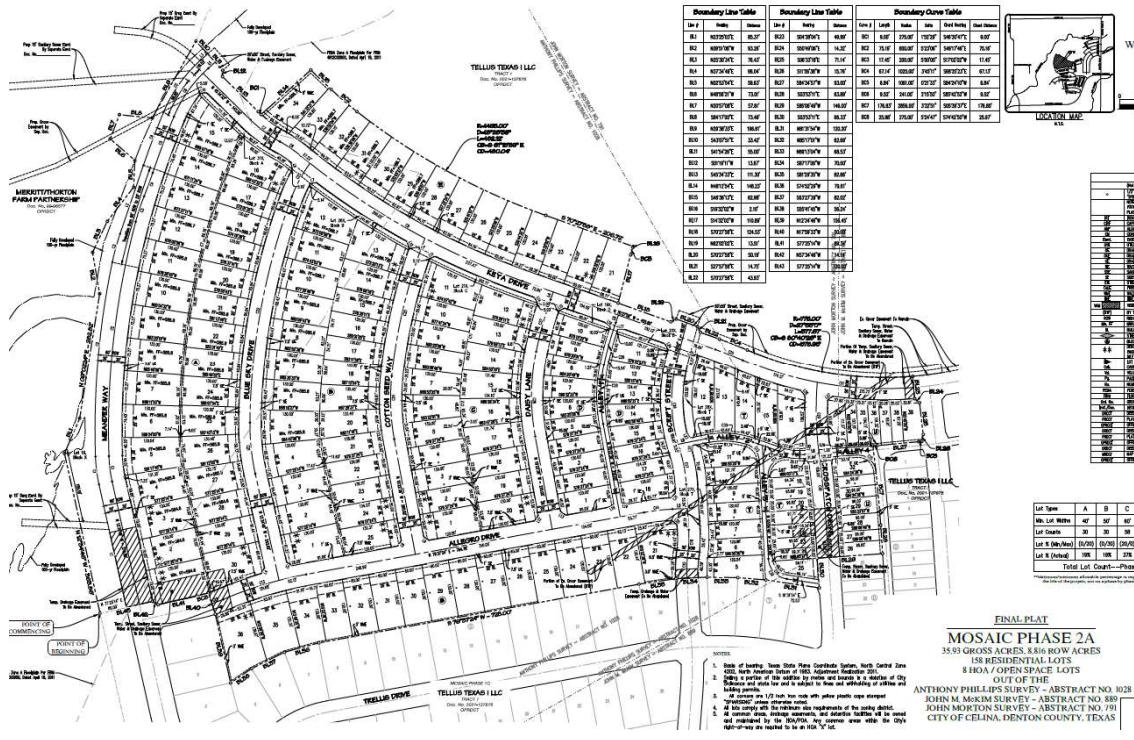
Tax Plat Map



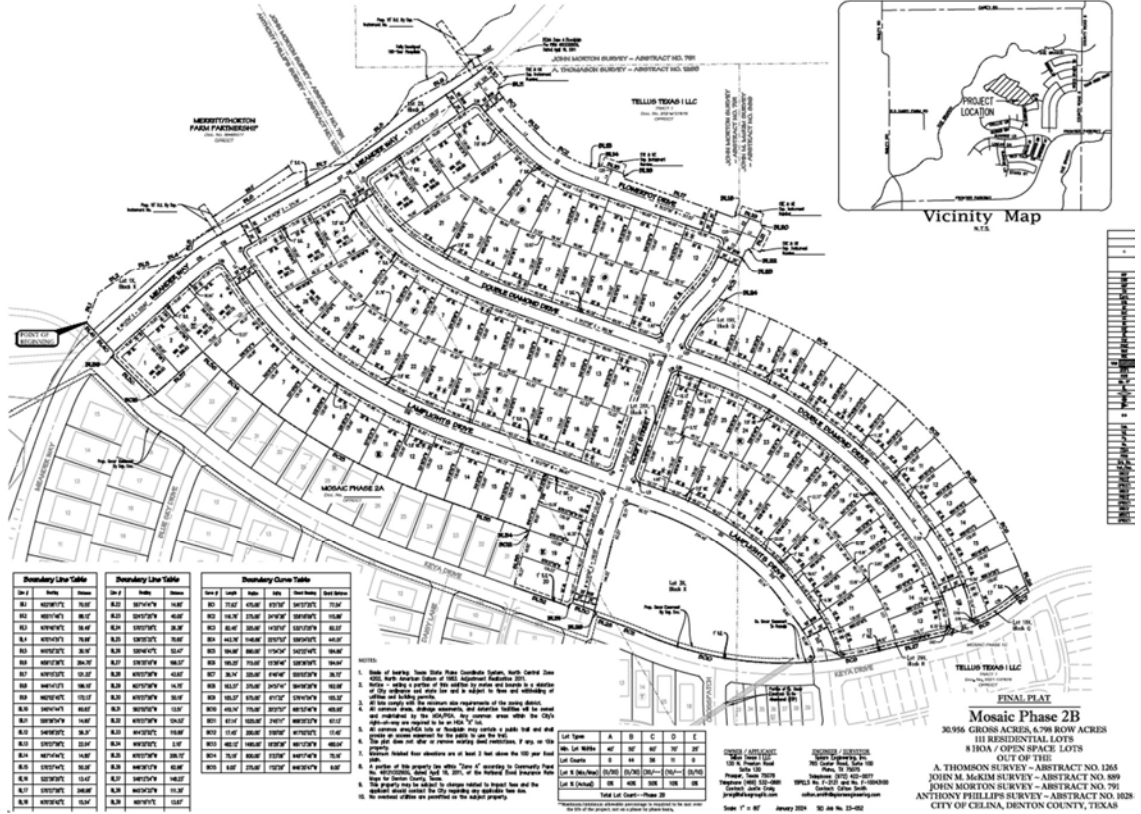
Mosaic Public Improvement District, Improvement Area #2



Final Plat – Phase 2A



Final Plat – Phase 2B



Sh 1	Sh 2	Sh 3	Sh 4
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
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8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0
8.0	8.0	8.0	8.0

1. Basis of bearings: Texas State Plane Coordinate System, North Central Zone (NAD 83); North American Datum of 1983; Adjustment Method: Helmert
2. All bearings and distances are as shown on the plat and are based on a survey of the land and interests therein.
3. All distances are the minimum distance between the points shown on the plat and are based on a survey of the land and interests therein.
4. The plat does not show or describe any easements, if any, or the extent of same shown for the plat to use the land.
5. The plat does not show or describe any easements, if any, or the extent of same shown for the plat to use the land.
6. The plat does not show or describe any easements, if any, or the extent of same shown for the plat to use the land.

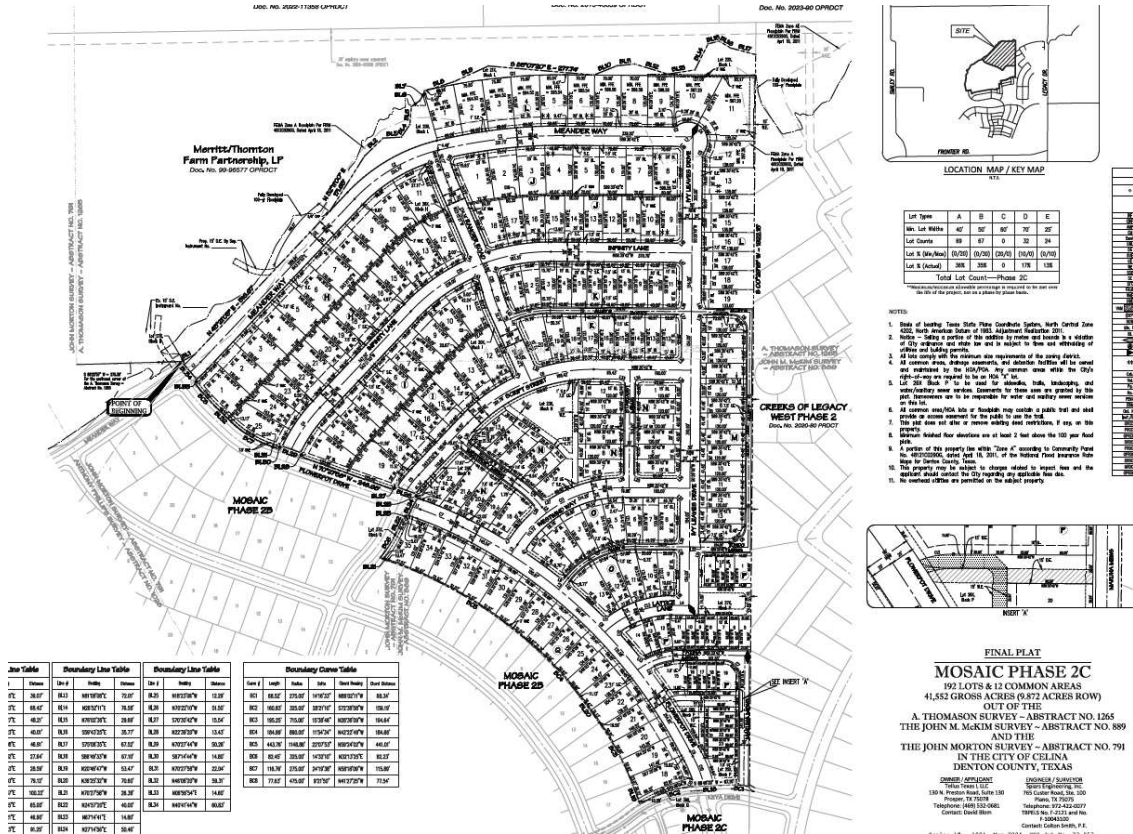
Lot Type	A	B	C	D	E
Max. Lot Width	40'	30'	20'	20'	20'
Lot Counts	9	18	18	18	9
Lot 1 (Total)	(9/9)	(18/18)	(18/18)	(18/18)	(9/9)
Lot 2 (Total)	00	00	00	00	00
Total Lot Count: Phase 2B					

OWNER / APPLICANT
 TELLOS TEXAS, LLC
 10000 TEXAS AVE., SUITE 100
 CELINA, TEXAS 75750
 Phone: 254-562-1000
 Fax: 254-562-1001
 E-MAIL: info@tellos-tx.com
 www.tellos-tx.com

REGISTERED ENGINEER
 JOHN MORTON SURVEYORS, P.C.
 1000 TEXAS AVE., SUITE 100
 CELINA, TEXAS 75750
 Phone: 254-562-1000
 Fax: 254-562-1001
 E-MAIL: info@johnmortonsurveyors.com
 www.johnmortonsurveyors.com

Scale: 1" = 50'
 August 2014 101.04.00.00

Final Plat – Phase 2C



Line Table

Line #	From	To	Bearing	Distance
1	00.00	00.00	S 89° 59' 59" W	12.00
2	00.00	00.00	S 89° 59' 59" W	12.00
3	00.00	00.00	S 89° 59' 59" W	12.00
4	00.00	00.00	S 89° 59' 59" W	12.00
5	00.00	00.00	S 89° 59' 59" W	12.00
6	00.00	00.00	S 89° 59' 59" W	12.00
7	00.00	00.00	S 89° 59' 59" W	12.00
8	00.00	00.00	S 89° 59' 59" W	12.00
9	00.00	00.00	S 89° 59' 59" W	12.00
10	00.00	00.00	S 89° 59' 59" W	12.00
11	00.00	00.00	S 89° 59' 59" W	12.00
12	00.00	00.00	S 89° 59' 59" W	12.00
13	00.00	00.00	S 89° 59' 59" W	12.00
14	00.00	00.00	S 89° 59' 59" W	12.00
15	00.00	00.00	S 89° 59' 59" W	12.00
16	00.00	00.00	S 89° 59' 59" W	12.00
17	00.00	00.00	S 89° 59' 59" W	12.00
18	00.00	00.00	S 89° 59' 59" W	12.00
19	00.00	00.00	S 89° 59' 59" W	12.00
20	00.00	00.00	S 89° 59' 59" W	12.00

Boundary Line Table

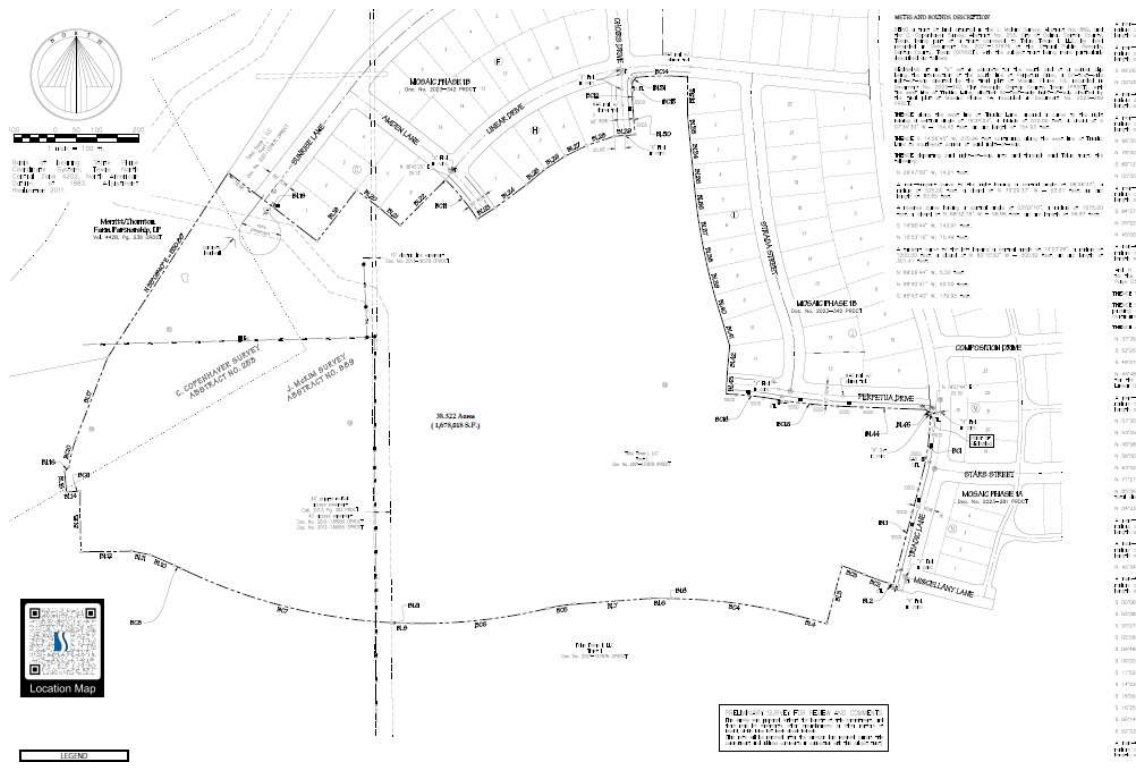
Line #	From	To	Bearing	Distance
1	00.00	00.00	S 89° 59' 59" W	12.00
2	00.00	00.00	S 89° 59' 59" W	12.00
3	00.00	00.00	S 89° 59' 59" W	12.00
4	00.00	00.00	S 89° 59' 59" W	12.00
5	00.00	00.00	S 89° 59' 59" W	12.00
6	00.00	00.00	S 89° 59' 59" W	12.00
7	00.00	00.00	S 89° 59' 59" W	12.00
8	00.00	00.00	S 89° 59' 59" W	12.00
9	00.00	00.00	S 89° 59' 59" W	12.00
10	00.00	00.00	S 89° 59' 59" W	12.00
11	00.00	00.00	S 89° 59' 59" W	12.00
12	00.00	00.00	S 89° 59' 59" W	12.00
13	00.00	00.00	S 89° 59' 59" W	12.00
14	00.00	00.00	S 89° 59' 59" W	12.00
15	00.00	00.00	S 89° 59' 59" W	12.00
16	00.00	00.00	S 89° 59' 59" W	12.00
17	00.00	00.00	S 89° 59' 59" W	12.00
18	00.00	00.00	S 89° 59' 59" W	12.00
19	00.00	00.00	S 89° 59' 59" W	12.00
20	00.00	00.00	S 89° 59' 59" W	12.00

Boundary Corner Table

Corner #	From	To	Bearing	Distance
1	00.00	00.00	S 89° 59' 59" W	12.00
2	00.00	00.00	S 89° 59' 59" W	12.00
3	00.00	00.00	S 89° 59' 59" W	12.00
4	00.00	00.00	S 89° 59' 59" W	12.00
5	00.00	00.00	S 89° 59' 59" W	12.00
6	00.00	00.00	S 89° 59' 59" W	12.00
7	00.00	00.00	S 89° 59' 59" W	12.00
8	00.00	00.00	S 89° 59' 59" W	12.00
9	00.00	00.00	S 89° 59' 59" W	12.00
10	00.00	00.00	S 89° 59' 59" W	12.00
11	00.00	00.00	S 89° 59' 59" W	12.00
12	00.00	00.00	S 89° 59' 59" W	12.00
13	00.00	00.00	S 89° 59' 59" W	12.00
14	00.00	00.00	S 89° 59' 59" W	12.00
15	00.00	00.00	S 89° 59' 59" W	12.00
16	00.00	00.00	S 89° 59' 59" W	12.00
17	00.00	00.00	S 89° 59' 59" W	12.00
18	00.00	00.00	S 89° 59' 59" W	12.00
19	00.00	00.00	S 89° 59' 59" W	12.00
20	00.00	00.00	S 89° 59' 59" W	12.00



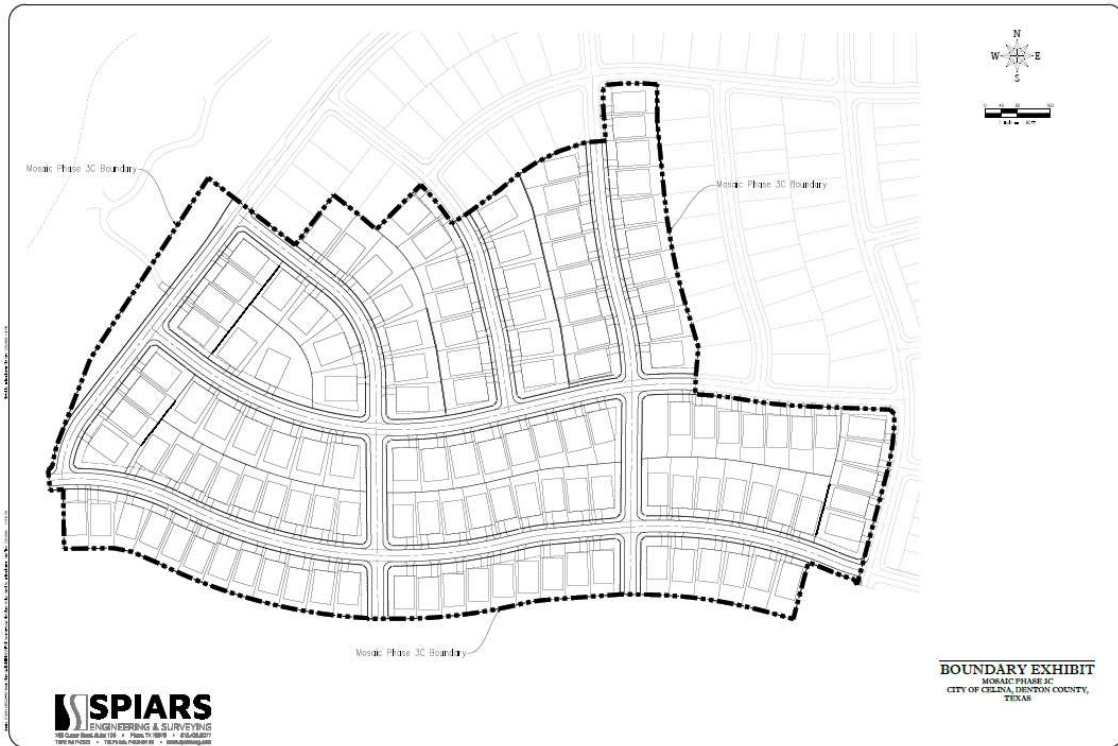
Survey – Phase 3C (38.522 Acres)



Mosaic Public Improvement District, Improvement Area #2



Boundary Exhibit – Phase 3C



Mosaic Public Improvement District, Improvement Area #2

