

NEW ISSUE

NOT RATED

THE BONDS ARE INITIALLY OFFERED ONLY TO “ACCREDITED INVESTORS” (AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933) AND “QUALIFIED INSTITUTIONAL BUYERS” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933). SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.”

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for purposes of federal income taxation purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under “TAX MATTERS” herein, including the alternative minimum tax on certain corporations.



\$23,977,000*

CITY OF ANNA, TEXAS,

(a municipal corporation of the State of Texas located in Collin County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

**(THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREAS #2-3 PROJECTS)**

Dated Date: Closing Date (defined below)

Interest to Accrue from Closing Date

Due: September 15, as shown on the inside cover

The City of Anna, Texas, Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects) (the “Bonds”), are being issued by the City of Anna, Texas (the “City”). The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$100,000 of principal amount and any integral multiple of \$1,000 in excess thereof. The Bonds will bear interest at the rates set forth on the inside cover page hereof, and such interest will be calculated on the basis of a 360-day year of twelve 30-day months, and will be payable on each March 15 and September 15, commencing September 15, 2026, until maturity or earlier redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. No physical delivery of the Bonds will be made to the beneficial owners thereof. For so long as the book-entry only system is maintained, the principal of and interest on the Bonds will be paid from the sources described herein by Regions Bank, as trustee (the “Trustee”), to DTC as the registered owner thereof. See “BOOK-ENTRY ONLY SYSTEM.”

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), an ordinance expected to be adopted by the City Council of the City (the “City Council”) on November 17, 2025, and an Indenture of Trust dated as of November 15, 2025 expected to be entered into between the City and the Trustee (the “Indenture”). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Actual Costs of the Improvement Areas #2-3 Projects, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization of the District and (iv) paying the costs of issuance of the Bonds. See “THE IMPROVEMENT AREAS #2-3 PROJECTS” and “APPENDIX B – Form of Indenture.”

The Bonds, when issued and delivered, will constitute valid and binding special obligations of the City secured by a pledge and lien upon the Trust Estate, consisting primarily of revenue from separate Assessments levied against assessable properties in Improvement Area #2-A, Improvement Area #2-B, and Improvement Area #3 of the District in accordance with a Service and Assessment Plan, and other assets comprising the Trust Estate, all to the extent and upon the conditions described herein. The Bonds are not payable from funds raised or to be raised from taxation. See “SECURITY FOR THE BONDS.”

The Bonds are subject to redemption at the times, in the amounts, and at the redemption prices more fully described under the subcaption “DESCRIPTION OF THE BONDS – Redemption Provisions.”

The Bonds involve a significant degree of risk, are speculative in nature, and are not suitable for all investors. See “BONDHOLDERS’ RISKS” and “SUITABILITY FOR INVESTMENT.” The Underwriter is limiting this offering to Qualified Institutional Buyers and Accredited Investors. The limitation of the initial offering to Qualified Institutional Buyers and Accredited Investors does not denote restrictions on transfers in any secondary market for the Bonds. Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should consult with their legal and financial advisors before considering a purchase of the Bonds, and should be willing to bear the risks of loss of their investment in the Bonds. The Bonds are not credit enhanced or rated and no application has been made for a rating on the Bonds.

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

This cover page contains certain information for quick reference only. It is not a summary of the Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

The Bonds are offered for delivery when, as, and if issued by the City and accepted by FMSbonds, Inc. (the “Underwriter”), subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, as to the validity of the Bonds and the excludability of interest thereon from gross income for federal income tax purposes. See “APPENDIX D – Form of Opinion of Bond Counsel.” Certain legal matters will be passed upon for the City by its counsel, Wolfe, Tidwell & McCoy, LLP, for the Underwriter by its counsel, Greenberg Traurig, LLP, and for the Developer by its counsel, Coats Rose PC. It is expected that the Bonds will be delivered in book-entry form through the facilities of DTC on or about December 18, 2025 (the “Closing Date”).

FMSbonds, Inc.

* Preliminary, subject to change.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion and amendment without notice. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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

CUSIP Prefix: _____ (a)

\$23,977,000
CITY OF ANNA, TEXAS,
(a municipal corporation of the State of Texas located in Collin County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREAS #2-3
PROJECTS)

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

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

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

(a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. None of the City, the City's Municipal Advisor, or the Underwriter takes any responsibility for the accuracy of such numbers.

(b) The Bonds maturing on or after September 15, 20 __, are subject to redemption before their respective scheduled maturity dates, in whole or in part, at the option of the City, on any date on or after September 15, 20 __, at the redemption prices set forth herein under "DESCRIPTION OF THE BONDS – Redemption Provisions."

(c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described herein under "DESCRIPTION OF THE BONDS – Redemption Provisions."

THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.

**CITY OF ANNA, TEXAS
CITY COUNCIL**

<u>Name</u>	<u>Place</u>	Term Expires (<u>May</u>)
Pete Cain	Mayor	2027
Kevin Toten	Place 1, Mayor Pro Tem	2027
Nathan Bryan	Place 2	2027
Stan Carver II	Place 3, Deputy Mayor Pro Tem	2026
Kelly Patterson-Herndon	Place 4	2028
Elden Baker	Place 5	2026
Manny Singh	Place 6	2028

**ACTING CITY
MANAGER**

Marc Marchand

CITY SECRETARY

Carrie Land

FINANCE DIRECTOR

Terri Doby

ADMINISTRATOR

P3Works, LLC

MUNICIPAL ADVISOR TO THE CITY

Hilltop Securities Inc.

BOND COUNSEL

McCall, Parkhurst & Horton L.L.P.

UNDERWRITER'S COUNSEL

Greenberg Traurig, LLP

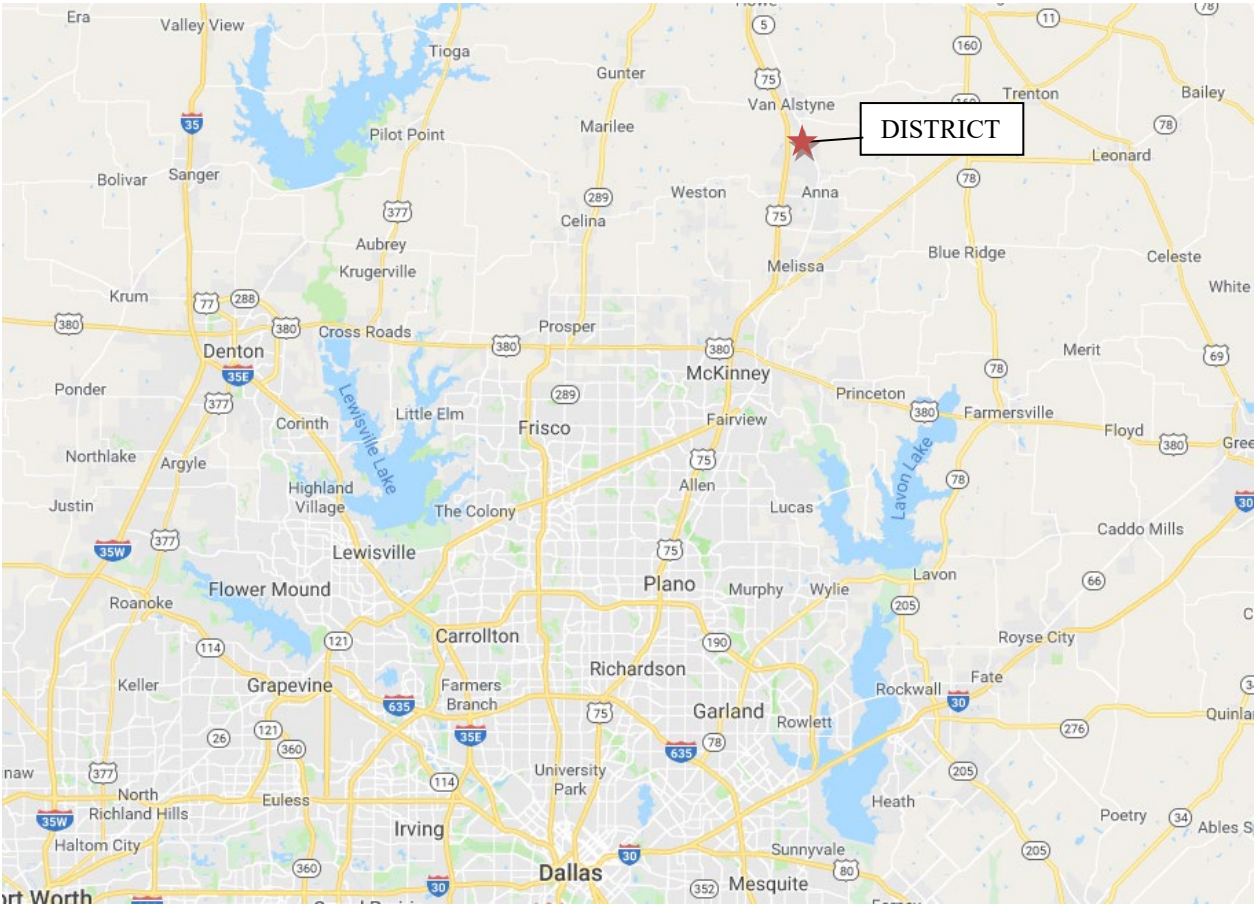
For additional information regarding the City, please contact:

Marc Marchand
Acting City Manager
City of Anna, Texas
120 W. 7th Street
Anna, Texas 75409
(972) 924-3325
mmarchand@annatexas.gov

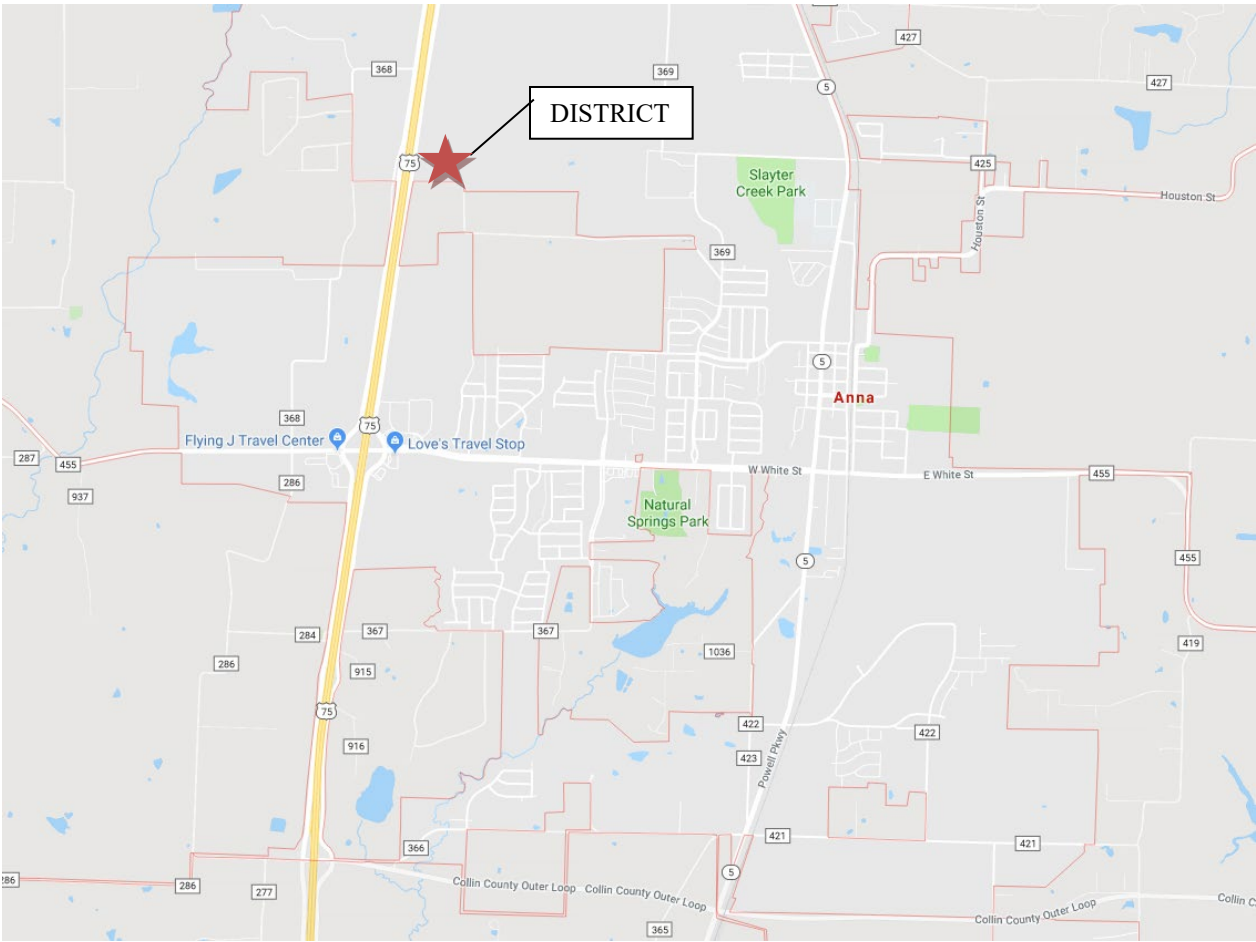
Jim Sabonis
Hilltop Securities Inc.
717 N. Harwood Street
Suite 3400
Dallas, Texas 75201
(214) 953-4000
Jim.Sabonis@hilltopsecurities.com

Andre Ayala
Hilltop Securities Inc.
717 N. Harwood Street
Suite 3400
Dallas, Texas 75201
(214) 953-4000
Andre.Ayala@hilltopsecurities.com

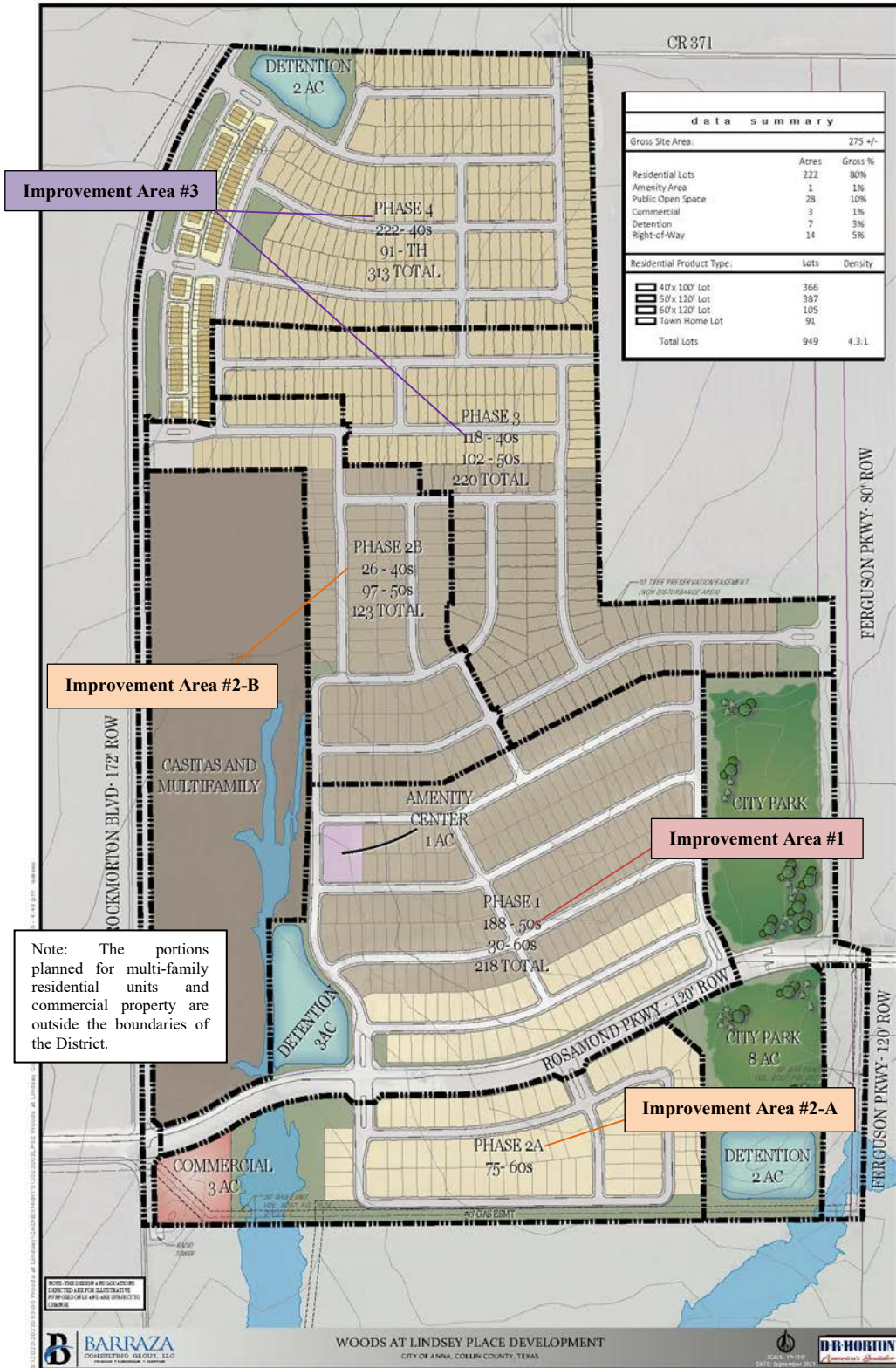
REGIONAL LOCATION MAP OF THE DISTRICT



AREA LOCATION MAP OF THE DISTRICT



MAP SHOWING BOUNDARIES OF THE DISTRICT AND IMPROVEMENT AREAS



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

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

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

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

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

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

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS LIMITED OFFERING MEMORANDUM CONSTITUTE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 21E OF THE UNITED STATES EXCHANGE ACT OF 1934, AS AMENDED, AND SECTION 27A OF THE SECURITIES ACT

OF 1933. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS “PLAN,” “APPROXIMATE,” “EXPECT,” “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “BUDGET” OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CITY NOR THE DEVELOPER PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF THEIR EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER “CONTINUING DISCLOSURE – THE CITY” AND “– THE DEVELOPER,” RESPECTIVELY.”

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

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

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER’S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS LIMITED OFFERING MEMORANDUM FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, THE RULE.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK].

TABLE OF CONTENTS

INTRODUCTION	1	THE CITY	35
PLAN OF FINANCE	2	Background	35
Overview	2	City Government	35
Development Plan and Status of		Water and Wastewater	35
Development	2	THE DISTRICT	36
Homebuilders in the District	4	General	36
The Bonds	4	Powers and Authority	36
Prior Bonds	4	THE IMPROVEMENT AREAS #2-3 PROJECTS	37
LIMITATIONS APPLICABLE TO INITIAL		General	37
PURCHASERS	4	Ownership and Maintenance of	
DESCRIPTION OF THE BONDS	6	Improvement Areas #2-3 Projects	42
General Description	6	THE DEVELOPMENT	42
Redemption Provisions	6	Overall Development Plan	42
BOOK-ENTRY ONLY SYSTEM	8	Homebuilders in the District	42
SECURITY FOR THE BONDS	10	Photographs of Development in the	
General	10	District	42
Pledged Revenues	11	Update on Improvement Area #1	42
Collection and Deposit of Assessments	12	Development Plan and Status of	
Unconditional Levy of Assessments	13	Development in Improvement	
Perfected Security Interest	14	Areas #2-3	43
Pledged Revenue Fund	14	Expected Build-Out and Home Prices in	
Bond Fund	15	the Development	43
Project Fund	15	Development Agreement	45
Reserve Fund (Reserve Account and		Reimbursement Agreement	46
Delinquency and Prepayment		Zoning/Permitting	46
Reserve Account)	16	Private Improvements	46
Administrative Fund	18	Education	47
Defeasance	18	Environmental	47
Events of Default	19	Existing Mineral and Groundwater	
Remedies in Event of Default	19	Rights, Easements and Other	
Restriction on Owner's Actions	20	Third-Party Property Rights	47
Application of Revenues and Other		Flood Zone	47
Moneys After Event of Default	21	Utilities	47
Investment or Deposit of Funds	21	THE DEVELOPER	48
Against Encumbrances	22	General	48
Additional Obligations	22	Description of the Developer	48
SOURCES AND USES OF FUNDS	23	Biographies of Key Developer Parties	48
DEBT SERVICE REQUIREMENTS	24	History and Financing of the District	49
OVERLAPPING TAXES AND DEBT	25	THE ADMINISTRATOR	49
Overlapping Taxes and Debt	25	APPRAISAL	50
Homeowners' Association	27	BONDHOLDERS' RISKS	50
ASSESSMENT PROCEDURES	27	General	50
General	27	Deemed Representations and	
Assessment Methodology	27	Acknowledgment by Investors	51
Collection and Enforcement of		Assessment Limitations	51
Assessment Amounts	29	Completion of the Improvement Areas	
Assessment Amounts	30	#2-3 Projects	53
Prepayment of Assessments	32	Failure or Inability to Complete	
Priority of Lien	32	Proposed Development	53
Foreclosure Proceedings	32	Completion of Homes	53
Collection and Delinquency History in		Availability of Utilities	54
Improvement Area #2 of the		Absorption Rate	55
District	34	State Law Regarding Notice of	
		Assessments	55

Potential Future Changes in State Law Regarding Public Improvement Districts	55	UNDERWRITING	68
Direct and Overlapping Indebtedness, Assessments and Taxes	55	REGISTRATION AND QUALIFICATION OF BONDS FOR SALE	68
Depletion of Reserve Fund; No Prefunding of Delinquency and Prepayment Reserve Account.....	56	LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS.....	68
Hazardous Substances	56	INVESTMENTS	68
Exercise of Third-Party Property Rights	57	INFORMATION RELATING TO THE TRUSTEE	71
Regulation	57	SOURCES OF INFORMATION	71
Bankruptcy	57	General	71
Bondholders' Remedies and Bankruptcy	57	Source of Certain Information.....	71
Bankruptcy Limitation to Bondholders' Rights	58	Experts.....	72
Judicial Foreclosures	59	Updating of Limited Offering Memorandum	72
No Acceleration.....	59	FORWARD-LOOKING STATEMENTS.....	72
Loss of Tax Exemption	59	AUTHORIZATION AND APPROVAL	72
Tax-Exempt Status of the Bonds	59	APPENDIX A General Information Regarding the City and Surrounding Areas	
Management and Ownership.....	60	APPENDIX B Form of Indenture	
Dependence Upon Developer.....	60	APPENDIX C Service and Assessment Plan	
Use of Appraisal.....	60	APPENDIX D Form of Opinion of Bond Counsel	
Flood Plain and Severe Weather Events.....	61	APPENDIX E-1 Form of Disclosure Agreement of Issuer	
Competition.....	61	APPENDIX E-2 Form of Disclosure Agreement of Developer	
Limited Secondary Market for the Bonds.....	62	APPENDIX F Development Agreement	
No Credit Rating	62	APPENDIX G Reimbursement Agreement	
TAX MATTERS	62	APPENDIX H Appraisal	
Opinion.....	62	APPENDIX I Photographs of Development in the District	
Federal Income Tax Accounting Treatment of Original Issue Discount	63		
Collateral Federal Income Tax Consequences.....	64		
State, Local And Foreign Taxes	64		
Information Reporting and Backup Withholding.....	64		
Future and Proposed Legislation	65		
LEGAL MATTERS	65		
Legal Proceedings	65		
Legal Opinions	65		
Litigation – The City	66		
Litigation – The Developer.....	66		
SUITABILITY FOR INVESTMENT	66		
ENFORCEABILITY OF REMEDIES	66		
NO RATING	67		
CONTINUING DISCLOSURE.....	67		
The City.....	67		
The City's Compliance with Prior Undertakings	67		
The Developer	67		
The Developer's Compliance with Prior Undertakings	68		

LIMITED OFFERING MEMORANDUM

\$23,977,000*

CITY OF ANNA, TEXAS,

(a municipal corporation of the State of Texas located in Collin County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

**(THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREAS #2-3 PROJECTS)**

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, inside cover, and appendices hereto, is to provide certain information in connection with the issuance and sale by the City of Anna, Texas (the “City”), of its \$23,977,000* aggregate principal amount of Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects) (the “Bonds”).

INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED INITIALLY TO AND ARE BEING SOLD ONLY TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT OF 1933”) AND “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. THE LIMITATION OF THE INITIAL OFFERING TO QUALIFIED INSTITUTIONAL BUYERS AND ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE BONDS. PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS,” “BONDHOLDERS’ RISKS,” AND “SUITABILITY FOR INVESTMENT.”

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), an ordinance expected to be adopted by the City Council of the City (the “City Council”) authorizing the issuance of the Bonds (the “Bond Ordinance”), and an Indenture of Trust (the “Indenture”), expected to be entered into between the City and Regions Bank, an Alabama state banking corporation with offices in Houston, Texas, as trustee (the “Trustee”). *All capitalized terms used in this Limited Offering Memorandum that are not otherwise defined herein shall have the meanings set forth in the Indenture. See “APPENDIX B – Form of Indenture.”*

The Bonds will be secured by a pledge of and lien upon the Trust Estate (defined herein), consisting primarily of Assessment Revenues (defined herein) from special assessments (the “Improvement Area #2-A Assessments”) levied against assessable parcels located within Improvement Area #2-A (the “Improvement Area #2-A Assessed Property”), special assessments (the “Improvement Area #2-B Assessments” and together with the Improvement Area #2-A Assessments, the “Improvement Area #2 Assessments”) levied against assessable parcels in Improvement Area #2-B (the “Improvement Area #2-B Assessed Property”), and special assessments (the “Improvement Area #3 Assessments” and, together with the Improvement Area #2 Assessments, the “Assessments”) to be levied against the assessable parcels located in Improvement Area #3 of The Woods at Lindsey Place Public Improvement District (the “District”), all to the extent and upon the conditions described in the Indenture. Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Bonds.

The Improvement Area #2 Assessments were levied pursuant to an ordinance adopted by the City Council on August 27, 2024 related to the Improvement Area #2 Assessments, as such ordinance was amended pursuant to a separate ordinance adopted by the City Council on February 25, 2025 (collectively, the “Improvement Area #2 Assessment Ordinance”). The Improvement Area #3 Assessments are expected to be levied pursuant to a separate ordinance expected to be adopted by the City Council on November 17, 2025 (the “Improvement Area #3 Assessment Ordinance” and, together with the Improvement Area #2 Assessment Ordinance, the “Assessment Ordinances”).

* Preliminary, subject to change.

Set forth herein are brief descriptions of the City, the District, D.R. Horton – Texas, Ltd. (the “Developer”) P3Works, LLC (the “Administrator”), the Assessment Ordinances, the Bond Ordinance, the Service and Assessment Plan, the Development Agreement (as defined herein), the Reimbursement Agreement (as defined herein), and the Appraisal (defined herein), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents and the PID Act are qualified in their entirety by reference to such documents or such PID Act and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Copies of these documents may be obtained during the period of the offering of the Bonds from the Underwriter, FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas, 75034, Phone: (214) 302-2246. The form of Indenture appears in APPENDIX B and the Service and Assessment Plan appears in APPENDIX C. The information provided under this caption “INTRODUCTION” is intended to provide a brief overview of the information provided in the other captions herein and is not intended, and should not be considered, fully representative or complete as to the subjects discussed hereunder.

PLAN OF FINANCE

Overview

Following receipt of a petition from the Developer in accordance with the PID Act, the City created the District on February 14, 2023. The District is composed of approximately 198.006 acres within the corporate boundaries of the City. It is located east of US 75 on the north and south sides of Rosamond Parkway between Buddy Hayes Boulevard (formerly Throckmorton Boulevard) and Ferguson Parkway. Maps of the District and the surrounding region are included on pages iii – v.

Development Plan and Status of Development

The Developer purchased the property within the District and approximately 77 acres adjacent to the District in February 2021 and is developing such property as a master-planned community to include approximately 858 single-family detached residential lots, 91 townhome lots, approximately 600 multi-family residential units, approximately 3 acres of commercially zoned land (held for future sale), an amenity center with a swimming pool and cabana, and hike and bike trails (collectively, the “Development”), with completion of all single-family lot development expected to occur by November 2025. The multi-family residential units are planned for the acreage adjacent to and outside the boundaries of the District. See “MAP SHOWING BOUNDARIES OF THE DISTRICT AND IMPROVEMENT AREAS” on page v hereof and “THE DEVELOPMENT.”

The District is composed of approximately 198.006 acres. The District is expected to be developed in different stages, designated “Improvement Areas.” The term (i) “Improvement Area #1” is used herein to describe the approximately 57.444 acres of property; (ii) “Improvement Area #2-A” is used herein to describe the approximately 29.229 acres of property; (iii) “Improvement Area #2-B” is used herein to describe the approximately 27.474 acres of property; (iv) “Improvement Area #3” is used herein to describe, collectively, “Phase 3” which includes approximately 39.162 acres of property, and “Phase 4” which includes approximately 47.778 acres of property, each as shown on the “MAP SHOWING BOUNDARIES OF THE DISTRICT AND IMPROVEMENT AREAS” on page v hereof.

Set forth below is information on the status of development in the District. See also “THE DEVELOPMENT – Update on Improvement Area #1”

Improvement Area #1. Development of the District began with Improvement Area #1. Improvement Area #1 consists of approximately 57.444 acres and includes a total of 218 single-family residential lots in a mix of 188 50’ lots and 30 60’ lots. Lot development consisted of the construction of (i) certain local improvements (the “Improvement Area #1 Improvements”) that benefitted only Improvement Area #1 of the District and (ii) certain improvements consisting of excavation, sanitary sewer, storm sewer, water, and paving that will benefit the entire District, and expended certain soft costs and contingency related thereto (the “Major Improvements”). The Major Improvements have been completed and accepted by the City. Lot development in Improvement Area #1 was completed in March 2023, and home construction began in March 2023. As of September 30, 2025, 204 homes have been completed and sold to end users in Improvement Area #1 of the District. As of September 30, 2025, the average

sale price of homes in Improvement Area #1 is \$375,535 for homes on 50' lots and \$377,256 for homes on 60' lots. See "THE DEVELOPMENT – Update on Improvement Area #1."

Improvement Area #2. Improvement Area #2 consists of approximately 56.703 acres comprised of Improvement Area #2-A and Improvement Area #2-B, and which includes a total of 198 single-family residential lots. Improvement Area #2-A consists of approximately 29.229 acres and includes a total of 75 60' single family residential lots. Improvement Area #2-B consists of approximately 27.474 acres and includes a total of 123 single-family residential lots in a mix of 26 40' lots and 97 50' lots. The Developer completed the Improvement Area #2-A Improvements and the Improvement Area #2-B Improvements in December 2024. The Improvement Area #2-A Improvements and Improvement Area #2-B Improvements have been accepted by the City. See "THE DEVELOPMENT – Development Plan and Status of Development in Improvement Areas #2-3."

Home construction in Improvement Area #2 began in February 2025. As of September 30, 2025, 3 homes are under construction and 104 homes have been completed and sold to end users in Improvement Area #2. As of September 30, 2025, the average sale price of homes in Improvement Area #2 is \$356,386 for homes on 50' lots and \$366,099 for homes on 60' lots.

Improvement Area #3. Improvement Area #3 includes (i) Phase 3, which consists of approximately 39.162 acres and includes a total of 220 single-family residences in a mix of 118 40' lots and 102 50' lots and (ii) Phase 4, which consists of approximately 47.778 acres and is expected to include a total of 91 townhomes and 222 40' single-family residential lots.

The Developer completed lot development in Phase 3 in July 2025. Home construction in Phase 3 began in September 2025. The Developer expects to complete lot development in Phase 4 in November 2025. Home construction in Phase 4 is expected to begin in Jan 2026.

The Improvement Areas #2-3 Projects. In connection with the development of Improvement Area #2, the Developer constructed (i) certain improvements consisting of erosion control, excavation, sanitary sewer, storm sewer, water, paving, and street lights benefitting only Improvement Area #2-A (the "Improvement Area #2-A Improvements"), (ii) certain improvements consisting of erosion control, excavation, sanitary sewer, storm sewer, water, paving, and street lights benefitting only Improvement Area #2-B (the "Improvement Area #2-B Improvements") and (iii) excavation, sanitary sewer, storm sewer, water, and paving benefitting only Improvement Area #2 (the "Improvement Area #2 Improvements"). In connection with the development of Improvement Area #3, the Developer expects to construct certain improvements consisting of excavation, sanitary sewer, storm sewer, water, and paving benefitting only Improvement Area #3 (the "Improvement Area #3 Improvements"). The Developer previously completed the Major Improvements, the costs of which have been or are being allocated to Improvement Area #2-A, Improvement Area #2-B and Improvement Area #3.

The pro rata portion of the Major Improvements allocable to Improvement Area #2-A, the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-A, and the Improvement Area #2-A Improvements are collectively referred to herein as the "Improvement Area #2-A Projects." The pro rata portion of the Major Improvements allocable to Improvement Area #2-B, the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-B, and the Improvement Area #2-B Improvements are collectively referred to herein as the "Improvement Area #2-B Projects." The pro rata portion of the Major Improvements allocable to Improvement Area #3 and the Improvement Area #3 Improvements are collectively referred to herein as the "Improvement Area #3 Projects." The Improvement Area #2-A Projects, the Improvement Area #2-B Projects, and the Improvement Area #3 Projects are collectively referred to herein as the "Improvement Areas #2-3 Projects."

The costs of the Improvement Area #2-A Projects (exclusive of the costs of issuance of the Bonds) are approximately \$4,578,241. The costs of the Improvement Area #2-B Projects (exclusive of the costs of issuance of the Bonds) are approximately \$7,046,972. The Improvement Area #2-A Projects and the Improvement Area #2-B Projects have been completed and were funded by the Developer with cash available to the Developer. The expected cost of the Improvement Area #3 Projects is \$18,683,291. The Developer has completed and funded the Major Improvements allocable to Improvement Area #3, the allocable cost of which was approximately \$2,838,109 and was funded with cash available to the Developer. As of September 30, 2025, the Developer has expended approximately

\$12,956,772 on constructing the Improvement Area #3 Improvements which was funded with cash available to the Developer.

The City will pay a portion of the costs for the Improvement Areas #2-3 Projects from proceeds of the Bonds. The Developer will submit payment requests on a monthly basis for costs actually incurred in developing and constructing the Improvement Areas #2-3 Projects and be paid in accordance with the Indenture and the Reimbursement Agreement. See “THE IMPROVEMENT AREAS #2-3 PROJECTS,” “THE DEVELOPMENT – Reimbursement Agreement,” “APPENDIX B – Form of Indenture,” and “APPENDIX G – Reimbursement Agreement.”

Homebuilders in the District

The Developer intends to construct homes on all of the 40’, 50’, and 60’ lots in the District and expects to contract with a merchant homebuilder on the 91 townhome lots in the future. The Developer has not entered into a contract for such sale of the townhome lots as of October 1, 2025.

The Bonds

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Actual Costs of the Improvement Areas #2-3 Projects, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization of the District and (iv) paying the costs of issuance of the Bonds. To the extent that a portion of the proceeds of the Bonds is allocated for the payment of the costs of issuance of the Bonds and less than all of such amount is used to pay such costs, the excess shall be transferred to the Principal and Interest Account of the Bond Fund to pay interest on the Bonds. See “SOURCES AND USES OF FUNDS,” “THE IMPROVEMENT AREAS #2-3 PROJECTS,” and “APPENDIX B – Form of Indenture.”

Payment of the Bonds is secured by a pledge of and a lien upon the Trust Estate, consisting primarily of Pledged Revenues derived from Assessments levied and to be levied against the Assessed Property within Improvement Areas #2-3 of the District, all to the extent and upon the conditions described herein and in the Indenture. See “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES,” and “APPENDIX B – Form of Indenture.”

The Bonds, the Improvement Area #1 Bonds (as defined herein), and any Refunding Bonds shall never constitute an indebtedness or general obligation of the City, the State of Texas (the “State”), or any other political subdivision of the State within the meaning of any constitutional provision or statutory limitation whatsoever, but the Bonds are limited and special obligations of the City payable solely from the Trust Estate as provided in the Indenture. Neither the faith and credit nor the taxing power of the City, the State, or any other political subdivision of the State is pledged to the payment of the Bonds.

Prior Bonds

To finance a portion of the costs of the Improvement Area #1 Improvements and the costs of Improvement Area #1’s allocable share of the Major Improvements (the “Improvement Area #1 Projects”), the City previously issued its \$7,419,000 City of Anna, Texas, Special Assessment Revenue Bonds, Series 2023 (The Woods At Lindsey Place Public Improvement District Improvement Area #1 Project) (the “Improvement Area #1 Bonds”). The Improvement Area #1 Bonds are outstanding in the amount of \$7,176,000. The Improvement Area #1 Bonds are secured by a pledge of and a lien upon certain pledged revenues, consisting primarily of the assessments levied on Improvement Area #1 of the District (the “Improvement Area #1 Assessments”). The Improvement Area #1 Assessments are not pledged to and do not secure the Bonds.

LIMITATIONS APPLICABLE TO INITIAL PURCHASERS

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

1. The Investor has authority and is duly authorized to purchase the Bonds and to execute any instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

2. The Investor is an “accredited investor” under Rule 501 of Regulation D of the Securities Act of 1933 or a “qualified institutional buyer” under Rule 144A of the Securities Act of 1933, and therefore has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Bonds are being acquired by the Investor for investment and not with a view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds solely for its own account for investment purposes for an indefinite period of time and does not intend at this time to dispose of all or any part of the Bonds. However, the Investor may sell the Bonds at any time the Investor deems appropriate. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Investor understands that the Bonds are not registered under the Securities Act of 1933 and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will not carry a rating from any rating service.

5. The Investor acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Improvement Areas #2-3 Projects, the Bonds, the security therefor, and such other information as the Investor has deemed necessary or desirable in connection with its decision to purchase the Bonds (collectively, the “Investor Information”). The Investor has received a copy of this Limited Offering Memorandum relating to the Bonds. The Investor acknowledges that it has assumed responsibility for its review of the Investor Information, and it has not relied upon any advice, counsel, representation, or information from the City in connection with the Investor’s purchase of the Bonds. The Investor agrees that none of the City, its councilmembers, officers, or employees shall have any liability to the Investor whatsoever for or in connection with the Investor’s decision to purchase the Bonds except for gross negligence, fraud, or willful misconduct. For the avoidance of doubt, it is acknowledged that the Underwriter is not deemed an officer or employee of the City.

6. The Investor acknowledges that the obligations of the City under the Indenture are special, limited obligations payable solely from amounts paid by the City to the Trustee pursuant to the terms of the Indenture and the City shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the City for amounts due under the Indenture. The Investor understands that the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the City, the State, or any political subdivision or taxing district thereof; that the Bonds will never represent or constitute a general obligation or a pledge of the full faith and credit of the City, the State, or any political subdivision thereof; that no right will exist to have taxes levied by the City, the State, or any political subdivision thereof for the payment of principal of and interest on the Bonds; and that the liability of the City and the State with respect to the Bonds is subject to further limitations as set forth in the Bonds and the Indenture.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor. The Investor is aware that the development of the District involves certain economic and regulatory variables and risks that could adversely affect the security for the Bonds.

8. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations, and warranties described in items 1-7 above.

DESCRIPTION OF THE BONDS

General Description

The Bonds will mature on the dates and in the amounts set forth in the inside cover page of this Limited Offering Memorandum. Interest on the Bonds will accrue from their date of delivery to the Underwriter and will be computed on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will be payable on each March 15 and September 15, commencing September 15, 2026 (each an “Interest Payment Date”), until maturity or prior redemption. Regions Bank is the initial Trustee, Paying Agent, and Registrar for the Bonds.

The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$100,000 of principal and any integral multiple of \$1,000 in excess thereof (“Authorized Denominations”). Upon initial issuance, the ownership of the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), and purchases of beneficial interests in the Bonds will be made in book-entry only form. See “BOOK-ENTRY ONLY SYSTEM” and “SUITABILITY FOR INVESTMENT.”

Redemption Provisions

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

Extraordinary Optional Redemption. The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on any date, at the Redemption Price, from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in the Indenture or any other transfers to the Redemption Fund under the terms of the Indenture. See “ASSESSMENT PROCEDURES – Prepayment of Assessments” for the definition and description of Prepayments and “APPENDIX B – Form of Indenture.”

Mandatory Sinking Fund Redemption. The Bonds maturing on September 15 in the years 20__, 20__, and 20__ (the “Term Bonds”) are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedules:

\$ Term Bonds Maturing September 15, 20__

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

\$ Term Bonds Maturing September 15, 20__

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

September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__†

† Stated maturity.

At least thirty (30) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee shall select by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such mandatory sinking fund redemption, as provided in the Indenture.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to the Indenture shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 30 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The Sinking Fund Installments of Term Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to the Indenture shall be reduced in integral multiples of \$1,000 by any portion of such Bonds, which, at least 30 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in the Indenture, respectively, and not previously credited to a mandatory sinking fund redemption.

Notice of Redemption. Upon written direction from the City to the Trustee of the exercise of any redemption provision provided under the Indenture, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

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

Any notice given as provided in the Indenture shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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

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

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

If less than all of the Bonds are called for optional redemption pursuant to the Indenture, the Trustee shall rely on directions provided in a City Order in selecting the Bonds to be redeemed.

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

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

BOOK-ENTRY ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Limited Offering Memorandum. The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but none of the City, the City's Municipal Advisor or the Underwriter takes any responsibility for the accuracy or completeness thereof.

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

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users

of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

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

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

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

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

Use of Certain Terms in Other Sections of this Limited Offering Memorandum. In reading this Limited Offering Memorandum it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Limited Offering Memorandum to registered owners should be read to include the person for which the participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System and (ii) except as described above, notices that are to be given to registered owners under the Indenture will be given only to DTC.

SECURITY FOR THE BONDS

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

General

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

The principal of, premium, if any, and interest on the Bonds are secured by a pledge of and a lien upon the Trust Estate, consisting primarily of Assessment Revenues levied or expected to be levied against Assessed Property within Improvement Areas #2-3 of the District and other assets comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. See “APPENDIX B – Form of Indenture.” In accordance with the PID Act, the City has caused the preparation of a Service and Assessment Plan (as amended, updated and supplemented from time to time, the “Service and Assessment Plan”), which describes the special benefit received by the property within the District, including Improvement Area #2-A, Improvement Area #2-B, and Improvement Area #3, provides the basis and justification for the determination of special benefit on such property, establishes the methodology for the levy of the Improvement Area #2-A Assessments, the Improvement Area #2-B Assessments and the Improvement Area #3 Assessments, and provides for the allocation of Pledged Revenues for payment of principal of, premium, if any, and interest on the Bonds. The Service and Assessment Plan is reviewed and updated annually for the purpose of determining the annual budget for improvements and the Annual Installments of Assessments due in a given year. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District, including Improvement Areas #2-3. See “APPENDIX C – Service and Assessment Plan.”

Pledged Revenues

The City is authorized by the PID Act, the Assessment Ordinances, and other provisions of law to finance the Improvement Areas #2-3 Projects by levying Assessments upon properties in Improvement Areas #2-3 of the District benefitted thereby. For a description of the assessment methodology and the amounts of Assessments levied or expected to be levied in Improvement Areas #2-3 of the District, see “ASSESSMENT PROCEDURES” and “APPENDIX C – Service and Assessment Plan.”

Pursuant to the Indenture:

“Additional Interest” means the 0.50% additional interest charged on the applicable Assessment pursuant to Section 372.018 of the PID Act.

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

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

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

“Assessment Revenues” means the applicable revenues received by the City from the collection of applicable Assessment, including Prepayments, each Annual Installment and Foreclosure Proceeds.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent Annual Installment of an Assessment in accordance with §372.018(b) of the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorneys’ fees.

“Foreclosure Proceeds” means the proceeds, including interest and penalty interest, received by the City from the enforcement of an Assessment against any Assessed Property, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Cost.

“Improvement Area #2-A Assessed Property” means any Parcel within Improvement Area #2-A against which an Improvement Area #2-A Assessment is levied.

“Improvement Area #2-B Assessed Property” means any Parcel within Improvement Area #2-B against which an Improvement Area #2-B Assessment is levied.

“Improvement Area #3 Assessed Property” means any Parcel within Improvement Area #3 against which an Improvement Area #3 Assessment is levied.

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

“Pledged Revenues” means, collectively, the (i) Assessment Revenues (excluding the portion of the applicable Assessment and Annual Installment collected for the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan,), (ii) the moneys held in any of the Pledged Funds and (iii) any additional revenues that the City may pledge to the payment of the Bonds.

“Prepayment” means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

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

The City will covenant in the Indenture that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof to be enforced continuously. See “SECURITY FOR THE BONDS – Pledged Revenue Fund.” See also “APPENDIX B – Form of Indenture” and “APPENDIX C – Service and Assessment Plan.”

The PID Act provides that the Assessments (including any reassessment, with interest, the expense of collection and reasonable attorney’s fees, if incurred) are a first and prior lien (the “Assessment Lien”) against the property assessed, superior to all other liens and claims, except liens or claims for State, county, school district, or municipality ad valorem taxes and are a personal liability of and charge against the owners of property, regardless of whether the owners are named. Pursuant to the PID Act, the Assessment Liens are effective from the respective dates of the Assessment Ordinances until the Assessments are paid (or otherwise discharged), and is enforceable by the City Council in the same manner that an ad valorem property tax levied against real property may be enforced by the City Council. See “ASSESSMENT PROCEDURES.”

The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the respective Assessment Ordinance. However, an Assessment Lien may not be foreclosed upon if any homestead rights of a property owner were properly claimed prior to the adoption of the respective Assessment Ordinance (“Pre-existing Homestead Rights”) for as long as such rights are maintained on the property. See “BONDHOLDERS’ RISKS – Assessment Limitations.”

Collection and Deposit of Assessments

The Assessments shown on the Assessment Rolls, together with the interest thereon, shall first be applied to the payment of the principal of and interest on the Bonds as and to the extent provided in the Service and Assessment Plan and the Indenture. In the event the City owes Rebatable Arbitrage to the United States Government, the Assessments shall first be applied to pay the full amount of Rebatable Arbitrage owed by the City, prior to any transfers to the Bond Fund.

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

A record of the Assessments on each parcel, tract, or lot which are to be collected in each year during the term of the Bonds is shown on the Assessment Rolls. Sums received from the collection of the Assessments to pay the debt service requirements (including delinquent installments, Foreclosure Proceeds, and penalties) and of the interest thereon shall be deposited into the Bond Pledged Revenue Account of the Pledged Revenue Fund. Promptly after the deposit of Foreclosure Proceeds into the Pledged Revenue Fund, the Trustee shall transfer such Foreclosure Proceeds first, to the Reserve Fund to restore any transfers from the Reserve Fund made with respect to the particular assessed property to which the Foreclosure Proceeds relate (first, to replenish the Reserve Account Requirement and second, to replenish the Delinquency and Prepayment Reserve Account Requirement), and second, to the Redemption Fund. See “SECURITY FOR THE BONDS – Pledged Revenue Fund” and “APPENDIX B – Form of Indenture.”

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

Unconditional Levy of Assessments

The City has imposed the Improvement Area #2-A Assessments on the property within Improvement Area #2-A of the District and the Improvement Area #2-B Assessments on the property within Improvement Area #2-B of the District, and will impose the Improvement Area #3 Assessments on the property within Improvement Area #3 of the District, each to pay the principal of and interest on the Bonds scheduled for payment from Pledged Revenues as described in the Indenture and in the Service and Assessment Plan and coming due during each Fiscal Year. The Assessments are effective on the date of, and strictly in accordance with the terms of, the respective Assessment Ordinance. Each Assessment may be paid in full or in part at any time, or in periodic Annual Installments over a period of time equal to the term of the Bonds, which installments shall include interest on the Assessments. Pursuant to the Assessment Ordinances, interest on the Assessments for each lot within Improvement Areas #2-3 of the District began to accrue on the date specified in the Service and Assessment Plan and, prior to issuance of the Bonds, is calculated at a rate specified in the respective Assessment Ordinance. After issuance of the Bonds, interest on the Assessments for each lot within Improvement Areas #2-3 of the District will accrue at a rate specified in the respective Assessment Ordinance but may not exceed the interest rate on the Bonds plus the 0.50% Additional Interest charged on Assessments pursuant to Section 372.018 of the Act. Such interest rates may be adjusted as described in the Service and Assessment Plan. Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated annually and shall be due on October 1 of each year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

As authorized by Section 372.018(b) of the PID Act, the City has will levy, assess, and will continue to collect, each year while the Bonds are Outstanding and unpaid, a portion of each Annual Installment to pay the annual costs incurred by the City in the administration and operation of the District. The portion of each Annual Installment used to pay such annual costs shall remain in effect from year to year until all Bonds are finally paid or until the City adjusts the amount of the levy after an annual review in any year pursuant to Section 372.013 of the PID Act. The assessments to pay Annual Collection Costs shall be due in the manner set forth in the Assessment Ordinances on October 1 of each year and shall be delinquent if not paid by February 1 of the following year. Such assessments to pay Annual Collection Costs do not secure repayment of the Bonds.

There is no discount for the early payment of Assessments.

Assessments, together with interest, penalties, and expense of collection and reasonable attorneys’ fees, as permitted by the Texas Tax Code, shall be a first and prior lien against the property assessed, superior to all other liens and claims, except liens or claims for State, county, school district, or municipality ad valorem taxes and shall be a personal liability of and charge against the owner of the property regardless of whether the owners are named, and

runs with the land. The lien for Assessments and penalties and interest began on the respective effective date of each Assessment Ordinance and continues until the Assessments are paid or until all Bonds are finally paid.

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

Perfect Security Interest

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

Pledged Revenue Fund

Immediately upon receipt thereof, the City shall transfer to the Trustee for deposit to the Pledged Revenue Fund each Assessment and Annual Installment, other than the portion of each Assessment and Annual Installment allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, which shall be deposited to the Administrative Fund in accordance with the Indenture. Specifically, following the initial deposit to the Pledged Revenue Fund, the City shall transfer or cause to be transferred the following amounts from the Pledged Revenue Fund to the following Accounts: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund, an amount sufficient to pay debt service on the Bonds next coming due, and (ii) second, if necessary, to the Reserve Account of the Reserve Fund, an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement. Notwithstanding the foregoing, the Additional Interest shall only be utilized for the purposes set forth in the Indenture and, immediately following the initial deposit to the Pledged Revenue Fund, prior to any other transfers or deposits being made under the Indenture, if the Delinquency and Prepayment Reserve Account of the Reserve Fund does not contain the Delinquency and Prepayment Reserve Requirement and Additional Interest is collected, then all such Additional Interest will be transferred into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement is met. In addition, in the event the City owes Rebutable Arbitrage to the United States Government pursuant to the Indenture, the City shall provide written direction to the Trustee to transfer to the Rebate Fund, prior to any other transfer under the Indenture, the full amount of Rebutable Arbitrage owed by the City, as provided in the Indenture. If any funds remain on deposit in the Pledged Revenue Fund after the foregoing deposits and the deposits of Prepayments and Foreclosure Proceeds, as described below, are made, the City shall have the option, in its sole and absolute discretion, to use such excess funds for any one or more of the following purposes: (1) pay other costs of the Authorized Improvements, (2) pay other costs permitted by the PID Act, or (3) deposit such excess into the Redemption Fund to redeem Bonds as provided in the Indenture. Along with each transfer to the Trustee, the City shall provide a certificate as to the funds, accounts and payments into which the amounts are to be deposited or paid.

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

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

The Trustee shall transfer Prepayments to the Redemption Fund promptly after deposit of such amounts into the Pledged Revenue Fund.

Promptly after the deposit of Foreclosure Proceeds into the Pledged Revenue Fund, the Trustee shall transfer such Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Accounts within the Reserve Fund made with respect to the particular Assessed Property to which the Foreclosure Proceeds relate (first to replenish the Reserve Account Requirement, and second to replenish the Delinquency and Prepayment Reserve Requirement), and second, to the Redemption Fund.

After satisfaction of the requirement to provide for the final payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the Reserve Fund, the Trustee shall transfer any Pledged Revenues remaining in the Pledged Revenue Fund for the purposes set forth in the Indenture, as directed by the City in a City Order.

Bond Fund

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

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

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

Project Fund

Money on deposit in the Project Fund shall be used for the purposes specified in the Indenture. Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Orders.

Disbursements from the Bond Improvement Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The funds from the respective Bond Improvement Account of the Project Fund shall be disbursed in accordance with a Certificate for Payment as described in the Reimbursement Agreement. Each such Certificate for Payment shall include a list of the payees and the payments to be made to such payees as well as a statement that all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such Certificate for Payment or in the invoices submitted therewith and the Trustee may rely on such payment instructions with no duty to investigate or inquire as to the authenticity of or authorization for the invoice or the payment instructions contained therein.

Except as provided below, money on deposit in the Improvement Area #2-A Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #2-A Projects, money on deposit in the Improvement Area #2-B Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #2-B Projects, and money on deposit in the Improvement Area #3 Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #3 Projects.

If the City Representative determines in his or her sole discretion that amounts then on deposit in any Bond Improvement Account of the Project Fund are not expected to be expended for purposes of such Bond Improvement Account of the Project Fund due to the abandonment, or constructive abandonment, of one or more of the Improvement Areas #2-3 Projects such that, in the opinion of the City Representative, it is unlikely that the amounts in such Bond Improvement Account of the Project Fund will ever be expended for the purposes of the respective Bond Improvement Account of the Project Fund, the City Representative shall file a City Order with the Trustee which identifies the amounts then on deposit in the applicable Bond Improvement Account of the Project Fund that are not expected to be used for purposes of such Bond Improvement Account of the Project Fund. If such City Order is so filed, the identified amounts on deposit in such Bond Improvement Account of the Project Fund shall be transferred to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Order filed with the Trustee. Upon such transfers, the applicable Bond Improvement Account of the Project Fund shall be closed.

In making any determination pursuant to the Indenture, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

Upon the filing of a City Order stating that all Improvement Area #2-A Projects, Improvement Area #2-B Projects, or Improvement Area #3 Projects, as applicable in the relevant context, have been completed and that all Actual Costs have been paid with respect thereto, or that any Actual Costs are not required to be paid from the respective Bond Improvement Account of the Project Fund pursuant to a Certificate for Payment, the Trustee shall transfer the amount, if any, remaining within the respective Bond Improvement Account of the Project Fund to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Order filed with the Trustee. Upon such transfer, the respective Bond Improvement Account of the Project Fund shall be closed.

Upon a determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Principal and Interest Account and used to pay interest on the Bonds, as directed in a City Order filed with the Trustee, and the Costs of Issuance Account shall be closed.

In the event the Developer has not completed the Improvement Areas #2-3 Projects by December 18, 2030, then the City may provide written direction to the Trustee to (i) transfer all funds on deposit in the Bond Improvement Accounts of the Project Fund to the Redemption Fund to redeem Bonds pursuant to the Indenture. Upon such transfers, the Bond Improvement Accounts of the Project Fund shall be closed.

Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account)

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund, held by the Trustee for the benefit of the Bonds, and initially funded with proceeds of the Bonds in the amount of the Reserve Account Requirement. Pursuant to the Indenture, the "Reserve Account Requirement" for the Bonds shall be the least of (i) Maximum Annual Debt Service on the Bonds as of their date of issuance, (ii) 125% of average Annual Debt Service on the Bonds as of their date of issuance, and (iii) 10% of the proceeds of the Bonds, however, that such amount shall be reduced by the amount of any transfers made to the Redemption Fund as a result of Prepayments; and provided further that as a result of (1) an optional redemption or (2) an extraordinary optional redemption, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the date of issuance of the Bonds, the Reserve Account Requirement is \$_____.

The City agrees with the Owners of the Bonds to accumulate and, when accumulated, maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in the Indenture. The Trustee will transfer from the Pledged Revenue Fund to the Delinquency and Prepayment Reserve Account on March 15 of each year, commencing March 15, 2026, an amount equal to the Additional Interest until the Delinquency and Prepayment Reserve Requirement has been accumulated in the Delinquency and Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Delinquency and Prepayment Reserve Account is less than Delinquency and Prepayment Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement has accumulated in the Delinquency

and Prepayment Reserve Account. In calculating the amounts to be transferred pursuant to the Indenture, the Trustee may conclusively rely on the Annual Installment as shown on the applicable Assessment Roll in the Service and Assessment Plan unless and until it receives a City Order directing that a different amount be used. The Additional Interest shall continue to be collected and deposited pursuant to the Indenture until the Bonds are no longer Outstanding.

“Delinquency and Prepayment Reserve Requirement” means an amount equal to 5.5% of the principal amount of the then Outstanding Bonds to be funded from Additional Interest deposited to the Pledged Revenue Fund and transferred to the Delinquency and Prepayment Reserve Account.

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

In the event of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to the Indenture, the Trustee, pursuant to prior written directions from the City, shall transfer from the Reserve Account of the Reserve Fund to the Redemption Fund the amount specified in such directions, which shall be an amount equal to the principal amount of Bonds to be redeemed multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall or any additional amounts to permit the redemption of Bonds to be redeemed in minimum principal amounts of \$1,000 from the Delinquency and Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

Whenever, on any Interest Payment Date, or on any other date at the request of a City Representative, the value of cash and Value of Investment Securities on deposit in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with the Indenture, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due for Rebutable Arbitrage under the Indenture, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, (iii) to one or more Bond Improvement Accounts of the Project Fund to pay Actual Costs if such application and the expenditure of funds is expected to occur within three years of the date of the Indenture, or (iv) to the Redemption Fund to be applied to the redemption of the Bonds.

Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amounts on deposit in the Delinquency and Prepayment Reserve Account exceed the Delinquency and Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess, and such excess shall be transferred, at the direction of the City pursuant to a City Order, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund. In the event that the Trustee does not receive a City Order directing the transfer of such excess to the Administrative Fund within 45 days of providing notice to the City of such excess, the Trustee shall transfer such excess to the Redemption Fund to redeem Bonds pursuant to the Indenture and provide the City with written notification of the transfer. The Trustee shall incur no liability for the accuracy or validity of the transfer so long as the Trustee made such transfer in full compliance with the Indenture.

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

At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Delinquency and Prepayment Reserve Account shall be transferred to the Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account the amount of such deficiency, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

If the amount held in the Reserve Fund together with the amount held in the Pledged Revenue Fund, the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next date the Bonds may be optionally redeemed by the City at a redemption price of par, together with the unpaid interest accrued on such Bonds as of such date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds on such date.

Administrative Fund

Immediately upon receipt thereof, the City shall deposit or cause to be deposited to the Administrative Fund the portion of each Assessment and Annual Installment allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan.

Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered under the Indenture and used as directed by a City Order solely for the purposes set forth in the Service and Assessment Plan, including payment of Annual Collection Costs and Delinquent Collection Costs. The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds. See “APPENDIX C – Service and Assessment Plan.”

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

Defeasance

Any Outstanding Bonds shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding within the meaning of the Indenture (a “Defeased Debt”), when payment of the principal of, premium, if any, on such Defeased Debt, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (1) shall have been made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust, and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment or (B) Defeasance Securities that mature as to principal and interest in such amount and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to the Indenture nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities. “Investment Securities” means those authorized investments described in the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, which investments are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time. Under current State law, Investment Securities that are authorized for the investment of funds to defease public securities are (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, and that, on the date the governing body of the City adopts or approves the

proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

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

Events of Default

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

- i. The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;
- ii. The failure of the City to enforce the collection of each Assessment including the prosecution of foreclosure proceedings, in accordance with Section 7.2; and
- iii. Default in the performance or observance of any covenant, agreement or obligation of the City under the Indenture, other than a default under (iv) below, and the continuation thereof for a period of ninety (90) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by the Trustee, which shall give such notice at the written request of the Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding; provided, however, if the default stated in the notice is capable of cure but cannot reasonably be cured within the applicable period, the City shall be entitled to a further extension of time reasonably necessary to remedy such default so long as corrective action is instituted by the City within the applicable period and is diligently pursued until such failure is corrected, but in no event for a period of time of more than one hundred eighty (180) days after such notice.
- iv. The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days thereafter.

The Trustee shall not be charged with knowledge of (a) any events or other information, or (b) any default under the Indenture or any other agreement unless a responsible officer of the Trustee shall have actual knowledge thereof.

Remedies in Event of Default

Subject to the Indenture, upon the happening and continuance of any of the Events of Default described in the Indenture, then and in every such case the Trustee may proceed, and upon the written request of the Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding under the Indenture shall proceed, to protect and enforce the rights of the Owners under the Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained in the Indenture, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

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

If the assets of the Trust Estate are sufficient to pay all amounts due with respect to Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under the Indenture, the City shall

determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

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

Restriction on Owner's Actions

No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy under the Indenture, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing as provided in the Indenture, or of which by the provisions of the Indenture it is deemed to have notice, (ii) such default has become an Event of Default and the Owners of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee written evidence of indemnity as provided in the Indenture, (iv) the Trustee has for 60 days after such notice failed or refused to exercise the powers granted in the Indenture, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the Indenture by its, his or their action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided in the Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall be conditions precedent to the execution of the powers and trusts of the Indenture and to any action or cause of action for the enforcement of the Indenture or for any other remedy under the Indenture.

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

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

Application of Revenues and Other Moneys After Event of Default

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

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

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

The Trustee shall make payments to the Owners of Bonds pursuant to the Indenture within thirty (30) days of receipt of such good and available funds, and the record date shall be the date the Trustee receives such good and available funds.

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

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

Investment or Deposit of Funds

Money in any Fund or Account, other than the Reserve Fund, shall be invested by the Trustee in Investment Securities as directed by the City pursuant to a City Order filed with the Trustee; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or Account will be available at the proper time or times. Money in the Reserve Fund shall be invested in such Investment Securities as directed by the City pursuant to a City Order filed with the Trustee, provided that the final maturity of any individual Investment Security shall not exceed 270 days and the average weighted maturity of any investment pool or no-load money market mutual fund shall not exceed 90 days. Each such City Order shall be a certification, upon which the Trustee may conclusively rely without investigation or inquiry, that the investment directed therein constitutes an Investment Security and that such investments meet the maturity and average weighted maturity requirements set forth in the preceding sentence. Such investments shall be valued each year in terms of the Value of Investment Securities as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in the Funds and Accounts may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default under the Indenture. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is hereby directed to invest and re-invest cash balances in investments authorized and permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law,

and only so long as such investments constitute Investment Securities and the money required to be expended from any Fund will be available at the proper time or times.

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

Against Encumbrances

Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate or upon any other property pledged under the Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

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

Additional Obligations

The City reserves the right to issue obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from Trust Estate, or any portion thereof.

Other than Refunding Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, or any portion thereof, and will not do or omit to do or suffer to be done or omit to be done any matter or things whatsoever whereby the lien of the Indenture or the priority hereof might or could be lost or impaired; provided, however, that the City has reserved the right to issue bonds or other obligations secured by and payable from the Trust Estate so long as such pledge is subordinate to the pledge of the Trust Estate securing payment of the Bonds.

Notwithstanding any contrary provision of the Indenture, but subject to certain provisions of the Indenture, the City shall not issue additional bonds, notes or other obligations under the Indenture, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under the Indenture, other than Refunding Bonds. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds or Outstanding Refunding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State.

THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.

SOURCES AND USES OF FUNDS

The following table summarizes the expected sources and uses of proceeds of the Bonds:

Sources of Funds:

Principal Amount
Total Sources

Uses of Funds:

Deposit to Improvement Area #2-A Bond Improvement Account of the Project Fund
Deposit to Improvement Area #2-B Bond Improvement Account of the Project Fund
Deposit to Improvement Area #3 Bond Improvement Account of the Project Fund
Deposit to Costs of Issuance Account of the Project Fund
Deposit to Reserve Account of the Reserve Fund
Deposit to Administrative Fund
Underwriter's Discount ⁽¹⁾
Total Uses

⁽¹⁾ Includes Underwriter's Counsel's fee.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Bonds:

<u>Year Ending (September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
Total			

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

OVERLAPPING TAXES AND DEBT

Overlapping Taxes and Debt

The land within Improvement Areas #2-3 of the District has been, and is expected to continue to be, subject to taxes and assessments imposed by taxing entities other than the City. Such taxes are payable in addition to the Assessments.

In addition to the City, Collin County, Texas, the Collin County Community College District, and the Anna Independent School District may each levy ad valorem taxes upon land in Improvement Areas #2-3 of the District for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. The City has no control over the level of ad valorem taxes or special assessments levied by such other taxing authorities.

The following table shows the overlapping ad valorem tax rates currently levied on property located in Improvement Areas #2-3 of the District.

	Improvement <u>Area #2-A</u>	Improvement <u>Area #2-B</u>	Improvement <u>Area #3</u>
<u>Taxing Entity</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>
The City	\$0.525073	\$0.525073	\$0.525073
Collin County, Texas	0.149343	0.149343	0.149343
Collin County Community College District	0.081220	0.081220	0.081220
Anna Independent School District	<u>1.239900</u>	<u>1.239900</u>	<u>1.239900</u>
Total Existing Tax Rate	<u>\$1.995536</u>	<u>\$1.995536</u>	<u>\$1.995536</u>
Estimated Average Annual Installment of Assessments as a tax rate equivalent ⁽²⁾	<u>\$0.4895824</u>	<u>\$0.738331</u>	<u>\$0.769815</u>
Estimated Total Tax Rate and Average Annual Installment as a tax rate equivalent ⁽²⁾	<u>\$2.485118</u>	<u>\$2.733867</u>	<u>\$2.765351</u>

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

⁽²⁾ Preliminary, subject to change. Derived from information presented in the Service and Assessment Plan. See "APPENDIX C – Service and Assessment Plan." Assumes completion of homes at values estimated by the Developer. See "THE DEVELOPMENT – Expected Build-Out and Home Prices in the Development."

Sources: Collin Central Appraisal District, the City, and the Administrator.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

As noted above, Improvement Areas #2-3 of the District includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes or assessments. Set forth below is an overlapping debt table showing the outstanding indebtedness payable from ad valorem taxes with respect to property within Improvement Areas #2-3 of the District, and City debt secured by the Assessments:

Improvement Area #2-A

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 11/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 1,731,000	100.000%	\$1,731,000
The City (Ad Valorem Taxes)	261,831,000	0.203%	532,591
Collin County, Texas	982,755,000	0.004%	37,102
Collin County Community College District	438,250,000	0.004%	17,693
Anna Independent School District ⁽²⁾	444,228,846	0.223%	989,445
TOTAL	<u>\$2,128,795,846</u>		<u>\$3,307,831</u>

⁽¹⁾ Based on an estimated market value of \$9,000,000 for finished lots in Improvement Area #2-A of the District using the \$2,000/front foot value of lots shown for lots in Improvement Area #3 as set forth in Appraisal and the Tax Year 2025 Net Taxable Assessed Valuations for the taxing entities. See “APPRAISAL.” It is noted that Improvement Area #2-A was not the subject of the Appraisal.

⁽²⁾ Excludes \$17,595,000 in bonds expected to close on or about November 22, 2025.

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

Improvement Area #2-B

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 11/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 3,866,000	100.000%	\$3,866,000
The City (Ad Valorem Taxes)	261,831,000	0.266%	697,103
Collin County, Texas	982,755,000	0.005%	48,562
Collin County Community College District	438,250,000	0.005%	23,158
Anna Independent School District ⁽²⁾	444,228,846	0.292%	1,295,074
TOTAL	<u>\$2,130,930,846</u>		<u>\$5,929,897</u>

⁽¹⁾ Based on an estimated market value of \$11,780,000 for finished lots in Improvement Area #2-B of the District using the \$2,000/front foot value of lots shown for lots in Improvement Area #3 as set forth in Appraisal and the Tax Year 2025 Net Taxable Assessed Valuations for the taxing entities. See “APPRAISAL.” It is noted that Improvement Area #2-B was not the subject of the Appraisal.

⁽²⁾ Excludes \$17,595,000 in bonds expected to close on or about November 22, 2025.

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

Improvement Area #3

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 11/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 18,380,000	100.000%	\$18,380,000
The City (Ad Valorem Taxes)	261,831,000	0.940%	2,462,003
Collin County, Texas	982,755,000	0.017%	171,510
Collin County Community College District	438,250,000	0.019%	81,790
Anna Independent School District ⁽²⁾	444,228,846	1.030%	4,573,898
TOTAL	<u>\$2,145,444,846</u>		<u>\$25,669,201</u>

⁽¹⁾ Based on the estimated market value for Improvement Areas #3 of the District as set forth in the Appraisal and the Tax Year 2025 Net Taxable Assessed Valuations for the taxing entities. See “APPRAISAL.”

⁽²⁾ Excludes \$17,595,000 in bonds expected to close on or about November 22, 2025.

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

Homeowners' Association

In addition to the Assessments described above, the Developer anticipates that each Lot owner in the District will pay a property owner's association fee to The Woods at Lindsey Place Residential Community, Inc., the homeowner association for the District (the "HOA"), in the approximate amount of \$480 annually (collected semiannually in installments of \$240).

ASSESSMENT PROCEDURES

Capitalized terms used under this caption and not otherwise defined in the Indenture or this Limited Offering Memorandum have the meanings assigned to such terms in the Service and Assessment Plan.

General

As required by the PID Act, when the City determines to defray a portion of the costs of the Improvement Areas #2-3 Projects through Assessments, it must adopt a resolution generally describing the Improvement Areas #2-3 Projects and the land within Improvement Areas #2-3 of the District to be subject to Assessments to pay the cost therefor. The City has caused the Improvement Area #2-A Assessment Roll and Improvement Area #2-B Assessment Roll to be prepared, and will prepare the Improvement Area #3 Assessment Roll, which shows the land within each Improvement Area to be assessed, the amount of the benefit to and the Assessment against each lot or parcel of land, and the number of Annual Installments in which the Assessment is divided in each Improvement Area respectively. The Assessment Rolls were filed with the City Secretary and made available for public inspection. Statutory notice was given to the owners of the property to be assessed and a public hearing was conducted or will be conducted to hear testimony from affected property owners as to the propriety and advisability of undertaking the Improvement Areas #2-3 Projects and funding a portion of the same with Assessments. The City levied the Improvement Area #2 Assessments and adopted the Improvement Area #2 Assessment Ordinance on August 27, 2024. After adoption of the Improvement Area #2 Assessment Ordinance, the Improvement Area #2 Assessments became legal, valid, and binding liens upon the property against which the Improvement Area #2 Assessments were made. The City expects to adopt the Improvement Area #3 Assessment Ordinance immediately prior to adopting the Bond Ordinance. After the adoption of the Improvement Area #3 Assessment Ordinance, the Improvement Area #3 Assessments will become legal, valid, and binding liens upon the property against which the Improvement Area #3 Assessments were made.

Under the PID Act, the Actual Costs of the Improvement Areas #2-3 Projects may be assessed by the City against the assessable property in Improvement Areas #2-3 of the District so long as the special benefit conferred upon the Assessed Property by the Improvement Areas #2-3 Projects equals or exceeds the Assessments. The costs of the Improvement Areas #2-3 Projects may be assessed using any methodology that results in the imposition of equal shares of cost on Assessed Property similarly benefited. The allocation of benefits and assessments to the benefitted land within the District, including land in Improvement Areas #2-3, is set forth in the Service and Assessment Plan, which should be read in its entirety. See "APPENDIX C – Service and Assessment Plan."

Assessment Methodology

The Service and Assessment Plan describes the special benefit to be received by each parcel of assessable property as a result of the Improvement Areas #2-3 Projects, provides the basis and justification for the determination that such special benefit exceeds the Assessments levied or being levied, and establishes the methodology by which the City allocates the special benefit of the Improvement Areas #2-3 Projects to parcels in a manner that results in equal shares of costs being apportioned to parcels similarly benefited. As described in the Service and Assessment Plan, a portion of the costs of the Improvement Areas #2-3 Projects are being funded with proceeds of the Bonds, which are payable from Pledged Revenues, including Assessment Revenues, and other assets comprising the Trust Estate. As set forth in the Service and Assessment Plan, the City Council has determined that the Actual Costs associated with the Improvement Areas #2-3 Projects will be allocated to the Assessed Property by spreading the respective Assessment across the respective Assessed Property within Improvement Areas #2-3 of the District based on the ratio of Estimated Buildout Value of each Lot Type in the respective Improvement Area to the Estimated Buildout Value of all Assessed Property within such Improvement Area.

The following table provides additional analysis with respect to assessment methodology, including the value to Assessment burden ratio per Lot Type, equivalent tax rate per Lot Type, and leverage per Lot Type related to the Assessments applicable to Improvement Areas #2-3. The information in the table was obtained from and calculated using information provided in the Service and Assessment Plan. See “APPENDIX C – Service and Assessment Plan.”

**LIEN TO VALUE ANALYSIS, ASSESSMENT ALLOCATION, EQUIVALENT TAX RATE,
AND LEVERAGE PER LOT TYPE IN IMPROVEMENT AREA #2-A**

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
60'	75	\$120,000	\$385,000	\$23,080.00	\$1,884.89	\$0.489582	5.20:1	16.68:1

* Preliminary, subject to change.

⁽¹⁾ Estimated value based on the \$2,000/front foot value for lots shown in the Appraisal for lots in Improvement Area #3.

⁽²⁾ Provided by Developer.

Source: P3Works, LLC and information presented in the Service and Assessment Plan

**LIEN TO VALUE ANALYSIS, ASSESSMENT ALLOCATION, EQUIVALENT TAX RATE,
AND LEVERAGE PER LOT TYPE IN IMPROVEMENT AREA #2-B**

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
40'	26	\$80,000	\$300,000	\$28,106.14	\$2,214.99	\$0.738331	2.85:1	10.67:1
50'	97	\$100,000	\$345,000	\$32,322.06	\$2,547.24	\$0.738331	3.09:1	10.67:1

* Preliminary, subject to change.

⁽¹⁾ Estimated value based on the \$2,000/front foot value for lots shown in the Appraisal for lots in Improvement Area #3.

⁽²⁾ Provided by Developer.

Source: P3Works, LLC and information presented in the Service and Assessment Plan

**LIEN TO VALUE ANALYSIS, ASSESSMENT ALLOCATION, EQUIVALENT TAX RATE,
AND LEVERAGE PER LOT TYPE IN IMPROVEMENT AREA #3**

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
TH	91	\$46,200	\$275,000	\$27,730.08	\$2,116.99	\$0.769815	1.67:1	9.92:1
40'	340	\$80,000	\$350,000	\$35,292.83	\$2,694.35	\$0.769815	2.27:1	9.92:1
50'	102	\$100,000	\$375,000	\$37,813.74	\$2,886.80	\$0.769815	2.64:1	9.92:1

* Preliminary, subject to change.

⁽¹⁾ Based on the Appraisal.

⁽²⁾ Provided by Developer.

Source: P3Works, LLC and information presented in the Service and Assessment Plan

For further explanation of the Assessment methodology, see “APPENDIX C – Service and Assessment Plan.”

The City has determined that the foregoing method of allocation will result in the imposition of equal shares of the Assessments on parcels similarly situated within Improvement Areas #2-3 of the District. The Assessments and interest thereon are expected to be paid in Annual Installments as described above. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers within Improvement Areas #2-3 of the District. See “APPENDIX C – Service and Assessment Plan.”

Collection and Enforcement of Assessment Amounts

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

In the Indenture, the City will covenant to collect, or cause to be collected, Assessments as provided in the Assessment Ordinances. No less frequently than annually, City staff or a designee of the City shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Rolls and a calculation of the Annual Installment for each Parcel. Annual Collection Costs shall be allocated among all Parcels in proportion to the amount of the Annual Installments for the Parcels.

In the Indenture, the City covenants, agrees, and warrants that, for so long as any Bonds are Outstanding it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement, or exemption in the Assessments.

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

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

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

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

Annual Installments will be paid to the City or its agent. Annual Installments are due on October 1 of each year, and become delinquent on February 1 of the following year. In the event Assessments are not timely paid, there are penalties and interest as set forth below:

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

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

Assessment Amounts

Assessment Amounts. The maximum amounts of the Assessments will be established by the methodology described in the Service and Assessment Plan. The Assessment Rolls sets forth for each year the Annual Installment for each Assessed Property consisting of the annual payment allocable to the Bonds and the Improvement Area #2-A Projects, Improvement Area #2-B Projects, and Improvement Area #3 Projects as applicable for each Assessed Property, which amount includes (i) the Additional Interest and (ii) the annual payment allocable to Annual Collection Costs. The Annual Installments for the applicable Assessments may not exceed the amounts shown on the Assessment Rolls. The Assessments will be levied against the parcels comprising the Assessed Property as indicated on the Assessment Rolls. See "APPENDIX C – Service and Assessment Plan."

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

If the debt service on issued and Outstanding Bonds is reduced as the result of an economic refunding of the Bonds, the Prepayment of the Assessments, or the redemption of the Bonds, then there would be a corresponding reduction in the Assessments and the Annual Installments. See "APPENDIX C – Service and Assessment Plan." In such case, the reduced Assessment and Annual Installment, as shown on the Assessment Rolls, shall be reflected in the next Annual Service Plan Update and approved by City Council.

Method of Apportionment of Assessments. For purposes of the Service and Assessment Plan, the City Council has determined that the Assessments shall be initially allocated to the Parcels consisting of the Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel in Improvement Areas #2-3 to the Estimated Buildout Value of all Parcels in Improvement Areas #2-3.

Division Prior to Recording of Subdivision Plat. Upon the division of any Assessed Property prior to the recording of a subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as relying on information from homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation shall be reflected in the next Annual Service Plan Update and approved by the City Council.

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

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots

excluding Non-Benefitted Property

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

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value for each Lot to be created after recording the subdivision plat as of the date the subdivision plat is anticipated to be recorded. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

Upon Consolidation. If two or more Lots or Parcels are consolidated into a single Parcel or Lot, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be reflected in the next Annual Service Plan Update and approved by the City Council. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory prepayment of Assessments.

Maximum Assessment. Notwithstanding the foregoing, the Service and Assessment Plan establishes a “Maximum Assessment” for each Lot Type in Improvement Areas #2-3 of the District, which Maximum Assessment is currently calculated for each lot type as shown under “ASSESSMENT PROCEDURES – Assessment Methodology” above. See “APPENDIX C – Service and Assessment Plan.”

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type exceeding the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment, then (i) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (ii) the person or entity filing the plat shall pay, as a mandatory prepayment of the Assessment, to the City the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, prior to the City approving the final plat.

In addition, if the Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the owner transferring the Assessed Property shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

For further information about apportionment of the Assessments, See “APPENDIX C – Service and Assessment Plan.”

Prepayment of Assessments

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

Priority of Lien

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

Foreclosure Proceedings

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

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

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

In the Indenture, the City creates the Delinquency and Prepayment Reserve Account under the Reserve Fund and will fund such account as provided in the Indenture. The City will not be obligated to fund foreclosure proceedings out of any funds other than in the Administrative Fund. If funds in the Administrative Fund are insufficient to pay foreclosure costs, the owners of the Bonds may be required to pay amounts necessary to continue foreclosure proceedings. See “SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account),” “APPENDIX B – Form of Indenture” and “APPENDIX C – Service and Assessment Plan.”

ASSESSMENT AND COLLECTION DATA FOR THE DISTRICT

Collection and Delinquency History in Improvement Area #1 of the District

THE FOLLOWING SUBSECTIONS SET FORTH, FOR INFORMATIONAL PURPOSES ONLY, INFORMATION REGARDING COLLECTION HISTORY FOR IMPROVEMENT AREA #1 OF THE DISTRICT RELATING TO THE IMPROVEMENT AREA #1 ASSESSMENTS. THE IMPROVEMENT AREA #1 ASSESSMENTS ARE NOT PLEDGED TO AND WILL NOT BE AVAILABLE FOR PAYMENT OF THE BONDS. NO ASSURANCES CAN BE MADE THAT COLLECTION OF THE ASSESSMENTS WILL REFLECT THE HISTORICAL COLLECTION OF THE IMPROVEMENT AREA #1 ASSESSMENTS.

The following table shows the collection and delinquency history of the Improvement Area #1 Assessments in the District:

COLLECTION AND DELINQUENCY HISTORY OF IMPROVEMENT AREA #1 ASSESSMENTS

Fiscal Year Ending 9/30	Tax Year Billed	Annual Installment Billed	Delinquent Amount as of 3/1 (following year)	Delinquent Percentage as of 3/1 (following year)	Delinquent Amount as of 9/1 (following year)	Delinquent Percentage as of 9/1 (following year)	Annual Installments Collected⁽¹⁾
2024	2023	\$0	\$0	0%	\$0	0%	\$0
2025(2)	2024	\$604,563.62	\$10,363.23	1.71%	\$692.65	0.11%	\$604,563.62

(1) Does not include interest and penalties.

(2) Collection data as of October 1, 2025.

Delinquency and Foreclosure History of Improvement Area #1 Assessments

As of October 1, 2025, Annual Installment delinquencies of the Improvement Area #1 Assessments were as follows: (i) delinquent for greater than six months: \$0; (ii) delinquent for greater than one year: \$0; (iii) delinquent for greater than two years: \$0.

As of October 1, 2025, there has been no foreclosure sales of the assessed property within Improvement Area #1 of the District for non-payment of Improvement Area #1 Assessments.

Prepayment History of Improvement Area #1 Assessments

As of October 1, 2025, there have been 2 prepayments totaling \$64,050.17 of the Improvement Area #1 Assessments.

Collection and Delinquency History in Improvement Area #2 of the District

THE FOLLOWING SUBSECTIONS SET FORTH, FOR INFORMATIONAL PURPOSES ONLY, INFORMATION REGARDING COLLECTION HISTORY FOR IMPROVEMENT AREA #2 OF THE DISTRICT RELATING TO THE IMPROVEMENT AREA #2 ASSESSMENTS. NO ASSURANCES CAN BE MADE THAT FUTURE COLLECTION OF THE IMPROVEMENT AREA #2 ASSESSMENTS WILL CONTINUE AT THE RATES SHOWN BELOW OR THAT COLLECTION OF THE ASSESSMENTS WILL REFLECT THE HISTORICAL COLLECTION OF THE IMPROVEMENT AREA #2 ASSESSMENTS.

The following table shows the collection and delinquency history of the Improvement Area #2 Assessments in the District:

COLLECTION AND DELINQUENCY HISTORY OF IMPROVEMENT AREA #2-A ASSESSMENTS

Fiscal Year Ending 9/30	Tax Year Billed	Annual Installment Billed	Delinquent Amount as of 3/1 (following year)	Delinquent Percentage as of 3/1 (following year)	Delinquent Amount as of 9/1 (following year)	Delinquent Percentage as of 9/1 (following year)	Annual Installments Collected⁽¹⁾
2025 ⁽²⁾	2024	\$139,785.24	0.0%	0.0%	0.0%	0.0%	\$139,785.24

(1) Does not include interest and penalties.

(2) Collection data as of October 1, 2025.

COLLECTION AND DELINQUENCY HISTORY OF IMPROVEMENT AREA #2-B ASSESSMENTS

Fiscal Year Ending 9/30	Tax Year Billed	Annual Installment Billed	Delinquent Amount as of 3/1 (following year)	Delinquent Percentage as of 3/1 (following year)	Delinquent Amount as of 9/1 (following year)	Delinquent Percentage as of 9/1 (following year)	Annual Installments Collected⁽¹⁾
2025 ⁽²⁾	2024	\$312,134.09	0.0%	0.0%	0.0%	0.0%	\$312,134.09

(1) Does not include interest and penalties.

(2) Collection data as of October 1, 2025.

Delinquency and Foreclosure History of Improvement Area #2 Assessments

As of October 1, 2025, annual installment delinquencies of the Improvement Area #2-A Assessments were as follows: (i) delinquent for greater than six months: \$0; (ii) delinquent for greater than one year: \$0; (iii) delinquent for greater than two years: \$0. As of October 1, 2025, annual installment delinquencies of the Improvement Area #2-

B Assessments were as follows: (i) delinquent for greater than six months: \$0; (ii) delinquent for greater than one year: \$0; (iii) delinquent for greater than two years: \$0.

As of October 1, 2025, there has been no foreclosure sales of the assessed property within Improvement Area #2-A of the District for non-payment of Improvement Area #2-A Assessments or the assessed property within Improvement Area #2-B of the District for non-payment of Improvement Area #2-B Assessments.

Prepayment History of Improvement Area #2 Assessments

As of October 1, 2025, there have been no prepayments of the Improvement Area #2-A Assessments or Improvement Area #2-B Assessments.

THE CITY

Background

The City is located in north central Collin County, 40 miles north of Dallas and 12 miles northwest of the City of McKinney. Access to the City is provided by State Highway 121, State Highway 5, US-75, and Farm Road 455. The City covers approximately 15 square miles. Some of the services that the City provides are public safety (police and fire protection), streets, water and sanitary sewer utilities, planning and zoning, and general administrative services. The 2020 Census population for the City was 16,896, and the current estimated population is 32,000.

City Government

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1913, and first adopted its Home Rule Charter on May 7, 2005. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Councilmembers elected for staggered three-year terms. The City Manager is the Chief Administrative Officer for the City.

The current members of the City Council and principal administrators of the City are listed on page ii hereof.

For more information regarding the City and surrounding areas, see "APPENDIX A – General Information Regarding the City and Surrounding Areas."

Water and Wastewater

The City will provide both water and wastewater service to the District. The City is currently served by ground water through nine water wells located at five different sites. These nine wells produce a total of 4.8 million gallons per day. The City has a total elevated storage capacity of 1,500,000 gallons of water and five ground storage tanks with total storage capacity of 2,500,000 gallons.

In partnership with the Cities of Melissa, Van Alstyne, and Howe, the City is connected to a large diameter water transmission line managed by the Greater Texoma Utility Authority. The GTUA line provides a connection to the North Texas Municipal Water District's ("NTMWD") water distribution system, providing the City with access to treated surface water. This surface water line is part of the City's long term water supply plan. Currently the City has a maximum allowable take of 5,040 gpm from the GTUA connection, providing the City with a maximum peak flow of treated water supply at 6,706 gpm. Both GTUA and the City of Anna continue to work on capital projects which will increase the maximum treated water supply and storage. GTUA expanded their Bloomdale Pump Station vault, which increased the GTUA total maximum flow to over 9,000 gpm. The City of Anna has completed an expansion of the Collin Pump Station site, which brought the existing 1-million-gallon ground storage tank and new pumps online with adjacent wells to maximize storage and flow. The City is currently constructing a 4-million-gallon ground storage tank at the Collin Pump Station site to further increase storage capacity. Additional water system expansion projects are identified in the City of Anna's Capital Improvement Plan (CIP), and in the GTUA/CGMA CIP, which are both being updated this year.

The City's sanitary sewer system consists of seven lift stations and two wastewater treatment facilities, being the John R. Geren (Slayter Creek) Wastewater Treatment Plant on the east side of US 75 and the newly constructed Hurricane Creek Regional Wastewater Treatment Plant on the west side of US 75. In addition, the City has two large diameter sewer transmission lines that transport wastewater directly into the NTMWD's wastewater system to the South (Wilson Creek plant). The Slayter Creek Wastewater Treatment Plant is located on Slayter Creek, just north of the confluence of Slayter Creek and Throckmorton Creek. The total treatment capacity of the Slayter Creek Wastewater Treatment Plant is approximately 0.50 million gallons per day. A portion of the NTMWD regional sewer is located along Throckmorton Creek, in the south-central part of the city and the other is located near Clemmons Creek in the southeastern part of the City. The Slayter Creek Wastewater Treatment Plant is currently near capacity. The transmission lines will soon be near capacity. The City recently completed the Slayter Creek Interceptor Sewer project which now conveys wastewater flows in excess of the Slayter Creek Wastewater Treatment capacity to the NTMWD regional wastewater system. Recently, the City completed the initial phase of a new Hurricane Creek Regional Wastewater Treatment Plant, which will significantly expand the City's ability to collect and treat wastewater as required for new development west of US 75. The temporary treatment plant has been operational since March 2025 and can treat up to 0.5 million gallons per day, while the remaining phases are finished. In July 2025, the City issued certificates of obligation to fund the first full phase of this new Hurricane Creek Regional Wastewater Treatment Plant, which is expected to have a capacity to treat 2 million gallons per day of wastewater, with plans to gradually expand the plant's capacity up to 16 million gallons per day. The City will utilize the new plant to treat sewage for its own residents, as well as provide wholesale sewage treatment for the City of Van Alstyne, the City of Weston, and for various water districts located in the area. A large diameter trunk sewer is complete and in place from FM 455 to the Hurricane Creek Wastewater Treatment Plant, and the City expects to construct additional segments of the trunk line further to the north, from FM 455 to the northern City limit. This will allow new developments in Anna, including the Development, and Van Alstyne to flow sewer to the new treatment plant.

THE DISTRICT

General

The PID Act authorizes municipalities, such as the City, to create public improvement districts within their boundaries or extraterritorial jurisdiction, and to impose assessments within the public improvement district to pay for certain improvements. The District was created by Resolution No. 2023-03-1378 of the City adopted on February 14, 2023 (the "Creation Resolution"), for the purpose of undertaking and financing the cost of certain public improvements within the District, including the Improvement Areas #2-3 Projects, authorized by the PID Act and approved by the City Council that confer a special benefit on the District property being developed. The District is not a separate political subdivision of the State and is governed by the City Council. A map of the property within the District is included on page v hereof.

Powers and Authority

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

Pursuant to the PID Act and the Creation Resolution, the City has the power to undertake, or reimburse a developer for the costs of, the financing, acquisition, construction, or improvement of the Improvement Areas #2-3 Projects. See "THE IMPROVEMENT AREAS #2-3 PROJECTS." Pursuant to the authority granted by the PID Act and the Creation Resolution, the City has determined to undertake the construction, acquisition, or purchase of the Improvement Areas #2-3 Projects and to finance a portion of the costs thereof through the issuance of the Bonds. The City has further determined to provide for the payment of debt service on the Bonds through Pledged Revenues and other assets comprising the Trust Estate. See "ASSESSMENT PROCEDURES" and "APPENDIX C – Service and Assessment Plan."

THE IMPROVEMENT AREAS #2-3 PROJECTS

General

The Developer is responsible for the completion of the construction, acquisition, or purchase of the Improvement Areas #2-3 Projects. Pursuant to the Reimbursement Agreement and the Indenture, the City will reimburse the Developer for a portion of the Actual Costs of the Improvement Areas #2-3 Projects from proceeds of the Bonds. See “THE DEVELOPMENT – Reimbursement Agreement.”

The Improvement Areas #2-3 Projects include the Improvement Area #2-A Improvements, the Improvement Area #2-B Improvements, the Improvement Area #2 Improvements, the Improvement Area #3 Improvements and Improvement Area #2’s proportionate share of the Major Improvements, each of which are described below.

Improvement Area #2-A Improvements. The Improvement Area #2-A Improvements, a portion of which are being financed with proceeds of the Bonds, include erosion control, excavation, sanitary sewer, storm sewer, water, paving, and street light improvements and soft costs benefitting only Assessed Property in Improvement Area #2-A of the District, as described below.

Erosion Control: Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances necessary to provide erosion control for all Lots within Improvement Area #2-A.

Excavation: Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-A.

Sanitary Sewer: Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2-A.

Storm Sewer: Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2-A.

Water: Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2-A.

Paving: Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-A.

Street Lights: Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement Area #2-A.

Soft Costs: Includes costs related to designing, constructing, and installing the Improvement Area #2-A Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2-A Improvements.

Improvement Area #2-B Improvements. The Improvement Area #2-B Improvements, a portion of which are being financed with proceeds of the Bonds, include erosion control, excavation, sanitary sewer, storm sewer, water, paving, and street light improvements and soft costs benefitting only Assessed Property in Improvement Area #2-B of the District, as described below.

Erosion Control: Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances necessary to provide erosion control for all Lots within Improvement Area #2-B.

Excavation: Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-B.

Sanitary Sewer: Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2-B.

Storm Sewer: Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2-B.

Water: Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2-B.

Paving: Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-B.

Street Lights: Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement Area #2-B.

Soft Costs: Includes costs related to designing, constructing, and installing the Improvement Area #2-B Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2-B Improvements.

Improvement Area #2 Improvements. The Improvement Area #2 Improvements, a portion of which are being financed with proceeds of the Bonds, include excavation, sanitary sewer, storm sewer, water, and paving improvements and soft costs benefitting only Assessed Property in Improvement Area #2 of the District, as described below.

Excavation: Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2.

Sanitary Sewer: Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2.

Storm Sewer: Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2.

Water: Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2.

Paving: Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2.

Soft Costs: Includes costs related to designing, constructing, and installing the Improvement Area #2 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2 Improvements.

Improvement Area #3 Improvements. The Improvement Area #3 Improvements, a portion of which are being financed with proceeds of the Bonds, include excavation, sanitary sewer, storm sewer, water, and paving improvements and soft costs benefitting only Assessed Property in Improvement Area #3 of the District, as described below.

Excavation: Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #3.

Sanitary Sewer: Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #3.

Storm Sewer: Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #3.

Water: Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #3.

Paving: Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #3.

Soft Costs: Includes costs related to designing, constructing, and installing the Improvement Area #3 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #3 Improvements.

Major Improvements. The Major Improvements, a portion of which are being financed with proceeds of the Bonds, include excavation, sanitary sewer, storm sewer, water, and paving improvements and soft costs benefitting all the Assessed Property within the District, as described below.

Excavation: Excavation improvements include excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way benefitting the entire District.

Sanitary Sewer: Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service to the entire District.

Storm Sewer: Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments,

testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage to the entire District.

Water: Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service to the entire District.

Paving: Paving improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of the District.

Soft Costs: Includes costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, District Formation Costs, and costs associated with financing the Major Improvements.

The total costs of the Improvement Areas #2-3 Projects (excluding costs of issuance of the Bonds) are expected to be approximately \$34,260,201*. A portion of such costs is expected to be financed from proceeds of the Bonds. The remainder of such costs has been and will be financed by the Developer. See “SOURCES AND USES OF FUNDS,” “THE IMPROVEMENT AREAS #2-3 PROJECTS,” and “APPENDIX C – Service and Assessment Plan.”

The following table reflects the estimated total costs of the Improvement Areas #2-3 Projects.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

* Preliminary, subject to change.

	Total Costs ^(a)	Non-Assessed Property ^(b)	Private	District Eligible Costs	Improvement Area #1		Improvement Area #2-A		Improvement Area #2-B		Improvement Area #3	
					%	Cost	%	Cost	%	Cost	%	Cost
Major Improvements ^{(c),(d),(i)}												
Excavation	\$ 612,616	\$ 93,824	\$ 15,418	\$ 503,374	25.89%	\$ 130,334	6.19%	\$ 31,143	13.22%	\$ 66,541	54.70%	\$ 275,355
Sanitary Sewer	1,212,374	185,679	30,513	996,182	25.89%	257,932	6.19%	61,633	13.22%	131,685	54.70%	544,932
Storm Sewer	1,136,739	174,095	28,610	934,034	25.89%	241,841	6.19%	57,788	13.22%	123,470	54.70%	510,935
Water	758,402	116,152	19,088	623,163	25.89%	161,350	6.19%	38,555	13.22%	82,376	54.70%	340,883
Paving	1,450,080	222,084	36,496	1,191,500	25.89%	308,504	6.19%	73,717	13.22%	157,505	54.70%	651,774
Soft Costs ^(e)	1,144,068	175,218	28,794	940,056	25.89%	243,400	6.19%	58,161	13.22%	124,266	54.70%	514,230
	\$ 6,314,279	\$ 967,052	\$ 158,918	\$ 5,188,309		\$ 1,343,359		\$ 320,997		\$ 685,843		\$ 2,838,109
Improvement Area #1 Improvements												
Erosion Control	\$ 57,000	\$ -	\$ -	\$ 57,000	100%	\$ 57,000	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
Excavation	162,500	-	-	162,500	100%	162,500	0.00%	-	0.00%	-	0.00%	-
Sanitary Sewer	1,053,228	-	-	1,053,228	100%	1,053,228	0.00%	-	0.00%	-	0.00%	-
Storm Sewer	1,771,838	-	-	1,771,838	100%	1,771,838	0.00%	-	0.00%	-	0.00%	-
Water	1,123,596	-	-	1,123,596	100%	1,123,596	0.00%	-	0.00%	-	0.00%	-
Paving	1,772,441	-	-	1,772,441	100%	1,772,441	0.00%	-	0.00%	-	0.00%	-
Street Lights	66,000	-	-	66,000	100%	66,000	0.00%	-	0.00%	-	0.00%	-
Soft Costs ^(e)	1,329,145	-	-	1,329,145	100%	1,329,145	0.00%	-	0.00%	-	0.00%	-
	\$ 7,335,748	\$ -	\$ -	\$ 7,335,748		\$ 7,335,748		\$ -		\$ -		\$ -
Improvement Area #2 Improvements ^{(f),(i)}												
Excavation	\$ 9,231	\$ -	\$ 945	\$ 8,286	0.00%	\$ -	34.46%	\$ 2,855	65.54%	\$ 5,431	0.00%	\$ -
Sanitary Sewer	184,060	-	18,841	165,219	0.00%	-	34.46%	56,933	65.54%	108,287	0.00%	-
Storm Sewer	253,652	-	25,964	227,688	0.00%	-	34.46%	78,458	65.54%	149,230	0.00%	-
Water	321,541	-	32,914	288,627	0.00%	-	34.46%	99,457	65.54%	189,170	0.00%	-
Paving	847,434	-	86,745	760,689	0.00%	-	34.46%	262,124	65.54%	498,565	0.00%	-
Soft Costs ^(e)	226,229	-	23,157	203,071	0.00%	-	34.46%	69,976	65.54%	133,096	0.00%	-
	\$ 1,842,147	\$ -	\$ 188,566	\$ 1,653,581		\$ -		\$ 569,803		\$ 1,083,778		\$ -
Improvement Area #2-A Improvements												
Erosion Control	\$ 37,944	\$ -	\$ -	\$ 37,944	0.00%	\$ -	100%	\$ 37,944	0.00%	\$ -	0.00%	\$ -
Excavation	69,000	-	-	69,000	0.00%	-	100%	69,000	0.00%	-	0.00%	-
Sanitary Sewer	351,163	-	-	351,163	0.00%	-	100%	351,163	0.00%	-	0.00%	-
Storm Sewer	772,368	-	-	772,368	0.00%	-	100%	772,368	0.00%	-	0.00%	-
Water	324,005	-	-	324,005	0.00%	-	100%	324,005	0.00%	-	0.00%	-
Paving	1,622,042	-	-	1,622,042	0.00%	-	100%	1,622,042	0.00%	-	0.00%	-
Street Lights	24,000	-	-	24,000	0.00%	-	100%	24,000	0.00%	-	0.00%	-
Soft Costs ^(e)	486,919	-	-	486,919	0.00%	-	100%	486,919	0.00%	-	0.00%	-
	\$ 3,687,441	\$ -	\$ -	\$ 3,687,441		\$ -		\$ 3,687,441		\$ -		\$ -
Improvement Area #2-B Improvements												
Erosion Control	\$ 36,500	\$ -	\$ -	\$ 36,500	0.00%	\$ -	0.00%	\$ -	100%	\$ 36,500	0.00%	\$ -
Excavation	96,015	-	-	96,015	0.00%	-	0.00%	-	100%	96,015	0.00%	-
Sanitary Sewer	683,725	-	-	683,725	0.00%	-	0.00%	-	100%	683,725	0.00%	-
Storm Sewer	926,260	-	-	926,260	0.00%	-	0.00%	-	100%	926,260	0.00%	-
Water	513,707	-	-	513,707	0.00%	-	0.00%	-	100%	513,707	0.00%	-
Paving	2,247,290	-	-	2,247,290	0.00%	-	0.00%	-	100%	2,247,290	0.00%	-
Street Lights	42,000	-	-	42,000	0.00%	-	0.00%	-	100%	42,000	0.00%	-
Soft Costs ^(e)	731,854	-	-	731,854	0.00%	-	0.00%	-	100%	731,854	0.00%	-
	\$ 5,277,351	\$ -	\$ -	\$ 5,277,351		\$ -		\$ -		\$ 5,277,351		\$ -
Improvement Area #3 Improvements												
Erosion Control	\$ 330,000	\$ -	\$ -	\$ 330,000	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	100%	\$ 330,000
Excavation	928,408	-	-	928,408	0.00%	-	0.00%	-	0.00%	-	100%	928,408
Sanitary Sewer	2,616,969	-	-	2,616,969	0.00%	-	0.00%	-	0.00%	-	100%	2,616,969
Storm Sewer	3,185,765	-	-	3,185,765	0.00%	-	0.00%	-	0.00%	-	100%	3,185,765
Water	2,382,537	-	-	2,382,537	0.00%	-	0.00%	-	0.00%	-	100%	2,382,537
Paving	4,549,776	-	-	4,549,776	0.00%	-	0.00%	-	0.00%	-	100%	4,549,776
Soft Costs ^(e)	1,851,727	-	-	1,851,727	0.00%	-	0.00%	-	0.00%	-	100%	1,851,727
	\$ 15,845,182	\$ -	\$ -	\$ 15,845,182		\$ -		\$ -		\$ -		\$ 15,845,182
Private Improvements ^(g)												
Private Improvements	\$ 14,096,908	\$ -	\$ 14,096,908	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 14,096,908	\$ -	\$ 14,096,908	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Issuance Costs ^(h)												
Debt Service Reserve Fund	\$ 2,262,544	\$ -	\$ -	\$ 2,262,544	\$ 527,258	\$ 125,278		\$ 279,794				\$ 1,330,214.72
Underwriters Discount ⁽ⁱ⁾	941,880	-	-	941,880	222,570	51,930		115,980				551,400
Cost of Issuance	1,844,840	-	-	1,844,840	427,740	102,306		228,490				1,086,303
	\$ 5,049,264	\$ -	\$ -	\$ 5,049,264	\$ 1,177,568	\$ 279,514		\$ 624,264				\$ 2,967,918.19
Other Costs												
Deposit to Administrative Fund	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ 40,000	\$ 16,467		\$ 23,533				\$ 40,000
	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ 40,000	\$ 16,467		\$ 23,533				\$ 40,000
Total	\$ 59,568,320	\$ 967,052	\$ 14,444,392	\$ 44,156,876	\$ 9,896,676	\$ 4,874,222		\$ 7,694,769				\$ 21,691,210

Footnotes:

[a] Major Improvements and Improvement Area #1 Improvements costs based on the Original Service and Assessment Plan. Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements costs based on the 2024 Amended and Restated Service and Assessment Plan. Improvement Area #3 Improvements costs based on the Engineer's Report dated 8/28/2025, attached hereto as **Appendix A**, and subject to change. Authorized Improvement costs are estimates and will be updated with each Annual Service Plan Update, or Amended and Restated Service and Assessment Plan as appropriate. The Developer will be responsible for paying in the event of increase in costs, and the Assessments will not be increased to cover these additional costs.

[b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvements that benefit the Non-Assessed Property and is shown as Developer Contribution - Non-Assessed Property on **Exhibit D**.

[c] The Non-Assessed Property was allocated a portion of the Major Improvements pro rata based on acreage to the Non-Assessed Property and the District total acreage at the time of the Original Service and Assessment Plan as described therein.

[d] The Major Improvement costs allocated to the District were allocated to each Improvement Area pro rata based on Estimated Buildout Value at the time of the applicable Assessment Ordinance.

[e] Soft Costs includes engineering, surveying, testing, platting, inspection, construction management, and District Formation Costs.

[f] The Improvement Area #2 Improvements are allocated to Improvement Area #2-A and Improvement Area #2-B pro rata based on Estimated Buildout Value of all the Improvement Area #2 as described in **Section V.A**.

[g] Costs required to reach final Lot completion; non-reimbursable to the Developer from Assessments or PID Bonds.

[h] Bond Issuance Costs associated with Improvement Area #1 Bonds have been updated to reflect the anticipated actual cost at the time of the Original Service and Assessment Plan. Bond Issuance Costs associated with the Improvement Area #2-3 Bonds are estimates only and will be determined at the time the Improvement Area #2-3 Bonds are issued.

[i] Allocation of Authorized Improvement costs has been updated to reflect actual units platted in Improvement Area #2-A. Increased costs allocated to Improvement Area #2-A due to the increase in Lot count at the time of final plat shall be paid for by the Developer Contribution and shall not be eligible for reimbursement through Assessments or PID Bonds.

[j] Includes the fee of counsel to the underwriter.

Ownership and Maintenance of Improvement Areas #2-3 Projects

The Improvement Areas #2-3 Projects will be dedicated to the City and will constitute a portion of the City's infrastructure improvements. The City will provide for the ongoing operation, maintenance, and repair of the Improvement Areas #2-3 Projects constructed and conveyed, as outlined in the Service and Assessment Plan.

THE DEVELOPMENT

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Municipal Advisor, and the Underwriter, and none of the City, the City's Municipal Advisor, or the Underwriter have any way of guaranteeing the accuracy of such information.

Overall Development Plan

The District consists of approximately 198.006 acres within the corporate boundaries of the City. The Developer is developing such property as a master-planned community to include approximately 858 single-family detached residential lots, 91 townhome lots, approximately 600 multi-family residential units, approximately 3 acres of commercially zoned land (held for future sale), an amenity center with a swimming pool and cabana, and hike and bike trails (collectively, the "Development"), with completion of all single-family lot development expected to occur by October 2025. The multi-family residential units are planned for the acreage adjacent to and outside the boundaries of the District. See "MAP SHOWING BOUNDARIES OF THE DISTRICT AND IMPROVEMENT AREAS" on page v.

Improvement Area #1 was the first area of the District to be developed. Development of the lots in Improvement Area #1 was completed in March 2023. The Developer followed such development with development of the public improvements to serve Improvement Area #2-A and Improvement Area #2-B, which was completed in December 2024, and Phase 3, which is part of Improvement Area #3, which was completed in July 2025. The Developer expects to complete the remaining phase of the development, Phase 4, which is part of Improvement Area #3, in November 2025. See "– Development Plan and Status of Development in Improvement Areas #2-3" and "– Expected Build-Out and Home Prices in the Development."

Homebuilders in the District

The Developer intends to construct homes on all of the 40', 50', and 60' lots in the District and expects to contract with a merchant homebuilder on the 91 townhome lots in the future. The Developer has not entered into a contract for such sale of the townhome lots as of October 1, 2025.

Photographs of Development in the District

Photographs of development within the District are included herein in Appendix I.

Update on Improvement Area #1

Improvement Area #1 consists of approximately 57.444 acres and includes 218 single-family residences and an amenity center. The single-family residences in Improvement Area #1 consist of 188 50' lots and 30 60' lots. Lot development in Improvement Area #1 and the Improvement Area #1 Improvements were completed in March 2023 and have been accepted by the City.

Set forth below is the status of lot ownership and home sales in Improvement Area #1 of the District as of September 30, 2025.

Status of Homes in Improvement Area #1								
Lot Type	Qty.	Completed Lots	Average Lot Price	Lots Owned by Developer	Homes Under Construction	Completed Homes	Homes Closed to End Users	Average Home Price
50'	188	188	\$49,672	14	-	177	174	\$375,535
60'	30	30	\$58,442	-	-	30	30	\$377,256
TOTAL	218	218		14	-	207	204	

Development Plan and Status of Development in Improvement Areas #2-3

Improvement Area #2. Improvement Area #2 consists of approximately 56.703 acres comprised of Improvement Area #2-A and Improvement Area #2-B, and which includes a total of 198 single-family residential lots. Improvement Area #2-A consists of approximately 29.229 acres and includes a total of 75 60' single family residential lots. Improvement Area #2-B consists of approximately 27.474 acres and includes a total of 123 single-family residential lots in a mix of 26 40' lots and 97 50' lots. The Developer completed the Improvement Area #2-A Improvements and the Improvement Area #2-B Improvements and lot development in Improvement Area #2 in December 2024. The Improvement Area #2-A Improvements and the Improvement Area #2-B Improvements have been accepted by the City.

Home construction in Improvement Area #2 began in February 2025. Set forth below is the status of lot ownership, home completion and home sales in Improvement Area #2 of the District as of September 30, 2025.

Status of Homes in Improvement Area #2								
Lot Type	Qty.	Completed Lots	Average Lot Price	Lots Owned by Developer	Homes Under Construction	Completed Homes	Homes Closed to End Users	Average Home Price
40'	26	26	\$38,393	26	-	-	-	N/A
50'	97	97	\$49,608	34	1	10	63	\$356,386
60'	75	75	\$59,835	34	2	18	41	\$366,099
TOTAL	198	198		94	3	28	104	

Improvement Area #3. Improvement Area #3 includes (i) Phase 3, which consists of approximately 39.162 acres and includes a total of 220 single-family residences in a mix of 118 40' lots and 102 50' lots and (ii) Phase 4, which consists of approximately 47.778 acres and is expected to include a total of 91 townhomes and 222 40' single-family residential lots.

The Developer completed lot development in Phase 3 in July 2025. Home construction in Phase 3 began in September 2025. The Developer expects to complete lot development in Phase 4 in November 2025. Home construction in Phase 4 is expected to begin in January 2026.

Costs of the Improvement Areas #2-3 Projects. The costs of the Improvement Area #2-A Projects (exclusive of the costs of issuance of the Bonds) are approximately \$4,578,241. The costs of the Improvement Area #2-B Projects (exclusive of the costs of issuance of the Bonds) are approximately \$7,046,972. The Improvement Area #2-A Projects and the Improvement Area #2-B Projects have been completed and were funded by the Developer with cash available to the Developer. The expected cost of the Improvement Area #3 Projects is \$18,683,291*. The Developer has completed and funded the Major Improvements allocable to Improvement Area #3, the allocable cost of which was approximately \$2,838,109 and was funded with cash available to the Developer. As of September 30, 2025, the Developer has expended approximately \$12,956,772 on constructing the Improvement Area #3 Improvements which was funded with cash available to the Developer. See "THE DEVELOPER – History and Financing of the District."

Expected Build-Out and Home Prices in the Development

The following tables reflect the Developer's expected home prices, build-out and absorption schedules for homes in the District.

EXPECTED BUILDOUT OF THE DISTRICT AND ABSORPTION OF HOMES

Improvement Area and Lot Type	Number of Lots	Actual/Expected Start Date	Actual/Expected Completion Date	Actual/Expected Date of First Sale to Homeowners	Actual/Expected Date of Final Sale to Homeowners
<u>Improvement Area #1</u>					
50'	188	September 2021	March 2023	September 2023	October 2024
60'	<u>30</u>	September 2021	March 2023	September 2023	October 2024
	218				
<u>Improvement Area #2-A</u>					
60'	<u>75</u>	June 2023	December 2024	March 2025	February 2026
	75				
<u>Improvement Area #2-B</u>					
40'	26	June 2023	December 2024	March 2025	February 2026
50'	<u>97</u>	June 2023	December 2024	March 2025	February 2026
	123				
<u>Improvement Area #3 (Phase 3)</u>					
40'	118	March 2024	July 2025	September 2025	April 2027
50'	<u>102</u>	March 2024	July 2025	September 2025	April 2027
	220				
<u>Improvement Area #3 (Phase 4)</u>					
Townhome	91	March 2024	November 2025	May 2026	December 2028
40'	<u>222</u>	March 2024	November 2025	May 2026	May 2028
	313				
Total	<u>949</u>				

ESTIMATED HOME PRICES

Improvement Area and Lot Type	Number of Lots	Average Base Home Price⁽¹⁾
<u>Improvement Area #1</u>		
50'	188	\$367,000
60'	<u>30</u>	\$366,000
	218	
<u>Improvement Area #2-A</u>		
60'	<u>75</u>	\$338,000
	75	
<u>Improvement Area #2-B</u>		
40'	26	\$315,000
50'	<u>97</u>	\$333,000
	123	
<u>Improvement Area #3 (Phase 3)</u>		
40'	118	\$315,000
50'	<u>102</u>	\$333,000
	220	
<u>Improvement Area #3 (Phase 4)</u>		
Townhome	91	\$300,000
40'	<u>222</u>	\$315,000
	313	
Total	<u>949</u>	

⁽¹⁾ May differ from estimated home prices utilized in the Service an Assessment Plan for the purpose of calculating Assessments.

Development Agreement

The City and LHJH Properties, Ltd. (the “Previous Owner”), entered into a Development Agreement, which was assigned to DRHI, Inc., and subsequently assigned to the Developer, effective as of November 10, 2020 (the “Original Development Agreement”). The City and the Developer also entered into The Woods at Lindsey Place Subdivision Improvement Agreement, effective January 12, 2021, the First Amendment to Development Agreement, The Woods at Lindsey Place Subdivision Improvement Agreement, effective January 24, 2023, the Second Amendment to Development Agreement effective as of July 25, 2023, and the Third Amendment to Development Agreement effective August 27, 2024 (such agreements, collectively, with the Original Development Agreement, the “Development Agreement”).

Pursuant to the Development Agreement, the Developer has the right to construct public improvements for the District, including the Improvement Areas #2-3 Projects, according to certain rules and regulations of the City, and to be reimbursed for a portion of the costs of such construction through the proceeds of the Assessments and/or the Bonds. The Development Agreement provides certain requirements to be met for the issuance of the Bonds and any additional bonds issued for the payment of additional Authorized Improvements (defined in the Development Agreement and the PID Act) (collectively, “PID Bonds”), including (i) the total amount of PID Bonds may not exceed \$55,000,000, not including refunding bonds; (ii) the final maturity of each series of PID Bonds may not occur later than 30 years from the date of issuance of such PID Bonds; (iii) the final maturity of all PID Bonds may not exceed January 24, 2068; (iv) the maximum equivalent tax rate, including the PID Assessments associated with the PID Bonds and all overlapping taxing jurisdictions, may not exceed \$0.78 per \$100 taxable assessed valuation without prior written consent of the City; and (v) the ratio of the appraised value of the property being financed to the par amount of the PID Bonds proposed to be issued with respect to such property must be at least 3:1, unless a lower ratio is approved by the City.

In addition, the Development Agreement obligates the Developer to:

- Construct a two-lane segment of Buddy Hayes Boulevard (formerly Throckmorton Boulevard) immediately adjacent to the District and extending approximately 350’ south from the intersection of Rosamond Parkway to the north boundary of the District, such construction to be commenced within 180 days of January 24, 2023, and completed within 730 days of January 24, 2023. The Developer completed construction and the two-lane segment of Buddy Hayes Boulevard was accepted by the City August 2024;
- Construct two lanes of Rosamond Parkway from US 75 to Anna High School by January 1, 2023. The Developer completed construction and the extension of Rosamond Parkway was accepted by the City in March 2023;
- Construct landscaping, screening, and entryways for each phase of the Development within 150 days of final acceptance by the City of the public improvements in such phase. The Developer has completed construction such improvements in Improvement Area #1 and Improvement Area #2;
- Construct Park Improvements, including but not limited to shelter/shade structures, playground picnic areas, seating areas/seat walls, secluded seating areas, 8’ concrete trails, 6’ concrete paving areas, dog parks, entry signs, trail heads, parking, underbrush, and undisturbed wooded areas, at a minimum cost of \$3,800,000, such improvements to be constructed concurrently with the Improvement Area #1 Improvements and completed within 30 months of January 24, 2023. The Developer completed the Park Improvements in July 2025.;
- Only if, by the commencement of construction of certain public infrastructure the City has made arrangements to finance oversizing of such infrastructure, the Developer shall construct oversized public infrastructure; and

- Pay the PID City Fee of \$3,400 per residential lot in each phase prior to issuance of PID Bonds for such phase.

In addition, the Development Agreement obligates the City to:

- Provide credits to Impact Fees (“Impact Fee Credits”) to the Developer for costs of any of the public improvements in the District are in the City’s Capital Improvement Plan (“CIP”), and such costs are not fully refunded by the Bonds or the Improvement Area #1 Bonds in an amount equal to the lesser of (i) \$8,459,774.38 or (ii) the amount of Impact Fees actually collected by the City as contemplated in the Development Agreement;
- Provide plans and acquire easements and right-of-way for Rosamond Parkway;
- Design and construct Ferguson Parkway along the easternmost boundary of the District; and
- Design and commence construction of Throckmorton Sewer Extension from FM 455 to County Road 370, unless the Developer elects to construct the extension for which the City shall reimburse the Developer with Impact Fee Credits. The Developer elected to construct such extension. The Developer completed construction of the extension and it was accepted by the City in March 2023.

Reimbursement Agreement

The City and the Developer entered into that certain “Remainder Area Funding and Reimbursement Agreement” for the District, effective December 17, 2024 (the “Reimbursement Agreement”), relating to the obligation of the City to reimburse the Developer for the Actual Costs to construct the Improvement Areas #2-3 Projects and costs of issuance of the Bonds from proceeds of the Bonds (the “Reimbursement Obligation”). Upon delivery of the Bonds pursuant to the Indenture, the Reimbursement Obligation shall be satisfied and the Reimbursement Agreement will terminate.

Pursuant to the Service and Assessment Plan, the Development Agreement, and the Reimbursement Agreement, the Developer will be responsible for any Actual Costs of the Improvement Areas #2-3 Projects in excess of the amounts funded with proceeds of the Bonds without reimbursement by the City. See “– Development Agreement,” “APPENDIX F – Development Agreement,” and “APPENDIX G – Reimbursement Agreement.”

Zoning/Permitting

The District is currently zoned as a planned development district pursuant to Ordinance No. 881-2020 adopted by the City Council on November 10, 2020 (the “PDD Ordinance”). The PDD Ordinance allows certain restricted commercial, single-family residential, and single-family residential zero lot line uses and establishes guidelines pertaining to purpose, height, area, setbacks, aesthetics, landscaping, and use. Because the District lies within the city limits of the City, the City’s zoning and subdivision regulations control the aspects of development not specifically set forth in the PDD Ordinance or the Development Agreement.

Private Improvements

Amenities in the District are expected to include a 400 square foot amenity center with swimming pool and cabana, hike and bike trails, and parks (collectively, the “Private Improvements”). The amenity center, swimming pool, and cabana were completed in August 2024. The total cost to construct the amenity center was approximately \$1,963,790.50. The Developer completed the remainder of the amenities in Q3 2025. The total expected costs to construct the Private Improvements is approximately \$3,801,550.50, which will be paid entirely by the Developer, without reimbursement by the City, from cash on hand.

The Private Improvements will be owned, operated, and maintained by the HOA. The HOA will provide for the ongoing operation, maintenance, and repair of such private improvements through the administration of a property

owner's association fee to be paid by each lot owner within the District. See "OVERLAPPING TAXES AND DEBT – Homeowners' Association."

Education

Students in the District will attend schools in the Anna Independent School District ("AISD"). AISD serves the City and other portions of Collin County. AISD enrolls over 6,000 students in one high school, two middle schools, five elementary schools, and a special programs center. Students in the District are expected to attend Bryant Elementary School (approximately 2,000' from the District), Slayter Creek Middle School (approximately 3,500' from the District), and Anna High School (approximately 1,400' from the District).

The Texas Education Agency ("TEA") school accountability ratings, AISD, Bryant Elementary School and Slayter Creek Middle School was rated "C" were rated "C" for the 2024-2025 school year, and Anna High School was rated "A" for the 2024-2025 school year. GreatSchools.org currently rates Bryant Elementary School a 5/10, Slayter Creek Middle School a 3/10 (as Anna Middle School) and Anna High School a 6/10.

Environmental

A Phase One Environmental Site Assessment (the "Phase One ESA") of the property within the District was completed on July 20, 2020. Based on the information presented in the Phase One ESA, there was no evidence that the Development was under environmental regulatory review or enforcement action. The site reconnaissance, regulatory database review and historical source review revealed no evidence of recognized environmental conditions involving the site.

According to the website for the Texas Parks and Wildlife Department, the whooping crane is a federally recognized endangered species and the rufa red knot, piping plover, and black rail are federally recognized threatened species in Collin County. The Developer is not aware of any endangered or threatened species located on District property.

Existing Mineral and Groundwater Rights, Easements and Other Third-Party Property Rights

The Developer owns all mineral rights, royalty interests, and groundwater rights to property in the District. The Developer is not aware of any ongoing mineral rights development or exploration on or adjacent to the property within the District. The Developer is not aware of any interest in real property (including mineral rights) owned by the owners adjacent to the District. Certain rules and regulations of the Texas Railroad Commission may restrict the ability of the any mineral owners to explore or develop the property due to well density, acreage, or location issues.

Although the Developer does not expect adjacent property owners to rights in or around the District, to have a material adverse effect on the Development, the property within the District, or the ability of landowners within the District to pay Assessments, the Developer makes no guarantee as to such expectation. See "BONDHOLDERS' RISKS – Exercise of Third-Party Property Rights."

Flood Zone

According to the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM), Community Panel Number 48085C0155J, effective June 2, 2009, approximately 99% of the District lies outside of the 500-year flood plain, referred to as Zone X, and approximately 1% lies within the 100-year flood plain, referred to as Zone A. According to the Developer, all of the Improvement Areas #2-3 Projects will be developed entirely within Zone X. See "BONDHOLDERS' RISKS – Flood Plain and Severe Weather Events."

Utilities

Water and Wastewater. The City will provide both water and wastewater service to the District. The City's water distribution system and wastewater collection and treatment system currently have sufficient capacity to provide water and wastewater service to the District. See "THE CITY – Water and Wastewater."

Other Utilities. The Developer expects additional utilities to be provided by: (1) Phone/Data - AT&T; (2) Electric – Oncor; (3) Cable – AT&T; and (4) Natural Gas - Atmos Energy.

THE DEVELOPER

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Municipal Advisor, and the Underwriter, and none of the City, the City's Municipal Advisor, or the Underwriter have any way of guaranteeing the accuracy of such information.

General

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

Description of the Developer

The Developer is a wholly owned subsidiary of D.R. Horton, Inc., a Delaware Corporation ("D.R. Horton"). D.R. Horton is a public company subject to the information requirements of the Securities and Exchange Act of 1934, as amended, and in accordance therewith files reports and other information with the Securities Exchange Commission ("SEC"). Reports, proxy statements, and other information filed by D.R. Horton can be inspected at the office of the SEC at Judiciary Plaza, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Regional Office of the SEC located at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material can be obtained from the Public Reference Section of the SEC at 450 Fifth Street, N.W. Washington, D.C. 20549, at prescribed rates. Copies of the above reports, proxy statements, and other information may also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005. The SEC maintains a website at <http://www.sec.gov> that contains reports, proxy information statements, and other information regarding registrants that file electronically with the SEC.

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

NEITHER THE BONDS NOR THE ASSESSMENTS CONSTITUTE INDEBTEDNESS OF, NOR ARE THEY GUARANTEED BY, THE DEVELOPER OR D.R. HORTON.

Biographies of Key Developer Parties

David Booth, CPA (Land Manager – Head of Land Department). David Booth holds a BBA in Accounting from Texas A&M University and is a Certified Public Accountant. He has over 32 years of experience in the homebuilding industry, all at D.R. Horton, including five years in corporate accounting and 24 years in land acquisition and development.

Damon Ainsworth (Land Development Project Manager – On-site Development Manager). Damon Ainsworth holds a bachelor's degree from East Texas State University. He has over 32 years of experience in the homebuilding industry having worked for one private builder and one public builder.

History and Financing of the District

The Developer acquired the undeveloped property within the District in February 2021. No third-party financing was used in the acquisition of such property. The Developer has funded, and expects to continue to fund, the costs to construct the Improvement Areas #2-3 Projects with cash on hand. No liens are outstanding with respect to such acquisition or construction.

In addition, pursuant to the Development Agreement, the City will provide Impact Fee Credits for costs of any of the public improvements in the District that are within the City's CIP in an amount equal to the lesser of (i) \$8,459,774.38 or (ii) the amount of Impact Fees actually collected by the City. In accordance with the Development Agreement, the Developer has received approximately \$3 million in Impact Fee Credits from the City in Improvement Area #1. The Developer expects to receive approximately \$3.9 million in Impact Fee Credits for Improvement Areas #2-3.

THE ADMINISTRATOR

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

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

The Administrator's duties will include:

- Preparation of the annual update to the Service and Assessment Plan
- Preparation of assessment rolls for City billing and collection
- Establishing and maintaining a database of all City parcel IDs within the District
- Trust account analysis and reconciliation
- Property owner inquiries
- Determination of Prepayment amounts
- Preparation and review of disclosure notices with Dissemination Agent
- Review of developer draw requests for reimbursement of authorized improvement costs.

The information regarding the Service and Assessment Plan in this Limited Offering Memorandum has been provided by P3Works and has been included in reliance upon the authority of such firm as an expert in the field formation and administration of public improvement districts.

APPRAISAL

General. Integra Realty Resources — Dallas. (the “Appraiser”), prepared an appraisal report of Improvement Area #3 for the City, and effective as to Phase 3 in Improvement Area #3 and Phase 4 in Improvement Area #3 as set forth below, based upon a physical inspection of Improvement Areas #2-3 of the District conducted on September 18, 2025 (the “Appraisal”). The Appraisal was prepared at the request of the City and the Underwriter. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to Improvement Area #3 of the District. The Appraisal is attached hereto as APPENDIX H and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions, and qualifications, which are set forth therein. See “APPENDIX H – Appraisal.”

Value Estimates. The Appraiser estimated the “As-Is” market value of the fee simple interests of the Assessed Parcels in Phase 3 in Improvement Area #3 in the District and the prospective market value of Phase 4 in Improvement Area #3 of District assuming that the Improvement Area #3 Projects allocable to Phase 4 are completed. See “THE IMPROVEMENT AREAS #2-3 PROJECTS.”

The Appraisal does not reflect the value of Phase 3 in Improvement Area #3 of the District or Phase 4 in Improvement Area #3 of the District as if sold to a single purchaser in a single transaction. The Appraisal provides the fee simple estate values for Phase 3 in Improvement Area #3 of the District and Phase 4 in Improvement Area #3 of the District. See “APPENDIX H – Appraisal.”

The “As-Is” cumulative market value estimate for the assessable property within Phase 3 in Improvement Area #3 of the District using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal, as of September 18, 2025, is \$19,640,000.

The cumulative prospective market value estimate for the assessable property within Phase 4 in Improvement Area #3 of the District using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal, as of November 30, 2025, is \$21,964,200.

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

Prospective investors should read the complete Appraisal in order to make an informed decision regarding any contemplated purchase of the Bonds. The complete Appraisal is attached as APPENDIX H.

No appraisal has been prepared for Improvement Area #2-A or Improvement Area #2-B of the District.

BONDHOLDERS’ RISKS

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

General

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE

AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER ASSETS OF THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE.

The ability of the City to pay debt service on the Bonds as due is subject to various factors that are beyond the City's control. These factors include, among others, (a) the ability or willingness of property owners within Improvement Areas #2-3 of the District to pay Assessments levied by the City, (b) cash flow delays associated with the institution of foreclosure and enforcement proceedings against property within Improvement Areas #2-3 of the District, (c) general and local economic conditions which may impact real property values, the ability to liquidate real property holdings and the overall value of real property development projects, and (d) general economic conditions which may impact the general ability to market and sell the lots within Improvement Areas #2-3 of the District, it being understood that poor economic conditions within the City, State, and region may slow the assumed pace of sales of such lots.

The rate of development of the property in Improvement Areas #2-3 of the District is directly related to the vitality of the residential housing industry. In the event that the sale of the lands within Improvement Areas #2-3 of the District should proceed more slowly than expected and the Developer is unable to pay the Assessments, only the value of the lands, with improvements, will be available for payment of the debt service on the Bonds, and such value can only be realized through the foreclosure or expeditious liquidation of the lands within Improvement Areas #2-3 of the District. There is no assurance that the value of such lands will be sufficient for that purpose and the expeditious liquidation of real property through foreclosure or similar means is generally considered to yield sales proceeds in a lesser sum than might otherwise be received through the orderly marketing of such real property.

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

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

Deemed Representations and Acknowledgment by Investors

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

Assessment Limitations

Annual Installments of Assessments are billed to property owners in Improvement Areas #2-3 of the District. Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as for ad valorem taxes as described under "ASSESSMENT PROCEDURES." Additionally, Annual Installments established by the Service and Assessment Plan correspond in number and proportionate amount to the number of installments and

principal amounts of Bonds maturing in each year and the Administrative Expenses for such year. See “ASSESSMENT PROCEDURES.” The unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Annual Installments of Assessment payments in the future.

In order to pay debt service on the Bonds, it is necessary that Annual Installments are paid in a timely manner. Due to the lack of predictability in the collection of Annual Installments in Improvement Areas #2-3 of the District, the City has established a Reserve Account in the Reserve Fund, to be funded from the proceeds of the Bonds, to cover delinquencies. The Annual Installments are secured by the Assessment Lien. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid depletion of the Reserve Account and delay in payments of debt service on the Bonds. See “BONDHOLDERS’ RISKS – Bondholders’ Remedies and Bankruptcy.”

Upon an ad valorem tax lien foreclosure event of a property within Improvement Areas #2-3 of the District, any lien securing an Assessment that is delinquent will be foreclosed upon in the same manner as the ad valorem tax lien (assuming all necessary conditions and procedures for foreclosure are duly satisfied). To the extent that a foreclosure sale results in insufficient funds to pay in full both the delinquent ad valorem taxes and the delinquent Assessments, the liens securing such delinquent ad valorem taxes and delinquent Assessments would likely be extinguished. Any remaining unpaid balance of the delinquent Assessments would then be an unsecured personal liability of the original property owner.

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

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

Under Texas law, in order to establish homestead rights, the claimant must show a combination of both overt acts of homestead usage and intention on the part of the owner to claim the land as a homestead. Mere ownership of the property alone is insufficient and the intent to use the property as a homestead must be a present one, not an intention to make the property a homestead at some indefinite time in the future. As of the date of adoption of the Improvement Area #2 Assessment Ordinance, no such homestead rights had been claimed in Improvement Area #2. Furthermore, the Developer is not eligible to claim homestead rights and the Developer has represented that it owned all property within Improvement Area #2-A and Improvement Area #2-B of the District as of the date of the Improvement Area #2 Assessment Ordinance and it will own all property within Improvement Area #3 of the District as of the date of the Improvement Area #3 Assessment Ordinance. Consequently, there are and can be no homestead rights on the Assessed Property superior to the Assessment Lien and, therefore, the Assessment Lien may be foreclosed upon by the City.

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

THE ASSESSMENTS WILL CONSTITUTE A FIRST AND PRIOR LIEN AGAINST THE PROPERTY ASSESSED, SUPERIOR TO ALL OTHER LIENS AND CLAIMS EXCEPT LIENS AND CLAIMS FOR STATE, COUNTY, SCHOOL DISTRICT, OR MUNICIPALITY AD VALOREM TAXES AND WILL BE PERSONAL

OBLIGATIONS OF AND CHARGES AGAINST THE OWNERS OF PROPERTY LOCATED WITHIN IMPROVEMENT AREAS #2-3 OF THE DISTRICT.

Completion of the Improvement Areas #2-3 Projects

The construction of some of the Improvement Areas #2-3 Projects is not yet complete. See “THE IMPROVEMENT AREAS #2-3 PROJECTS – General.” The cost and time for completion of all of such improvements is uncertain and may be affected by changes in national, regional, and local and economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional, and national market and economic conditions; unanticipated development costs, market preferences, and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes to be built in Improvement Areas #2-3 of the District, which may render the sale of such homes difficult or unattractive; acts of war, terrorism, or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; force majeure (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer and the City. If cost overruns result in delay of construction, or if other delays are experienced, the Developer may be unable to complete timely the Improvement Areas #2-3 Improvements necessary for delivery of lots in Improvement Areas #2-3 of the District.

Failure or Inability to Complete Proposed Development

Proposed development within Improvement Areas #2-3 of the District may be affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, changes in the income tax treatment of real property ownership, unexpected increases in development costs and other similar factors as well as availability of utilities and the development or existence of environmental concerns with such land. See “– Hazardous Substances” and “– Availability of Utilities” below. Land development within Improvement Areas #2-3 of the District could also be affected adversely by changes in governmental policies, including, but not limited to, governmental policies to restrict or control development. Any approvals needed in the future for Improvement Areas #2-3 of the District must come from the City. There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise able to compete with the Development. A slowdown of the development process and the related absorption rate within the Development because of any or all of the foregoing could affect adversely land values. Such limitations could adversely impact the completion of the Development as anticipated. THE TIMELY PAYMENT OF THE BONDS DEPENDS UPON THE WILLINGNESS AND ABILITY OF THE DEVELOPER AND ANY SUBSEQUENT OWNERS TO PAY THE ASSESSMENTS WHEN DUE. ANY OR ALL OF THE FOREGOING COULD REDUCE THE WILLINGNESS AND THE ABILITY OF SUCH OWNERS TO PAY THE ASSESSMENTS AND COULD GREATLY REDUCE THE VALUE OF PROPERTY WITHIN IMPROVEMENT AREAS #2-3 OF THE DISTRICT IN THE EVENT SUCH PROPERTY HAS TO BE FORECLOSED. In that event, there could be a default in the payment of the Bonds.

Completion of Homes

The cost and time for completion of homes by the Developer is uncertain and may be affected by changes in national, regional, and local market and economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes yet to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; force majeure (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer.

Risks Related to the Current Residential Real Estate Market

The real estate market is currently experiencing a slowing of new home sales and new home closings due in part to rising inflation and mortgage interest rates. It is difficult to determine what effects the on-again, off-again tariffs imposed by the federal administration and retaliatory tariffs against the United States will have on inflation and mortgage interest rates. Downturns in the real estate market, mortgage rates, and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of lot and home sales within the District. No assurances can be given that projected home prices and buildout values presented in this Limited Offering Memorandum will be realized.

Risks Related to Current Increase in Costs of Building Materials and Labor Shortages

As a result of low supply and high demand, shipping constraints, and the ongoing trade war (including tariffs and retaliatory tariffs), there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. Further, the federal administration's on-again, off-again tariffs, threatened impositions of tariffs, and the imposition or threatened imposition of retaliatory tariffs against the United States will impact the ability of the homebuilders to estimate costs. If the cost of materials remains elevated, it may impact the ability of the homebuilders to construct homes in Improvement Areas #2-3 of the District.

The federal administration's immigration policies may impact the State's workforce. Undocumented construction workers make up a large percentage of construction workers in the State. Mass deportations or immigration policies that make it challenging for foreign workers to work in the United States may result in labor shortages, particularly in construction. Labor shortages will impact the homebuilders' ability to construct homes within Improvement Areas #2-3 of the District.

General Risks of Real Estate Investment and Development

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

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

Availability of Utilities

The progress of development within Improvement Areas #2-3 of the District is also dependent upon the City providing an adequate water and wastewater service to the Development. If the City fails to provide water and

wastewater services to the property in the District, the Development cannot be substantially completed, and the Developer will not be able to construct homes. See “THE CITY – Water and Wastewater.”

Absorption Rate

There can be no assurance that the Developer will be able to achieve its anticipated absorption rates. Failure to achieve the absorption rate estimates will adversely affect the estimated value of Improvement Areas #2-3 of the District, could impair the economic viability of Improvement Areas #2-3 of the District, and could reduce the ability or desire of property owners to pay the Assessments.

State Law Regarding Notice of Assessments

The 87th Legislature passed HB 1543, which became effective September 1, 2021, and requires a person who proposes to sell or otherwise convey real property within a public improvement district to provide to the purchaser of the property, before the execution of a binding contract of purchase and sale, written notice of the obligation to pay public improvement district assessments, in accordance with Section 5.014, Texas Property Code, as amended. In the event a contract of purchase and sale is entered into without the seller providing the notice, the intended purchaser is entitled to terminate the contract of purchase and sale. If the Developer does not provide the required notice and prospective purchasers of property within Improvement Areas #2-3 of the District terminate a purchase and sale contract, the anticipated absorption schedule may be affected. In addition to the right to terminate the purchase contract, a property owner who did not receive the required notice is entitled, after sale, to sue for damages for (i) all costs relative to the purchase, plus interest and reasonable attorney’s fees, or (ii) an amount not to exceed \$5,000, plus reasonable attorney’s fees. In a suit filed pursuant to clause (i), any damages awarded must go first to pay any outstanding liens on the property. In such an event, the outstanding Assessments on such property may be paid. On payment of all damages respectively to the lienholders and purchaser pursuant to clause (i), the purchaser is required to reconvey the property to the seller. Further, if the Developer does not provide the required notice and becomes liable for monetary damages, the anticipated buildout and absorption schedule may be affected. No assurances can be given that the projected buildout and absorption schedules presented in this Limited Offering Memorandum will be realized. The forms of notice to be provided to homebuyers are attached as appendices to the Service and Assessment Plan. See “APPENDIX C – Service and Assessment Plan.”

Potential Future Changes in State Law Regarding Public Improvement Districts

During prior Texas legislative sessions and interim business of the Texas legislature, various proposals and reports have been presented by committees of Texas Senate and Texas House of Representatives which suggest or recommend changes to the PID Act relating to oversight of bonds secured by special assessments including adopting requirements relating to levels of build out or adding State level oversight in connection with the issuance of bonds secured by special assessments under the PID Act. The 89th Legislative Session of the State (the “89th Regular Session”) concluded on June 2, 2025, without any legislation being passed by either chamber of the Texas legislature recommending oversight of bonds secured by assessments. When the regular Legislature is not in session, the Governor of Texas may call one or more special sessions, at the Governor’s direction, each lasting no more than 30 days, and for which the Governor sets the agenda. The Governor called two special sessions, the first of which began on July 21, 2025 and ended on August 15, 2025 and the second of which began on August 15, 2025 and ended on September 4, 2025. No legislation relating to special assessments was proposed for the special sessions. It is impossible to predict what new proposals may be presented regarding the PID Act and the issuance of special assessment bonds during any upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Texas Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. It is impossible to predict with certainty the impact that any such future legislation will or may have on the security for the Bonds.

Direct and Overlapping Indebtedness, Assessments and Taxes

The ability of an owner of property within Improvement Areas #2-3 of the District to pay the Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of Improvement Areas #2-3 of the District currently impose ad valorem taxes on the property within Improvement Areas #2-3 of the District and will likely do so in the future. Such entities could also impose

assessment liens on the property within Improvement Areas #2-3 of the District. The imposition of additional liens, whether from taxes, assessments, or private financing, may reduce the ability or willingness of the landowners to pay the Assessments. See “OVERLAPPING TAXES AND DEBT.”

Depletion of Reserve Fund; No Prefunding of Delinquency and Prepayment Reserve Account

Failure of the owners of property within Improvement Areas #2-3 of the District to pay the Assessments when due could result in the rapid, total depletion of the Reserve Fund prior to replenishment from the resale of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of and interest on the Bonds if sufficient amounts are not available in the Reserve Fund. The Delinquency and Prepayment Reserve Account of the Reserve Fund is not funded from proceeds of the Bonds. Instead, funding of the Delinquency and Prepayment Reserve Account is accumulated over time, by the mechanism described in “SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account.” The Indenture provides that if after a withdrawal from the Reserve Account the amounts therein are less than the Reserve Account Requirement, the Trustee shall transfer an amount from the Pledged Revenue Fund to the Reserve Account sufficient to cure such deficiency. The Indenture also provides that if the amount on deposit in the Delinquency and Prepayment Reserve Account shall at any time be less than the Delinquency and Prepayment Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement has been accumulated in the Delinquency and Prepayment Reserve Account; provided, however, that the City shall not be required to replenish the Delinquency and Prepayment Reserve Account in the event funds are transferred from the Delinquency and Prepayment Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment, as described under “SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account).”

Hazardous Substances

While governmental taxes, assessments, and charges are a common claim against the value of a parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value that may be realized to the assessment is a claim with regard to a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws. It is likely that, should any of the parcels of land located in Improvement Areas #2-3 of the District be affected by a hazardous substance, the marketability and value of such parcels would be reduced by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the land within Improvement Areas #2-3 of the District does not take into account the possible liability of the owner (or operator) for the remediation of a hazardous substance condition on the property in Improvement Areas #2-3 of the District. The City has not independently verified, and is not aware, that the owner (or operator) of any of the parcels within Improvement Areas #2-3 of the District has such a current liability with respect to such parcel; however, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the land within Improvement Areas #2-3 of the District resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. The actual occurrence of any of these possibilities could significantly negatively affect the value of a parcel that is realizable upon a foreclosure.

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

Exercise of Third-Party Property Rights

As described under “THE DEVELOPMENT – Existing Mineral and Groundwater Rights, Easements and Other Third-Party Property Rights,” all of the mineral rights, royalty interests, and easement reservations located within the District are owned by the Developer.

The Developer does not expect the existence or exercise of any third-party rights in or around the District to have a material adverse effect on the Development, the property within Improvement Areas #2-3 of the District, or the ability of landowners within Improvement Areas #2-3 of the District to pay Assessments. However, none of the City, the Municipal Advisor, or the Underwriter provide any assurances as to such Developer expectations.

Regulation

Development within Improvement Areas #2-3 of the District may be subject to future federal, State, and local regulations. Approval may be required from various agencies from time to time in connection with the layout and design of development in Improvement Areas #2-3 of the District, the nature and extent of Improvement Areas #2-3 Projects, land use, zoning, and other matters. Failure to meet any such regulations or obtain any such approvals in a timely manner could delay or adversely affect development in Improvement Areas #2-3 of the District and property values.

Bankruptcy

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

Bondholders’ Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds or the occurrence of any other Event of Default under the Indenture, the Trustee may, and at the written direction of the Owners of not less than 51% in aggregate Outstanding principal amount of the Bonds and its receipt of indemnity satisfactory to it shall, proceed against the City for the purpose of protecting and enforcing the rights of the Owners under the Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by the Indenture or Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained therein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the City’s obligations under the Bonds or the Indenture and such obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so its use rests within the discretion of the court but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The owners of the Bonds cannot themselves foreclose on or sell property within Improvement Areas #2-3 in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the owners of the Bonds further may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. In this regard, should the City file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the City to seek judicial foreclosure of its Assessment Lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See “BONDHOLDERS’ RISKS – Bankruptcy Limitation to Bondholders’ Rights.”

Any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a property owner within Improvement Areas #2-3 of the District pursuant to the Federal Bankruptcy Code could, subject to its discretion,

delay or limit any attempt by the City to collect delinquent Assessments, or delinquent ad valorem taxes, against such property owner.

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

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) (“Wasson”), the Texas Supreme Court (the “Court”) addressed whether the distinction between governmental and proprietary acts (as found in tort-based causes of action) applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that “a city’s proprietary functions are not done pursuant to the ‘will of the people’” and protecting such municipalities “via the [S]tate’s immunity is not an efficient way to ensure efficient allocation of [S]tate resources.” While the Court recognized that the distinction between governmental and proprietary functions is not clear, the Wasson opinion held that the Proprietary-Governmental Dichotomy applies in a contract-claims context. The Court reviewed Wasson for a second time and issued an opinion on October 5, 2018, clarifying that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function was proprietary or governmental based upon the statutory and common law guidance at the time of inception of the contractual relationship. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under authority or for the benefit of the State; these are usually activities that can be, and often are, provided by private persons, and therefore are not done as a branch of the State, and do not implicate the state’s immunity since they are not performed under the authority, or for the benefit, of the State as sovereign. Notwithstanding the foregoing new case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgment, is justiciable against a municipality.

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

Bankruptcy Limitation to Bondholders’ Rights

The enforceability of the rights and remedies of the owners of the Bonds may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. The City is authorized under State law to voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946. The City may proceed under Chapter 9 if it (1) is generally not paying

its debts, or unable to meet its debts, as they become due, (2) desires to effect a plan to adjust such debts, and (3) has either obtained the agreement of or negotiated in good faith with its creditors, is unable to negotiate with its creditors because negotiation is impracticable, or reasonably believes that a creditor may attempt to obtain a preferential transfer.

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

Judicial Foreclosures

Judicial foreclosure proceedings are not mandatory; however, the City has covenanted to order and cause such actions to be commenced. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and, in such event, there could be an additional delay in payment of the principal of and interest on the Bonds or such payment may not be made in full. Moreover, in filing a suit to foreclose, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property; the proceeds of any sale of property within Improvement Areas #2-3 of the District available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property. See "OVERLAPPING TAXES AND DEBT." Collection of delinquent taxes, assessments, and the Assessments may be adversely affected by the effects of market conditions on the foreclosure sale price, and by other factors, including taxpayers' right to redeem property within two years of foreclosure for residential and agricultural use property and six months for other property, and by a time-consuming and expensive collection procedure.

No Acceleration

The Indenture expressly denies the right of acceleration in the event of a payment default or other default under the terms of the Bonds or the Indenture.

Loss of Tax Exemption

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

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Tax-Exempt Status of the Bonds

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

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or State level, may adversely affect the tax-exempt status of interest on the Bonds under federal or State law and could

affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

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

Management and Ownership

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

Dependence Upon Developer

The Developer currently owns all of the Assessed Property in Improvement Areas #2-3 of the District except the 104 homes which have been sold in Improvement Area #2 of the District. As owner of most of the Assessed Property, the Developer will have the obligation for payment of the majority of such Annual Installments. The ability of the Developer to make full and timely payment of the Assessments will directly affect the ability of the City to meet its debt service obligations with respect to the Bonds.

Use of Appraisal

Caution should be exercised in the evaluation and use of valuations included in the Appraisal. The Appraisal is an estimate of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation and specified therein. The estimated market value specified in the Appraisal is not a precise measure of value, but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in the Appraisal is based on various assumptions of future expectations and while the appraiser’s forecasts for properties in Improvement Areas #2-3 of the District is considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future. The Bonds will not necessarily trade at values determined solely by reference to the underlying value of the properties in Improvement Areas #2-3 of the District.

In performing its analyses, an appraiser makes numerous assumptions with respect to general business, economic and regulatory conditions, and other matters, many of which are beyond the Appraiser’s, Underwriter’s, and City’s control, as well as to certain factual matters. Furthermore, the Appraiser’s analysis, opinions, and

conclusions are necessarily based upon market, economic, financial, and other circumstances and conditions existing prior to the valuation.

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

Flood Plain and Severe Weather Events

According to the Federal Emergency Management Agency (“FEMA”) Flood Insurance Rate Map, Community Panel Number 48085C0155J, effective June 2, 2009, approximately 99% of the District lies outside of the 500-year flood plain, referred to as Zone X, and approximately 1% lies within the 100-year flood plain, referred to as Zone A. According to the Developer, all of the Improvement Areas #2-3 Projects will be developed entirely within Zone X.

FEMA will from time to time revise its Flood Insurance Rate Maps. None of the City, the Underwriter, or the Developer make any representation as to whether FEMA may revise its Flood Insurance Rate Maps, whether such revisions may result in homes that are currently outside of the 500-year flood plain from being included in the 500-year or 100-year flood plain in the future, or whether extreme flooding events may occur more often than assumed in creating the rate maps.

All of the State, including the City, is subject to extreme weather events that can cause loss of life and damage to property through strong winds, flooding, heavy rains, extreme heat and freezes, including events similar to the severe winter storm that the continental United States experienced in February 2021, which resulted in disruptions in the Electric Reliability Council of Texas power grid and prolonged blackouts throughout the State. It is impossible to predict whether similar events will occur in the future and the impact they may have on the City, including land within Improvement Areas #2-3 of the District.

Competition

The housing industry in the Dallas-Fort Worth area is very competitive, and none of the Developer, the City, the City’s Municipal Advisor, or the Underwriter can give any assurance that the building programs which are planned throughout the District will be completed in accordance with the Developer’s expectations. The successful development of the land within the District, the success of the Development, and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market, and other factors beyond the control of the Developer. The competitive position of the Developer in the sale of single-family residential units is affected by most of the factors discussed in this section, and such competitive position is directly related to maintenance of market values in Improvement Areas #2-3 of the District.

There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise become able to compete with the Development. Below is a list of competitive projects in the area.

<u>Project Name</u>	<u>Developer</u>	<u>Proximity to District</u>	<u>Number of Units</u>	<u>Prices</u>	<u>Lot Sizes/Types</u>
Villages of Hurricane Creek	Centurion American	3,500'	1,851	\$400,000+	Townhome, 40', 50', 60', and 70'
West Crossing	Bloomfield	Adjacent	1,114	\$450,000+	55'
AnaCapri	Megatel	Adjacent	1,235	\$300,000+	40', 50', multi-family
Meadow Vista	Coventry Homes	Adjacent	601	\$400,000+	50'

Source: The Developer

Limited Secondary Market for the Bonds

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event an Owner thereof determines to solicit purchasers for the Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Bonds may be sold. Such price may be lower than that paid by the current Owners of the Bonds, depending on the progress of development of Improvement Areas #2-3 of the District subject to the Assessments, existing real estate and financial market conditions, and other factors.

No Credit Rating

The City has not applied for or received a rating on the Bonds. Even if a credit rating had been sought for the Bonds, it is not anticipated that such a rating would have been investment grade. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary market trading in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then generally prevailing circumstances. Such prices could be substantially different from the original purchase price.

TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel to the City, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof ("Existing Law"), (1) interest on the Bonds for federal income tax purposes will be excludable from the "gross income" of the holders thereof and (2) the Bonds will not be treated as "specified private activity bonds" the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). Except as stated above, Bond Counsel to the City will express no opinion as to any other federal, state, or local tax consequences of the purchase, ownership, or disposition of the Bonds. See "APPENDIX D – Form of Opinion of Bond Counsel."

In rendering its opinion, Bond Counsel to the City will rely upon (a) certain information and representations of the City, including information and representations contained in the City's federal tax certificate, and (b) covenants of the City contained in the Bond documents relating to certain matters, including arbitrage and the use of the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the City to observe the aforementioned representations or covenants could cause the interest on the Bonds to become taxable retroactively to the date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel to the City is conditioned on compliance by the City with such requirements, and Bond Counsel to the City has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel's opinion is not a guarantee of a result. Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the City with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the City as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the bonds may not be equal to the accrual period or be in excess of one year (the "Original Issue Discount Bonds"). In such event, the difference between (i) the "stated redemption price at maturity" of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The "stated redemption price at maturity" means the sum of all payments to be made on the bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under existing law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds

should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on existing statutes, regulations, published rulings and court decisions, all of which are subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Interest on the Bonds may be includable in certain corporation's "adjusted financial statement income" determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local And Foreign Taxes

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

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules

apply to partnerships, estates and trusts, and in certain circumstances, and in respect of foreign investors, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal Proceedings

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

McCall, Parkhurst & Horton L.L.P. serves as Bond Counsel to the City. Greenberg Traurig, LLP serves as Underwriter's Counsel. The legal fees paid to Bond Counsel and Underwriter's Counsel are contingent upon the sale and delivery of the Bonds.

Legal Opinions

The City will furnish the Underwriter a transcript of certain certified proceedings incident to the authorization and issuance of the Bonds. Such transcript will include a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State, to the effect that the Bonds are valid and binding special obligations of the City. The City will also furnish the legal opinion of Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special obligations of the City under the Constitution and laws of the State. The legal opinion of Bond Counsel will further state that the Bonds, including principal thereof and interest thereon, are payable from and secured by a pledge of and lien on the Pledged Revenues. Bond Counsel will also provide a legal opinion to the effect that interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described above under the caption "TAX MATTERS," including the alternative minimum tax consequences for certain corporations. A copy of the opinion of Bond Counsel is attached hereto as "APPENDIX D – FORM OF OPINION OF BOND COUNSEL."

Except as noted below, Bond Counsel did not take part in the preparation of the Limited Offering Memorandum, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Limited Offering Memorandum under the captions or subcaptions "PLAN OF FINANCE – The Bonds," "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS" (except for the last paragraph under the subcaption "General"), "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS – Legal Proceedings" (first paragraph only), "LEGAL MATTERS – Legal Opinions," "SUITABILITY FOR INVESTMENT," "CONTINUING DISCLOSURE – The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS" and APPENDIX B and such firm is of the opinion that the information relating to the Bonds, the Bond Ordinance, the Assessment Ordinances, and the Indenture contained therein fairly and accurately describes the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinances and the Indenture.

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

Litigation – The City

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

Litigation – The Developer

At the time of delivery and payment for the Bonds, the Developer will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory body, public board or body pending, or, to the best knowledge of the Developer, threatened against or affecting the Developer wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developer or its officers or would adversely affect (1) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the Bond Ordinance, the Service and Assessment Plan, the Development Agreement, or the Bond Purchase Agreement, or otherwise described in this Limited Offering Memorandum, or (2) the tax-exempt status of interest on the Bonds (individually or in the aggregate, a “Material Adverse Effect”). Principals of the Developer and their affiliated entities may in the future be parties to pending and/or threatened litigation related to their commercial and real estate development activities. Such litigation occurs in the ordinary course of business and is not expected to have a Material Adverse Effect.

SUITABILITY FOR INVESTMENT

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

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. See “BONDHOLDERS’ RISKS – Bondholders’ Remedies and Bankruptcy.” Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by governmental immunity, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

NO RATING

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

CONTINUING DISCLOSURE

The City

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

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

The City’s Compliance with Prior Undertakings

The City believes it has substantially complied in all material respects with its continuing disclosure undertakings pursuant to the Rule during the last 5 years.

The Developer

The Developer, the Administrator, and the Dissemination Agent have entered into a Continuing Disclosure Agreement of Developer (the “Disclosure Agreement of Developer”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of Developer, certain information regarding the Development and the Improvement Areas #2-3 Projects (collectively, the “Developer Reports”). The specific nature of the information to be contained in the Developer Reports is set forth in “APPENDIX E-2 – Form of Disclosure Agreement of Developer.” Under certain circumstances, the failure of the Developer or the Administrator to comply with its obligations under the Disclosure Agreement of Developer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of Developer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance. The Disclosure Agreement of Developer is a voluntary agreement made for the benefit of the holders of the Bonds and is not entered into pursuant to the Rule.

The Developer has agreed to provide (i) certain updated information to the Administrator, which consultant will prepare and provide such updated information in report form and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of Developer. The Developer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the

Disclosure Agreement of Developer. The Developer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The Developer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Developer or from any statement made pursuant to the Disclosure Agreement of Developer.

The Developer's Compliance with Prior Undertakings

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

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed to purchase the Bonds from the City at a purchase price of \$_____ (the par amount of the Bonds, less an original issue discount of \$_____ and less an underwriting discount of \$_____). The Underwriter's obligations are subject to certain conditions precedent and if obligated to purchase any of the Bonds the Underwriter will be obligated to purchase all of the Bonds. The Bonds may be offered and sold by the Underwriter at prices lower than the initial offering prices stated on the inside cover page hereof, and such initial offering prices may be changed from time to time by the Underwriter.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

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

LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

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

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

INVESTMENTS

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

Under Texas law, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor, (8) certificates of deposit and share certificates (i) issued by or through an institution that either has its main office or a branch office in the State, and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Insurance Fund, or are secured as to principal by obligations described in the clauses (1) through (6) or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through (I) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law or (II) a depository institution that has its main office or a branch office in the State that is selected by the City; (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City; (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit; (9) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (10) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (12) through (14) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less, (11) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (12) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (13) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that comply with federal Securities and Exchange Commission Rule 2a-7, and (14) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, and have a duration of one year or more and are invested exclusively in obligations described in this paragraph or have a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAA-m" or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to

provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Political subdivisions such as the City are authorized to implement securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) of the first paragraph under this subcaption, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm not less than "A" or its equivalent, or (c) cash invested in obligations that are described in clauses (1) through (6) and (10) through (12) of the first paragraph under this subcaption, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the governmental body, held in the name of the governmental body and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

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

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

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

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

INFORMATION RELATING TO THE TRUSTEE

The City has appointed Regions Bank, an Alabama state banking corporation, to serve as Trustee. The Trustee is to carry out those duties assignable to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Limited Offering Memorandum and assumes no responsibility for the contents, accuracy, fairness, or completeness of the information set forth in this Limited Offering Memorandum or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

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

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

SOURCES OF INFORMATION

General

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

Source of Certain Information

The information contained in this Limited Offering Memorandum relating to the description of the Improvement Areas #2-3 Projects, the Development, and the Developer generally and, in particular, the maps included herein, and the information included in the sections captioned "PLAN OF FINANCE – Overview," "– Development Plan and Status of Development," and "– Developer as Homebuilder," "THE IMPROVEMENT AREAS #2-3 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to

the Developer, the Improvement Areas #2-3 Projects, and the Development), “LEGAL MATTERS – Litigation – The Developer,” “SOURCES OF INFORMATION – The Developer,” APPENDIX F, APPENDIX G, and APPENDIX I have been provided by the Developer.

Experts

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

The information regarding the Appraisal in this Limited Offering Memorandum has been provided by the Appraiser, and has been included in reliance upon the authority of such firm as experts in the field of the appraisal of real property.

Updating of Limited Offering Memorandum

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

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “anticipate,” “budget” or other similar words.

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

AUTHORIZATION AND APPROVAL

The City Council has approved by resolution this Preliminary Limited Offering Memorandum and the City Council has authorized this Preliminary Limited Offering Memorandum to be used by the Underwriter in connection with the marketing and sale of the Bonds. In the Bond Ordinance, the City Council will approve the form and content of the final Limited Offering Memorandum.

THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREAS

The following information has been derived from various sources, including the U.S. Census and the Municipal Advisory Council of Texas. While such sources are believed to be reliable, no representation is made as to the accuracy thereof.

Location and Population

The City is located in north central Collin County, 40 miles north of Dallas and 12 miles northwest of the City of McKinney. Access to the City is provided by State Highway 121, State Highway 5, US-75, and Farm Road 455. The City covers approximately 15 square miles. Some of the services that the City provides are public safety (police and fire protection), streets, water and sanitary sewer utilities, planning and zoning, and general administrative services. The 2020 Census population for the City was 16,896, while the current estimated population is 23,558.

Major Employers

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

<u>Employer</u>	<u>Product or Service</u>	<u>Employees</u>
Anna ISD	Education	856
Walmart	Retail	457
City of Anna	Government	191
Pate Rehab	Medical	168
Brookshire's	Grocery Store	97
Loves Travel Shop	Retail	56
McDonalds	Restaurant	49
Hurricane Creek Country Club	Country Club	48
Bronco Manufacturing	Machine Shop	37
Tri-County Vet	Veterinary Clinic	12

Source: City of Anna 2024 Comprehensive Annual Financial Report

Historical Employment in Collin County

	Average Annual				
	2025 ⁽¹⁾	2024	2023	2022	2021
Civilian Labor Force	690,212	680,301	644,705	625,800	600,186
Total Employed	660,197	654,384	622,134	605,672	574,037
Total Unemployed	30,015	25,917	22,571	20,128	26,149
Unemployment Rate	4.3%	3.5%	3.5%	3.2%	4.4%

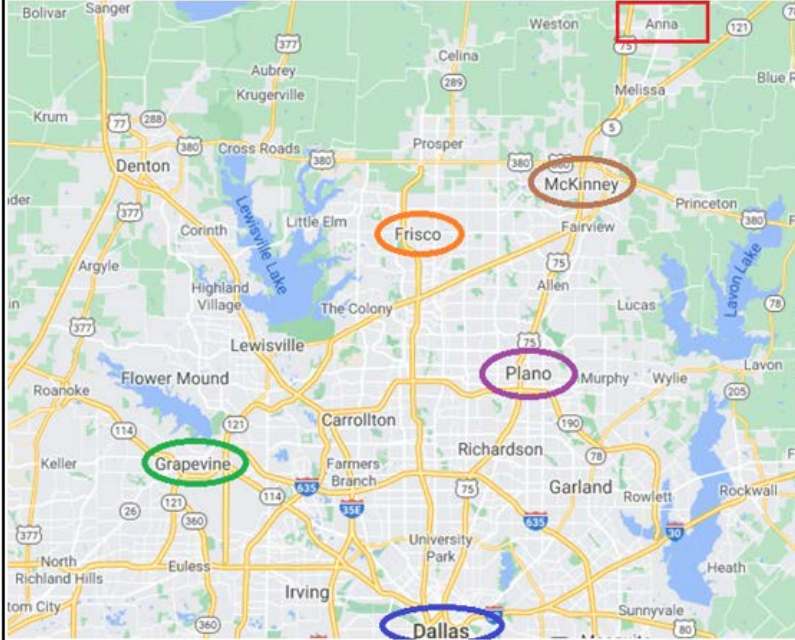
Source: Texas Workforce Commission.

⁽¹⁾ Data through August 2025.

Surrounding Economic Activity

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

City of McKinney		City of Frisco		City of Plano	
Approximately 11 miles from the City		Approximately 20 miles from the City		Approximately 23 miles from the City	
Employer	Employees	Employer	Employees	Employer	Employees
Raytheon Space & Airborne Systems	4,347	Frisco ISD	8,799	JPMorgan Chase	9,500
McKinney ISD	2,729	City of Frisco	1,738	Capital One Finance	7,542
Collin County	2,034	T-Mobile USA	1,332	Toyota Motor North America, Inc.	4,573
Encore Wire Corp.	1,765	Keurig Dr Pepper Inc.	1,213	Bank of America	4,500
Globe Life	1,600	TIAA	906	AT&T Foundry	2,500
Independent Financial	1,521	Conifer	903	Ericsson	2,406
City of McKinney	1,508	Baylor Scott White/Centennial Hosp.	663	Liberty Mutual Insurance Company	2,385
Collin College	964	Dallas Cowboys Football Club	471	Medical City Plano	2,332
Baylor Medical Center	788	Baylor Medical Center (Warren Pkwy)	460	USAA	2,092
Medical City McKinney	670	Lexipol	420	Fannie Mae	2,000



City of Grapevine	
Approximately 35 miles from the City	
Employer	Employees
Gaylord Texaan	2,000
DFW Airport	1,970
Grapevine-Colleyville ISD	1,870
Paycom	990
Baylor Medical	660
Great Wolf Lodge	600
City of Grapevine	590
Boeing Distribution	500
Hyatt Regency DFW	500
Kubota	450

City of Dallas	
Approximately 33 miles from the City	
Employer	Employees
UT Southwestern Medical Center	23,817
Dallas ISD	23,271
City of Dallas	16,000
Southwest Airlines	14,618
Parkland Health System	13,000
Medical City Dallas	10,974
Dallas County Community College	8,230
Texas Instruments Inc.	7,722
Dallas County	6,500
Methodist Dallas Med Ctr	6,452

Source: Municipal Advisory Council of Texas

APPENDIX B
FORM OF INDENTURE

THIS PAGE IS LEFT BLANK INTENTIONALLY.

INDENTURE OF TRUST

By and Between

CITY OF ANNA, TEXAS

and

**REGIONS BANK
as Trustee**

DATED AS OF NOVEMBER 15, 2025

SECURING

\$_____

**CITY OF ANNA, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024
(THE WOODS AT LINDSEY PLACE PUBLIC
IMPROVEMENT DISTRICT IMPROVEMENT AREAS #2-3
PROJECTS)**

TABLE OF CONTENTS

TABLE OF CONTENTS	II
INDENTURE OF TRUST.....	1
ARTICLE I. DEFINITIONS, FINDINGS AND INTERPRETATION	6
SECTION 1.1. DEFINITIONS.....	6
SECTION 1.2. FINDINGS.....	17
SECTION 1.3. TABLE OF CONTENTS, TITLES AND HEADINGS.....	17
SECTION 1.4. INTERPRETATION.....	17
ARTICLE II. THE BONDS.....	17
SECTION 2.1. SECURITY FOR THE BONDS.....	17
SECTION 2.2. LIMITED OBLIGATIONS.....	18
SECTION 2.3. AUTHORIZATION FOR INDENTURE.....	18
SECTION 2.4. CONTRACT WITH OWNERS AND TRUSTEE.....	18
ARTICLE III. AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS	19
SECTION 3.1. AUTHORIZATION.....	19
SECTION 3.2. DATE, DENOMINATION, MATURITIES, NUMBERS AND INTEREST.....	19
SECTION 3.3. CONDITIONS PRECEDENT TO DELIVERY OF BONDS.....	19
SECTION 3.4. MEDIUM, METHOD AND PLACE OF PAYMENT.....	20
SECTION 3.5. EXECUTION AND REGISTRATION OF BONDS.....	21
SECTION 3.6. REFUNDING BONDS.....	22
SECTION 3.7. OWNERSHIP.....	22
SECTION 3.8. REGISTRATION, TRANSFER AND EXCHANGE.....	22
SECTION 3.9. CANCELLATION.....	23
SECTION 3.10. TEMPORARY BONDS.....	24
SECTION 3.11. REPLACEMENT BONDS.....	24
SECTION 3.12. BOOK-ENTRY-ONLY SYSTEM.....	25
SECTION 3.13. SUCCESSOR SECURITIES DEPOSITORY: TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM.....	26
SECTION 3.14. PAYMENTS TO CEDE & CO.....	26
ARTICLE IV. REDEMPTION OF BONDS BEFORE MATURITY.....	26
SECTION 4.1. LIMITATION ON REDEMPTION.....	26
SECTION 4.2. MANDATORY SINKING FUND REDEMPTION.....	26
SECTION 4.3. OPTIONAL REDEMPTION.....	28
SECTION 4.5. PARTIAL REDEMPTION.....	28
SECTION 4.6. NOTICE OF REDEMPTION TO OWNERS.....	29
SECTION 4.7. PAYMENT UPON REDEMPTION.....	29
SECTION 4.8. EFFECT OF REDEMPTION.....	30
ARTICLE V. FORM OF THE BONDS.....	30
SECTION 5.1. FORM GENERALLY.....	30

SECTION 5.2.	FORM OF THE BONDS.	31
SECTION 5.3.	CUSIP REGISTRATION.	39
SECTION 5.4.	LEGAL OPINION.	39
ARTICLE VI.	FUNDS AND ACCOUNTS	39
SECTION 6.1.	ESTABLISHMENT OF FUNDS AND ACCOUNTS.....	39
SECTION 6.2.	INITIAL DEPOSITS TO FUNDS AND ACCOUNTS.....	40
SECTION 6.3.	PLEDGED REVENUE FUND.....	41
SECTION 6.4.	BOND FUND.....	42
SECTION 6.5.	PROJECT FUND.....	42
SECTION 6.6.	REDEMPTION FUND.....	44
SECTION 6.7.	RESERVE FUND.....	44
SECTION 6.8.	REBATE FUND: REBATABLE ARBITRAGE.....	46
SECTION 6.9.	ADMINISTRATIVE FUND.	46
SECTION 6.10.	INVESTMENT OF FUNDS.....	47
ARTICLE VII.	COVENANTS	48
SECTION 7.1.	CONFIRMATION OF ASSESSMENT.....	48
SECTION 7.2.	COLLECTION AND ENFORCEMENT OF ASSESSMENT.	49
SECTION 7.3.	AGAINST ENCUMBRANCES.	49
SECTION 7.4.	RECORDS, ACCOUNTS, ACCOUNTING REPORTS.....	49
SECTION 7.5.	COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON BONDS.....	50
ARTICLE VIII.	LIABILITY OF CITY.....	52
SECTION 8.1.	LIABILITY OF CITY.....	52
ARTICLE IX.	THE TRUSTEE	54
SECTION 9.1.	ACCEPTANCE OF TRUST; TRUSTEE AS REGISTRAR AND PAYING AGENT.....	54
SECTION 9.2.	TRUSTEE ENTITLED TO INDEMNITY.....	54
SECTION 9.3.	RESPONSIBILITIES OF THE TRUSTEE.	55
SECTION 9.4.	PROPERTY HELD IN TRUST.	56
SECTION 9.5.	TRUSTEE PROTECTED IN RELYING ON CERTAIN DOCUMENTS.....	56
SECTION 9.6.	COMPENSATION.	57
SECTION 9.7.	PERMITTED ACTS.....	57
SECTION 9.8.	RESIGNATION OF TRUSTEE.....	58
SECTION 9.9.	REMOVAL OF TRUSTEE.	58
SECTION 9.10.	SUCCESSOR TRUSTEE.....	58
SECTION 9.11.	TRANSFER OF RIGHTS AND PROPERTY TO SUCCESSOR TRUSTEE.....	59
SECTION 9.12.	MERGER, CONVERSION OR CONSOLIDATION OF TRUSTEE..	59
SECTION 9.13.	TRUSTEE TO FILE CONTINUATION STATEMENTS.	60
SECTION 9.14.	ACCOUNTS, PERIODIC REPORTS AND CERTIFICATES.....	60
SECTION 9.15.	CONSTRUCTION OF INDENTURE.	60
ARTICLE X.	MODIFICATION OR AMENDMENT OF THIS INDENTURE	60

SECTION 10.1. AMENDMENTS PERMITTED.....	60
SECTION 10.2. OWNERS' MEETINGS.....	61
SECTION 10.3. PROCEDURE FOR AMENDMENT WITH WRITTEN CONSENT OF OWNERS.....	61
SECTION 10.4. PROCEDURE FOR AMENDMENT NOT REQUIRING OWNER CONSENT.....	62
SECTION 10.5. EFFECT OF SUPPLEMENTAL INDENTURE.	63
SECTION 10.6. ENDORSEMENT OR REPLACEMENT OF BONDS ISSUED AFTER AMENDMENTS.....	63
SECTION 10.7. AMENDATORY ENDORSEMENT OF BONDS.	63
SECTION 10.8. WAIVER OF DEFAULT.....	63
SECTION 10.9. EXECUTION OF SUPPLEMENTAL INDENTURE.....	63
ARTICLE XI. DEFAULT AND REMEDIES.....	64
SECTION 11.1. EVENTS OF DEFAULT.....	64
SECTION 11.2. IMMEDIATE REMEDIES FOR DEFAULT.	65
SECTION 11.3. RESTRICTION ON OWNER'S ACTION.	65
SECTION 11.4. APPLICATION OF REVENUES AND OTHER MONEYS AFTER DEFAULT.....	66
SECTION 11.5. EFFECT OF WAIVER.	67
SECTION 11.6. EVIDENCE OF OWNERSHIP OF BONDS.....	67
SECTION 11.7. NO ACCELERATION.....	68
SECTION 11.8. MAILING OF NOTICE.....	68
SECTION 11.9. EXCLUSION OF BONDS.	68
ARTICLE XII. GENERAL COVENANTS AND REPRESENTATIONS	68
SECTION 12.1. REPRESENTATIONS AS TO TRUST ESTATE.	68
SECTION 12.2. GENERAL.....	69
ARTICLE XIII. SPECIAL COVENANTS	69
SECTION 13.1. FURTHER ASSURANCES; DUE PERFORMANCE.....	69
SECTION 13.2. OTHER OBLIGATIONS OR OTHER LIENS; REFUNDING BONDS.	69
SECTION 13.3. BOOKS OF RECORD.	69
ARTICLE XIV. PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE.....	70
SECTION 14.1. TRUST IRREVOCABLE.	70
SECTION 14.2. SATISFACTION OF INDENTURE.....	70
SECTION 14.3. BONDS DEEMED PAID.	70
ARTICLE XV. MISCELLANEOUS.....	71
SECTION 15.1. BENEFITS OF INDENTURE LIMITED TO PARTIES.	71
SECTION 15.2. SUCCESSOR IS DEEMED INCLUDED IN ALL REFERENCES TO PREDECESSOR.....	71
SECTION 15.3. EXECUTION OF DOCUMENTS AND PROOF OF OWNERSHIP BY OWNERS.....	71
SECTION 15.4. NO WAIVER OF PERSONAL LIABILITY.	72

SECTION 15.5. NOTICES TO AND DEMANDS ON CITY AND TRUSTEE.	72
SECTION 15.6. PARTIAL INVALIDITY.	73
SECTION 15.7. APPLICABLE LAWS.	73
SECTION 15.8. PAYMENT ON BUSINESS DAY.	73
SECTION 15.9. COUNTERPARTS.	73
SECTION 15.10. NO BOYCOTT OF ISRAEL. ERROR! BOOKMARK NOT DEFINED.	
SECTION 15.11. NO TERRORIST ORGANIZATION.ERROR! BOOKMARK NOT DEFINED.	
SECTION 15.12. NO BOYCOTT OF ENERGY COMPANIES.ERROR! BOOKMARK NOT DEFINED.	
SECTION 15.13. NO DISCRIMINATION OF FIREARMS ENTITIES.....ERROR! BOOKMARK NOT DEFINED.	

INDENTURE OF TRUST

THIS INDENTURE, dated as of November 15, 2025, is by and between the CITY OF ANNA, TEXAS (the "*City*"), and REGIONS BANK, an Alabama state banking corporation with offices in Dallas, Texas, as trustee (together with its successors, the "*Trustee*"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, on February 15, 2022, a petition (the "*Petition*") was submitted and filed with the City Secretary of the City (the "*City Secretary*") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "*Act*" or "*PID Act*"), requesting the creation of a public improvement district located within the corporate limits of the City to be known as "*The Woods at Lindsey Place Public Improvement District*" (the "*District*"); and

WHEREAS, the Petition contained the signatures of the owners of taxable real property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Collin Central Appraisal District, and the signatures of record property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on January 24, 2023, the City Council of the City (the "*City Council*") adopted Resolution No. 2023-01-1362 accepting the Petition and calling a public hearing on the creation of the District on February 14, 2023; and

WHEREAS, on February 14, 2023, after due notice, the City Council held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the Petition as required by Section 372.009 of the PID Act and, on February 14, 2023, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2023-02-1378 adopted by the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, following the adoption of Resolution No. 2023-02-1378, the City recorded said Resolution No. 2023-02-1378 in the real property records of Collin County, Texas as Document No. 2023000015008; and

WHEREAS, on February 14, 2023, the City Council called for a public hearing to be held to consider the proposed Improvement Area #1 Assessment Roll, the Original Service and Assessment Plan and the levy of the Improvement Area #1 Assessments on the Improvement Area #1 Assessed Property, and on February 17, 2023, the City (i) published notice of such public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction of the City where the proposed improvements were to be undertaken pursuant to Section 372.016(b) of the Act and (ii) mailed notice of such public hearing to the last known address of the owners of the property liable for the Improvement Area #1 Assessments pursuant to Section 372.016(c) of the Act; and

WHEREAS, the City Council convened the public hearing on March 14, 2023, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Original Service and Assessment Plan, the Improvement Area #1 Assessment Roll and the Improvement Area #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Improvement Area #1 Assessments, the allocation of Improvement Area #1 Project Costs, the purposes of the Improvement Area #1 Assessments, the special benefits of the Improvement Area #1 Assessments and the penalties and interest on annual installments and on delinquent annual installments of the Improvement Area #1 Assessments; and

WHEREAS, at the March 14, 2023 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Original Service and Assessment Plan, the allocation of Improvement Area #1 Project Costs, the Improvement Area #1 Assessment Roll or the levy of the Improvement Area #1 Assessments; and

WHEREAS, the City Council closed the public hearing and, after considering all written and documentary evidence presented at the public hearing, including all written comments and statements filed with the City, at the meeting held on March 14, 2023, approved and accepted the Original Service and Assessment Plan in conformity with the requirements of the PID Act and adopted Ordinance No. 1036-2023-03 (the “*2023 Assessment Ordinance*”), which 2023 Assessment Ordinance approved the Improvement Area #1 Assessment Roll and levied the Improvement Area #1 Assessments, and which 2023 Assessment Ordinance was recorded in the real property records of Collin County, Texas as Document No. 2023000070650; and

WHEREAS, on September 12, 2023, the City Council adopted Ordinance No. 1073-2023 (the “*2023 Bond Ordinance*”), which approved and adopted a 2023 Amended and Restated Service and Assessment Plan (the “*2023 Amended and Restated Service and Assessment Plan*”), including an amended Improvement Area #1 Assessment Roll, to reflect the sale of the Improvement Area #1 Bonds (as defined in the Service and Assessment Plan), which Improvement Area #1 Bonds were authorized pursuant to a separate indenture and secured by the 2023 Assessment Ordinance, as amended by the 2023 Bond Ordinance, which 2023 Bond Ordinance was recorded in the real property records of Collin County, Texas as Document No. 2023000107559; and

WHEREAS, on August 13, 2024, the City Council called for a public hearing to be held to consider the proposed Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, the 2024 Amended and Restated Service and Assessment Plan, the levy of the Improvement Area #2-A Assessments on the Improvement Area #2-A Assessed Property, and the levy of the Improvement Area #2-B Assessments on the Improvement Area #2-B Assessed Property, and on August 15, 2024, the City (i) published notice of such public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction of the City where the proposed improvements are to be undertaken pursuant to Section 372.016(b) of the Act and (ii) mailed notice of such public hearing to the last known address of the owners of the property liable for the Improvement Area #2-A Assessments and the Improvement Area #2-B Assessments, pursuant to Section 372.016(c) of the Act; and

WHEREAS, the City Council convened the public hearing on August 27, 2024, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the 2024 Amended and Restated Service and Assessment

Plan, the Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, the Improvement Area #2-A Assessments, and the Improvement Area #2-B Assessments, and to offer testimony pertinent to any issue presented on the amount of the Improvement Area #2-A Assessments or the Improvement Area #2-B Assessments, the allocation of Actual Costs of the Improvement Area #2-A Projects or Improvement Area #2-B Projects, the purposes of the Improvement Area #2-A Assessments or the Improvement Area #2-B Assessments, the special benefits of the Improvement Area #2-A Assessments or the Improvement Area #2-B Assessments and the penalties and interest on annual installments and on delinquent annual installments of the Improvement Area #2-A Assessments and Improvement Area #2-B Assessments; and

WHEREAS, at the August 27, 2025 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the 2024 Amended and Restated Service and Assessment Plan, the allocation of the Actual Costs of the Improvement Area #2-A Projects or the Improvement Area #2-B Projects, Improvement Area #2-A Assessment Roll or the Improvement Area #2-B Assessment Roll, or the levy of the Improvement Area #2-A Assessments or the Improvement Area #2-B Assessments; and

WHEREAS, the City Council closed the public hearing and, after considering all written and documentary evidence presented at the public hearing, including all written comments and statements filed with the City, at the meeting held on August 27, 2024, approved and accepted the 2024 Amended and Restated Service and Assessment Plan in conformity with the requirements of the PID Act and adopted Ordinance No. 1118-2024-08 (the “*2024 Assessment Ordinance*”), which 2024 Assessment Ordinance approved the Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, and levied the Improvement Area #2-A Assessments and Improvement Area #2-B Assessments, and which 2024 Assessment Ordinance was recorded in the real property records of Collin County, Texas as Document No. 2024000106083; and

WHEREAS, on February 25, 2025, in order to correct certain technical omissions in the 2024 Assessment Ordinance, the City Council adopted Ordinance No. 1139-2025-02 (the “*2025 Amendatory Ordinance*”), which amended the 2024 Assessment Ordinance and re-approved and ratified the 2024 Amended and Restated Service and Assessment Plan and the levy of the Improvement Area #2-A Assessments and the Improvement Area #2-B Assessments, which 2025 Amendatory Ordinance was recorded in the real property records of Collin County, Texas as Document No. 2025000022914; and

WHEREAS, on October 27, 2025, the City Council called for a public hearing to be held to consider the proposed Improvement Area #3 Assessment Roll, the 2025 Amended and Restated Service and Assessment Plan (including an updated Improvement Area #2-A Assessment Roll and an updated Improvement Area #2-B Assessment Roll), the levy of the Improvement Area #3 Assessments on the Improvement Area #3 Assessed Property, and on November [], 2025, the City (i) published notice of such public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction of the City where the proposed improvements are to be undertaken pursuant to Section 372.016(b) of the Act and (ii) mailed notice of such public hearing to the last known address of the owners of the property liable for the Improvement Area #3 Assessments, pursuant to Section 372.016(c) of the Act; and

WHEREAS, the City Council convened the public hearing on November 17, 2025, at which all persons who appeared, or requested to appear, in person or by their attorney, were given

the opportunity to contend for or contest the 2025 Amended and Restated Service and Assessment Plan (including an updated Improvement Area #2-A Assessment Roll and an updated Improvement Area #2-B Assessment Roll) (the “*Service and Assessment Plan*”), the Improvement Area #3 Assessment Roll, and the Improvement Area #3 Assessments, and to offer testimony pertinent to any issue presented on the amount or allocation of the Improvement Area #3 Assessments, the allocation of Actual Costs of the Improvement Area #3 Projects, the purposes of the Improvement Area #3 Assessments, the special benefits of the Improvement Area #3 Assessments and the penalties and interest on annual installments and on delinquent annual installments of the Improvement Area #3 Assessments; and

WHEREAS, at the November 17, 2025 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Improvement Area #3 Projects, Improvement Area #3 Assessments, or the levy of the Improvement Area #3 Assessments; and

WHEREAS, the City Council closed the public hearing and, after considering all written and documentary evidence presented at the public hearing, including all written comments and statements filed with the City, at the meeting held on November 17, 2025, approved and accepted the 2025 Amended and Restated Service and Assessment Plan in conformity with the requirements of the PID Act and adopted Ordinance No. ____-2025-11 (the “*2025 Assessment Ordinance*”), which 2025 Assessment Ordinance approved the Service and Assessment Plan, including the Improvement Area #3 Assessment Roll, updated the Improvement Area #2-A Assessment Roll and Improvement Area #2-B Assessment Roll to reflect the sale of the herein authorized Bonds, and levied the Improvement Area #3 Assessments on the Improvement Area #3 Assessed Property; and

WHEREAS, the City Council is authorized by the PID Act to issue revenue bonds payable from the respective Assessment for the purpose of (i) paying a portion of the Actual Costs of the Improvement Areas #2-3 Projects, , (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization of the District and (iv) paying the costs of issuance of the Bonds; and

WHEREAS, the City Council now desires to issue its revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Anna, Texas, Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects)" (the "*Bonds*"), such Bonds being payable solely from the Trust Estate and for the purposes set forth in this preamble; and

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

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

FIRST GRANTING CLAUSE

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

SECOND GRANTING CLAUSE

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

THIRD GRANTING CLAUSE

Any and all proceeds of the foregoing property and proceeds from the investment of the foregoing property;

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

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

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

IN ADDITION, the Bonds are special limited obligations of the City payable solely from the Trust Estate, as and to the extent provided in this Indenture. The Bonds do not give rise to a charge against the general credit or taxing powers of the City and are not payable except as provided in this Indenture. Notwithstanding anything to the contrary herein, the Owners of the Bonds shall never have the right to demand payment thereof out of any funds of the City other than the Trust Estate. The City shall have no legal or moral obligation to pay for the Bonds out of any funds of the City other than the Trust Estate.

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

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. **Definitions.**

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

“*2023 Amended and Restated Service and Assessment Plan*” has the meaning assigned thereto in the preambles to this Indenture.

“*2023 Assessment Ordinance*” has the meaning assigned thereto in the preambles to this Indenture.

“*2023 Bond Ordinance*” has the meaning assigned thereto in the preambles to this Indenture.

“*2024 Amended and Restated Service and Assessment Plan*” has the meaning assigned thereto in the preambles to this Indenture.

“*2024 Assessment Ordinance*” has the meaning assigned thereto in the preambles to this Indenture.

“*2025 Amendatory Ordinance*” has the meaning assigned thereto in the preambles to this Indenture.

“*2025 Assessment Ordinance*” has the meaning assigned thereto in the preambles to this Indenture.

“*Account*”, in the singular, means any of the accounts established pursuant to Section 6.1 of this Indenture, and “*Accounts*”, in the plural, means, collectively, all of the accounts established pursuant to Section 6.1 of this Indenture.

“*Actual Costs*” means, as applicable in the relevant context, the actual costs of constructing or acquiring the Improvement Area #2-A Projects, the Improvement Area #2-B Projects, or the Improvement Area #3 Projects, paid by or on behalf of the Developer (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of the Improvement Areas #2-3 Projects; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for the Improvement Areas #2-3 Projects; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Improvement Areas #2- 3 Projects; (5) all related permitting and public approval expenses, architectural, engineering, consulting, and governmental fees and charges and (6) costs to implement, administer, and manage the above-

described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

“Additional Interest” means the 0.50% additional interest charged on the applicable Assessment pursuant to Section 372.018 of the PID Act.

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

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

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

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

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

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

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

“Assessed Property” means any Parcel within the District against which an Assessment is levied, as provided in the Service and Assessment Plan.

“Assessment” means, as applicable in the relevant context, the Improvement Area #2-A Assessment, the Improvement Area #2-B Assessment, and the Improvement Area #3 Assessment.

“Assessment Ordinance” means, as applicable in the relevant context, (i) with respect to the Improvement Area #2-A Assessment and the Improvement Area #2-B Assessment, the 2024 Assessment Ordinance, as amended by the 2025 Amendatory Ordinance, and (ii) with respect to the Improvement Area #3 Assessment, the 2025 Assessment Ordinance, as each may be amended or supplemented from time to time.

“Assessment Revenues” means the applicable revenues received by the City from the collection of applicable Assessment, including Prepayments, each Annual Installment and Foreclosure Proceeds.

“Assessment Roll” means, as applicable in the relevant context, the respective document attached to the Service and Assessment Plan as Exhibit G-1, Exhibit G-3 or Exhibit H-1, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and the PID Act.

“Attorney General” means the Attorney General of the State.

“Authorized Denomination” means \$100,000 and any integral multiple of \$1,000 in excess thereof. The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and any attempt to accomplish either of the foregoing shall be void and of no effect.

“Authorized Improvements” means, as applicable in the relevant context, the improvements authorized by Section 372.003 of the PID Act, as depicted on Exhibit I-1, Exhibit I-3, and Exhibit I-4 to the Service and Assessment Plan, and described in Section III of the Service and Assessment Plan.

“Bond” means any of the Bonds.

“Bond Counsel” means McCall, Parkhurst & Horton L.L.P. or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the Fund established pursuant to Section 6.1 and administered pursuant to Section 6.4 of this Indenture.

“Bond Improvement Account of the Project Fund” means, as applicable in the relevant context, the Improvement Area #2-A Bond Improvement Account, the Improvement Area #2-B Bond Improvement Account, and the Improvement Area #3 Bond Improvement Account within the Project Fund established pursuant to Section 6.1 of this Indenture.

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

“Bond Ordinance” means the ordinance adopted by the City Council on November 17, 2025 authorizing the issuance of the Bonds pursuant to this Indenture and approving the Service and Assessment Plan reflecting the issuance of the Bonds.

“Bond Pledged Revenue Account” means the Account in the Pledged Revenue Fund established pursuant to Section 6.1 of this Indenture.

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

“Bonds” means the City’s bonds authorized to be issued by Section 3.1 of this Indenture entitled “City of Anna, Texas, Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects)” and, in the event the City issues Refunding Bonds pursuant to Section 13.2 hereof, the term “Bonds” shall include such Refunding Bonds.

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

“Certificate for Payment” means a certificate substantially in the form of Exhibit B attached to the Reimbursement Agreement and executed by a Person approved by the City Representative that is delivered to the City Representative and the Trustee specifying the amount of work performed and the Costs thereof, and requesting payment for such Costs from money on deposit in the Project Fund as further described in the Reimbursement Agreement and Section 6.5 of this Indenture.

“City Order” means a certificate containing written instructions by the City, signed by the City Representative and delivered to the Trustee.

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

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

“Comptroller” means the Comptroller of Public Accounts of the State.

“Costs of Issuance Account” means the Account in the Project Fund established pursuant to Section 6.1 of this Indenture.

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

“Delinquency and Prepayment Reserve Account” means the reserve account administered by the City and segregated from other funds of the City and established by Section 6.1 of this Indenture.

“Delinquency and Prepayment Reserve Requirement” means an amount equal to 5.5% of the principal amount of the then Outstanding Bonds to be funded from Additional Interest deposited to the Pledged Revenue Fund and transferred to the Delinquency and Prepayment Reserve Account.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent Annual Installment of an Assessment in accordance with §372.018(b) of the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorneys’ fees.

“Delivery Date” means December 18, 2025, which is the date of delivery of the Bonds to the initial purchaser or purchasers thereof against payment therefor.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office designated by the Paying Agent/Registrar, which shall initially be located in Dallas, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“Developer” means D.R. Horton – Texas, Ltd, a Texas limited partnership, and any successor thereto.

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

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

“Foreclosure Proceeds” means the proceeds, including interest and penalty interest, received by the City from the enforcement of an Assessment against any Assessed Property, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

“Fund”, in the singular, means any of the funds established pursuant to Section 6.1 of this Indenture, and *“Funds”*, in the plural, means, collectively, all of the funds established pursuant to Section 6.1 of this Indenture.

“Improvement Area #2” means approximately 56.703 acres located within the District, as more specifically depicted on Exhibit A-2 to the SAP. Improvement Area #2 is comprised of Improvement Area #2-A, as more specifically described in Exhibit M-3 to the SAP, and Improvement Area #2-B, as more specifically described in Exhibit M-4 to the SAP.

“Improvement Area #2 Improvements” mean those Authorized Improvements that confer a special benefit to all of the Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property, as further described in Section III.C and depicted on Exhibit I-3 to the Service and Assessment Plan.

“Improvement Area #2 Projects” means, collectively, (1) the Improvement Area #2-A Projects; and (2) the Improvement Area #2-B Projects.

“Improvement Area #2-A” means approximately 29.229 acres located within Improvement Area #2 of the District, as more specifically described in Exhibit M-3 and depicted on Exhibit L-1 to the Service and Assessment Plan.

“Improvement Area #2-A Assessed Property” means any Parcel within Improvement Area #2-A against which an Improvement Area #2-A Assessment is levied.

“Improvement Area #2-A Assessment” means an Assessment levied against Improvement Area #2-A Assessed Property to pay the Actual Costs of the Improvement Area #2-A Authorized Improvements, which Improvement Area #2-A Assessment is imposed pursuant to the 2024 Assessment Ordinance, as amended, and the provisions of the SAP, as shown on the Improvement Area #2-A Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in Section VI of the SAP and in the PID Act.

“Improvement Area #2-A Assessment Roll” means the Assessment Roll for the Improvement Area #2-A Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth in the SAP and in the PID Act, including any updates prepared in connection with the issuance of Bonds or any Annual Service Plan Updates. The Improvement Area #2-A Assessment Roll is included in the SAP as Exhibit G-1.

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

“Improvement Area #2-A Improvements” means the Authorized Improvements that confer a special benefit to all the Improvement Area #2-A Assessed Property, as further described in Section III.D and depicted on Exhibit I-3 to the SAP.

“Improvement Area #2-A Projects” means, collectively, (1) the pro rata portion of the Major Improvements allocable to Improvement Area #2-A; (2) the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-A; and (3) the Improvement Area #2-A Improvements.

“Improvement Area #2-B” means approximately 27.474 acres located within Improvement Area #2 of the District, as more specifically described in Exhibit M-4, and depicted on Exhibit L-2.

“Improvement Area #2-B Assessed Property” means any Parcel within Improvement Area #2-B against which an Improvement Area #2-B Assessment is levied.

“Improvement Area #2-B Assessment” means an Assessment levied against Improvement Area #2-B Assessed Property to pay the Actual Costs of the Improvement Area #2-B Authorized Improvements, which Improvement Area #2-B Assessment is imposed pursuant to the 2024 Assessment Ordinance, as amended, and the provisions of the Service and Assessment Plan, as shown on the Improvement Area #2-B Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in Section VI of the Service and Assessment Plan and in the PID Act.

“Improvement Area #2-B Assessment Roll” means the Assessment Roll for the Improvement Area #2-B Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in the PID Act, including any updates prepared in connection with the issuance of Bonds or any Annual Service Plan Updates. The Improvement Area #2-B Assessment Roll is included in Service and Assessment Plan as Exhibit G-3.

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

“Improvement Area #2-B Improvements” means the Authorized Improvements that confer a special benefit to all the Improvement Area #2-B Assessed Property, as further described in Section III.E and depicted on Exhibit I-3 to the Service and Assessment Plan.

“Improvement Area #2-B Projects” means, collectively, (1) the pro rata portion of the Major Improvements allocable to Improvement Area #2-B; (2) the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-B; and (3) the Improvement Area #2-B Improvements.

“Improvement Area #3” means approximately 83.940 acres located within the District, more specifically described in Exhibit M-5 and depicted on Exhibit A-2 to the Service and Assessment Plan.

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

“Improvement Area #3 Assessed Property” means any Parcel within Improvement Area #3 against which an Improvement Area #3 Assessment is levied.

“Improvement Area #3 Assessment” means an Assessment levied against Improvement Area #3 Assessed Property to pay the Actual Costs of the Improvement Area #3 Authorized Improvements, which Improvement Area #3 Assessment is imposed pursuant to the 2025 Assessment Ordinance and the provisions of the Service and Assessment Plan, as shown on the Improvement Area #3 Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in Section VI of the Service and Assessment Plan and in the PID Act.

“Improvement Area #3 Assessment Roll” means the Assessment Roll for the Improvement Area #3 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in the PID Act, including any updates prepared in connection with the issuance of Bonds or any Annual Service Plan Updates. The Improvement Area #3 Assessment Roll is included in the Service and Assessment Plan as Exhibit H-1.

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

“Improvement Area #3 Improvements” means the Authorized Improvements which only benefit the Improvement Area #3 Assessed Property, as further described in Section III.B and depicted on Exhibit I-4 to the Service and Assessment Plan.

“Improvement Area #3 Projects” means, collectively (1) the pro rata portion of the Major Improvements allocable to Improvement Area #3 and (2) the Improvement Area #3 Improvements.

“Improvement Areas #2-3 Projects” means, collectively, the Improvement Area #2-A Projects, the Improvement Area #2-B Projects, and the Improvement Area #3 Projects.

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

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

“Initial Bonds” means the Initial Bonds authorized by Section 5.2 of this Indenture.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 15 and September 15 of each year, commencing September 15, 2026.

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

“Major Improvements” has the meaning assigned thereto in the Service and Assessment Plan.

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

“Original Service and Assessment Plan” has the meaning assigned thereto in the preambles to this Indenture.

“Outstanding” means, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in Article IV, (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.10 and (iv) Bond alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Indenture.

“Owner” means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.11.

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

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

“Person” or *“Persons”* means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

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

“Pledged Revenue Fund” means that Fund established pursuant to Section 6.1 and administered pursuant to Section 6.3 of this Indenture.

“Pledged Revenues” means, collectively, the (i) Assessment Revenues (excluding the portion of the applicable Assessment and Annual Installment collected for the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan,), (ii) the moneys held in any of the Pledged Funds and (iii) any additional revenues that the City may pledge to the payment of the Bonds.

“Prepayment” means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an

Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

“Principal and Interest Account” means the Account in the Bond Fund established pursuant to Section 6.1 of this Indenture.

“Project Fund” means that Fund established pursuant to Section 6.1 and administered pursuant to Section 6.5.

“Purchaser” means the initial purchaser of the Bonds.

“Rebatable Arbitrage” means rebatable arbitrage as defined in Section 1.148-3 of the Treasury Regulations.

“Rebate Fund” means that Fund established pursuant to Section 6.1 and administered pursuant to Section 6.8 of this Indenture.

“Record Date” means the close of business on the last Business Day of the month next preceding an Interest Payment Date.

“Redemption Fund” means that Fund established pursuant to Section 6.1 and administered pursuant to Section 6.6.

“Redemption Price” means, when used with respect to any Bond or portion thereof, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, plus accrued and unpaid interest on such Bond to the date fixed for redemption payable upon redemption thereof pursuant to this Indenture.

“Refunding Bonds” means bonds issued to refund all or any portion of the Outstanding Bonds and secured by a parity lien with the Outstanding Bonds on the Trust Estate, as more specifically described in the indenture authorizing such Refunding Bonds.

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

“Reimbursement Agreement” means that certain Remainder Area Funding and Reimbursement Agreement, The Woods at Lindsey Place Public Improvement District, entered into and effective as of December 17, 2024 between the City and the Developer, as may be amended and/or supplemented from time to time.

“Reserve Account” means the Account in the Reserve Fund established pursuant to Section 6.1 of this Indenture.

“Reserve Fund” means that Fund established pursuant to Section 6.1 and administered pursuant to Section 6.7.

“Reserve Fund Obligations” means cash or Investment Securities.

“Reserve Account Requirement” means the least of: (i) Maximum Annual Debt Service on the Bonds as of the date of issuance, (ii) 125% of average Annual Debt Service on the Bonds as of the date of issuance, and (iii) 10% of the principal amount of the Bonds; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to Section 6.7(c); and provided further that as a result of (1) an optional redemption pursuant to Section 4.3 or (2) an extraordinary optional redemption pursuant to Section 4.4, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the Delivery Date, the Reserve Account Requirement is \$_____ which is an amount equal to the Reserve Account Requirement defined above.

“Service and Assessment Plan” and *“SAP”* means the 2025 Amended and Restated Service and Assessment Plan, approved by the Assessment Ordinance, which replaced the 2024 Amended and Restated Service and Assessment Plan in its entirety, and which is attached as Exhibit A to the 2025 Assessment Ordinance, as may be updated annually or amended and supplemented from time to time.

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

“Special Record Date” has the meaning set forth in in the form of Bond included in Section 5.2.

“State” means the State of Texas.

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

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

“Treasury Regulations” shall have the meaning assigned to such term in Section 7.5(c).

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

“Trustee” means Regions Bank, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds.

“Value of Investment Securities” means the amortized value of any Investment Securities, provided, however, that all United States of America, United States Treasury Obligations – State and Local Government Series shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable. The computations shall include accrued interest on the investment securities paid as a part of the purchase price thereof and not collected. For the purposes of this definition “amortized

value,” when used with respect to a security purchased at par means the purchase price of such security and when used with respect to a security purchased at a premium above or discount below par, means as of any subsequent date of valuation, the value obtained by dividing the total premium or discount by the number of interest payment dates remaining to maturity on any such security after such purchase and by multiplying the amount as calculated by the number of interest payment dates having passed since the date of purchase and (i) in the case of a security purchased at a premium, by deducting the product thus obtained from the purchase price, and (ii) in the case of a security purchased at a discount, by adding the product thus obtained to the purchase price.

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

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

Section 1.4. Interpretation.

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

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

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

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

(a) The Bonds, as to principal, interest and redemption premium, if any, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

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

Section 2.2. Limited Obligations.

The Bonds are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate; and the Bonds shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

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

Section 2.4. Contract with Owners and Trustee.

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

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

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the PID Act. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Improvement Areas #2-3 Projects, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization of the District and (iv) paying the costs of issuance of the Bonds.

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

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

(b) Interest shall accrue and be paid on each Bond from the later of the Delivery Date or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below, or on a date of earlier redemption, or otherwise provided for. Such interest shall be payable semiannually on March 15 and September 15 of each year, commencing September 15, 2026, computed on the basis of a 360-day year of twelve 30-day months.

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

<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
20__		
20__		
20__		

(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in Section 5.2.

Section 3.3. Conditions Precedent to Delivery of Bonds.

The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (a) a certified copy of each Assessment Ordinance and the 2025 Amendatory Ordinance;
- (b) a certified copy of the Bond Ordinance;
- (c) a copy of the executed Reimbursement Agreement;
- (d) a copy of this Indenture executed by the Trustee and the City;
- (e) an executed City Order directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee;
- (f) an executed Signature and No-Litigation Certificate;
- (g) an executed opinion of Bond Counsel; and
- (h) the approving opinion of the Attorney General of the State and the State Comptroller's registration certificate.

Section 3.4. Medium, Method and Place of Payment.

- (a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.
- (b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date or Special Record Date, as applicable.
- (c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.
- (d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.
- (e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State, any such payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State.

Section 3.5. Execution and Registration of Bonds.

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

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

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

(d) On the Delivery Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, will be delivered to the Purchaser or its designee. Upon payment for the Initial Bond, the Trustee shall cancel the Initial Bond and deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Refunding Bonds.

(a) Except in accordance with the provisions of this Indenture, including Section 13.2, the City shall not issue additional bonds, notes or other obligations payable from any portion of the Trust Estate, other than Refunding Bonds. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds or Outstanding Refunding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State of Texas. Except as limited by the terms of this Indenture, including Section 13.2, the City reserves the right to incur debt payable from sources other than the Trust Estate, including revenue derived from contracts with other entities, including private corporations, municipalities and political subdivisions issued particularly for the purchase, construction, improvement, extension, replacement, enlargement or repair of the facilities needed in performing any such contract.

(b) The principal of all Refunding Bonds must be scheduled to be paid, be subject to mandatory sinking fund redemption or mature on September 15 of the years in which such principal is scheduled to be paid. All Refunding Bonds must bear interest at a fixed rate and any interest payment dates for Refunding Bonds must be March 15 and September 15. The date, rate or rates of interest on, interest payment dates, maturity dates, redemption and all other terms and provisions of Refunding Bonds shall be set forth in a Supplemental Indenture.

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

Section 3.7. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not such Bond is overdue, and none of the City, the Trustee or the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

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

Section 3.8. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar

represents and warrants that it will maintain a copy of the Register, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

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

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

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

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

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

Section 3.9. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. Whenever in this Indenture provision is made for the cancellation by the Trustee of any Bonds, the Trustee shall dispose of cancelled Bonds in accordance with its record retention policies.

Section 3.10. Temporary Bonds.

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

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

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

Section 3.11. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

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

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

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

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

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

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

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

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

Section 3.12. Book-Entry-Only System.

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

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the

sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the Record Date or Special Record Date, as applicable, the word “Cede & Co.” in this Indenture shall refer to such new nominee of DTC.

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

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

Section 3.14. Payments to Cede & Co.

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

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

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

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds maturing on September 15 in the years 20__, 20__, and 20__ (collectively, the “*Term Bonds*”), are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

Term Bonds maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

Term Bonds maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

* Stated Maturity.

(b) At least thirty (30) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by this Indenture, the Trustee shall select by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such mandatory sinking fund redemption, as provided in Section 4.6.

(c) The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 30 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The Sinking Fund Installments of Term Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced in integral multiples of \$1,000 by any portion of such Bonds, which, at least 30 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in Sections 4.3 and 4.4, respectively, hereof, and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

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

Section 4.4. Extraordinary Optional Redemption.

The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on any date, at the Redemption Price, from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)) or any other transfers to the Redemption Fund under the terms of this Indenture.

Section 4.5. Partial Redemption.

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

(b) If less than all of the Bonds are called for optional redemption pursuant to Section 4.3 hereof, the Trustee shall rely on directions provided in a City Order in selecting the Bonds to be redeemed.

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

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

Section 4.6. Notice of Redemption to Owners.

(a) Upon written direction from the City to the Trustee of the exercise of any redemption provision provided hereunder, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

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

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

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

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

Section 4.7. Payment Upon Redemption.

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

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

Section 4.8. Effect of Redemption.

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

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

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

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

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

Section 5.2. **Form of the Bonds.**

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED
NO. _____

United States of America
State of Texas

REGISTERED
\$ _____

CITY OF ANNA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2025
(THE WOODS AT LINDSEY PLACE
PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREAS #2-3 PROJECTS)

INTEREST RATE	MATURITY DATE	DELIVERY DATE	CUSIP NUMBER
_____%	September 15, 20__	December 18, 2025	_____

The City of Anna, Texas (the “City”), for value received, hereby promises to pay, solely from the Trust Estate, to

or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Delivery Date, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 15 and September 15 of each year, commencing September 15, 2026.

Capitalized terms appearing herein that are defined terms in the Indenture (defined below) have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the “*Designated Payment/Transfer Office*”), of Regions Bank, as trustee and paying agent/registrar (the “*Trustee*”), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest

on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last Business Day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated as of the Delivery Date and issued in the aggregate principal amount of \$_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of November 15, 2025 (the "*Indenture*"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Improvement Areas #2-3 Projects, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the costs incidental to the organization of the District and (iv) paying the costs of issuance of the Bonds.

The Bonds are special, limited obligations of the City payable solely from the Trust Estate. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

IN THE INDENTURE, THE CITY HAS RESERVED THE RIGHT to issue Refunding Bonds payable from and secured by a first lien on, security interest in, and pledge of the sources described above on a parity with this Bond.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in denominations of \$100,000 and any multiple of \$1,000 in excess thereof ("*Authorized Denominations*"). Except to the extent permitted by the Indenture, the City prohibits the breaking up or allocation of CUSIP numbers to any Bond or Bonds in denominations of less than \$100,000, and any attempt to do so will be void and of no effect.

The Bonds maturing on September 15 in the years 20__, 20__ and 20__ (collectively, "*Term Bonds*"), are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the respective sinking fund installments as set forth in the following schedule:

Term Bonds maturing September 15, 20__

[illegible]

Term Bonds maturing September 15, 20__

[illegible]

Term Bonds maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

* Stated Maturity.

At least thirty (30) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 30 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The Sinking Fund Installments of Term Bonds required to be redeemed on any mandatory sinking fund redemption shall be reduced in integral multiples of \$1,000 by any portion of such Bonds, which, at least 30 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in the Indenture and not previously credited to a mandatory sinking fund redemption.

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

The Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on any date, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments or any other transfers to the Redemption Fund under the terms of the Indenture.

A portion of an Outstanding Bond of any one maturity may be redeemed, but only in a principal amount equal to \$1,000 or any integral thereof. If a portion of an Outstanding Bond of a maturity is selected for redemption pursuant to the Indenture, the Trustee shall select the Outstanding Bonds of such maturity to be redeemed in accordance with the Indenture. The Trustee shall treat each \$1,000 portion of such Bond as though it were a single Bond for purposes of

selection for redemption. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

If less than all of the Bonds are called for optional redemption, the Trustee shall rely on directions provided in a City Order in selecting the Bonds to be redeemed.

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

Upon written direction from the City to the Trustee of the exercise of any redemption provision provided under the Indenture, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or portion thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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

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

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture

also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

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

City Secretary

Mayor

[CITY SEAL]

(b) Form of Comptroller's Registration Certificate.

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
THE STATE OF TEXAS §

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

REGIONS BANK
as Trustee

DATED: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name and address, including zip code, of Transferee.)

(Social Security or other identifying number: _____) the within Bond and all rights hereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this section, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date, as specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 15 in each of the years, in the principal amounts and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
-------------	----------------------------------	------------------------------

(Information to be inserted from Section 3.2(c)); and

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

Section 5.3. CUSIP Registration.

The City may secure identification numbers through CUSIP Global Services, managed by S&P Global Markets Intelligence on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and none of the City, the attorneys approving said Bonds as to legality or the Trustee are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. Except as authorized under Section 4.5 hereof, the City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and any attempt to accomplish either of the foregoing shall be void and of no effect. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Bondholders and that neither the City nor the Trustee shall be liable for any inaccuracies in such numbers.

Section 5.4. Legal Opinion.

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

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

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

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Reserve Fund;
- (v) Redemption Fund;
- (vi) Rebate Fund; and
- (vii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Accounts are hereby created and established under the Bond Fund:

(A) Principal and Interest Account.

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

(A) Reserve Account; and

(B) Delinquency and Prepayment Reserve Account.

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

(A) Improvement Area #2-A Bond Improvement Account;

(B) Improvement Area #2-B Bond Improvement Account;

(C) Improvement Area #3 Bond Improvement Account; and

(D) Costs of Issuance Account.

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

(A) Bond Pledged Revenue Account.

(c) Each Fund and each Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds. Amounts on deposit in the Funds and Accounts shall be used solely for the purposes set forth herein.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) to the Reserve Account of the Reserve Fund: \$_____, which is equal to the initial Reserve Account Requirement;

- (ii) to the Improvement Area #2-A Bond Improvement Account of the Project Fund: \$_____;
- (iii) to the Improvement Area #2-B Bond Improvement Account of the Project Fund: \$_____;
- (iv) to the Improvement Area #3 Bond Improvement Account of the Project Fund: \$_____;
- (v) to the Costs of Issuance Account of the Project Fund: \$_____; and
- (vi) to the Administrative Fund: \$_____.

Section 6.3. Pledged Revenue Fund.

(a) Immediately upon receipt thereof, the City shall transfer to the Trustee for deposit to the Pledged Revenue Fund each Assessment and Annual Installment, other than the portion of each Assessment and Annual Installment allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, which shall be deposited to the Administrative Fund in accordance with Section 6.9 hereof. Specifically, following the initial deposit to the Pledged Revenue Fund, the City shall transfer or cause to be transferred the following amounts from the Pledged Revenue Fund to the following Accounts: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund, an amount sufficient to pay debt service on the Bonds next coming due, and (ii) second, if necessary, to the Reserve Account of the Reserve Fund, an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement. Notwithstanding the foregoing, the Additional Interest shall only be utilized for the purposes set forth in Section 6.7 hereof and, immediately following the initial deposit to the Pledged Revenue Fund, prior to any other transfers or deposits being made under this Section 6.3(a), if the Delinquency and Prepayment Reserve Account of the Reserve Fund does not contain the Delinquency and Prepayment Reserve Requirement and Additional Interest is collected, then all such Additional Interest will be transferred into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement is met. In addition, in the event the City owes Rebatable Arbitrage to the United States Government pursuant to Section 6.8 hereof, the City shall provide written direction to the Trustee to transfer to the Rebate Fund, prior to any other transfer under this Section 6.3(a), the full amount of Rebatable Arbitrage owed by the City, as provided in Sections 6.8 and 6.10(f) hereof. If any funds remain on deposit in the Pledged Revenue Fund after the foregoing deposits and the deposits of Prepayments and Foreclosure Proceeds, as described below, are made, the City shall have the option, in its sole and absolute discretion, to use such excess funds for any one or more of the following purposes: (1) pay other costs of the Authorized Improvements, (2) pay other costs permitted by the PID Act, or (3) deposit such excess into the Redemption Fund to redeem Bonds as provided in Article IV. Along with each transfer to the Trustee, the City shall provide a certificate as to the funds, accounts and payments into which the amounts are to be deposited or paid.

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

Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

(d) The Trustee shall transfer Prepayments to the Redemption Fund promptly after deposit of such amounts into the Pledged Revenue Fund.

(e) Promptly after the deposit of Foreclosure Proceeds into the Pledged Revenue Fund, the Trustee shall transfer such Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Accounts within the Reserve Fund made with respect to the particular Assessed Property to which the Foreclosure Proceeds relate (first to replenish the Reserve Account Requirement, and second to replenish the Delinquency and Prepayment Reserve Requirement), and second, to the Redemption Fund.

(f) After satisfaction of the requirement to provide for the final payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the Reserve Fund, the Trustee shall transfer any Pledged Revenues remaining in the Pledged Revenue Fund for the purposes set forth in Section 6.3(a) hereof, as directed by the City in a City Order.

Section 6.4. Bond Fund.

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

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

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7, there are insufficient funds to make the payments provided in paragraph (a) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1.

(b)

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

(2) Disbursements from the Bond Improvement Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The funds from the respective Bond Improvement Account of the Project Fund shall be disbursed in accordance with a Certificate for Payment as described in the Reimbursement Agreement. Each such Certificate for Payment shall include a list of the payees and the payments to be made to such payees as well as a statement that all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such Certificate for Payment or in the invoices submitted therewith and the Trustee may rely on such payment instructions with no duty to investigate or inquire as to the authenticity of or authorization for the invoice or the payment instructions contained therein.

(c) Except as provided in Section 6.5(d) and (f), money on deposit in the Improvement Area #2-A Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #2-A Projects, money on deposit in the Improvement Area #2-B Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #2-B Projects, and money on deposit in the Improvement Area #3 Bond Improvement Account of the Project Fund shall be used solely to pay Actual Costs of the Improvement Area #3 Projects.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in any Bond Improvement Account of the Project Fund are not expected to be expended for purposes of such Bond Improvement Account of the Project Fund due to the abandonment, or constructive abandonment, of one or more of the Improvement Areas #2-3 Projects such that, in the opinion of the City Representative, it is unlikely that the amounts in such Bond Improvement Account of the Project Fund will ever be expended for the purposes of the respective Bond Improvement Account of the Project Fund, the City Representative shall file a City Order with the Trustee which identifies the amounts then on deposit in the applicable Bond Improvement Account of the Project Fund that are not expected to be used for purposes of such Bond Improvement Account of the Project Fund. If such City Order is so filed, the identified amounts on deposit in such Bond Improvement Account of the Project Fund shall be transferred to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Order filed with the Trustee. Upon such transfers, the applicable Bond Improvement Account of the Project Fund shall be closed.

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

(f) Upon the filing of a City Order stating that all Improvement Area #2-A Projects, Improvement Area #2-B Projects, or Improvement Area #3 Projects, as applicable in the relevant context, have been completed and that all Actual Costs have been paid with respect thereto, or that any Actual Costs are not required to be paid from the respective Bond Improvement Account of

the Project Fund pursuant to a Certificate for Payment, the Trustee shall transfer the amount, if any, remaining within the respective Bond Improvement Account of the Project Fund to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Order filed with the Trustee. Upon such transfer, the respective Bond Improvement Account of the Project Fund shall be closed.

(g) Upon a determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Principal and Interest Account and used to pay interest on the Bonds, as directed in a City Order filed with the Trustee, and the Costs of Issuance Account shall be closed.

(h) In the event the Developer has not completed the Improvement Areas #2-3 Projects by December 18, 2030, then the City may provide written direction to the Trustee to (i) transfer all funds on deposit in the Bond Improvement Accounts of the Project Fund to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof. Upon such transfers, the Bond Improvement Accounts of the Project Fund shall be closed.

Section 6.6. Redemption Fund.

The Trustee shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate and, when accumulated, maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture. The Trustee will transfer from the Pledged Revenue Fund to the Delinquency and Prepayment Reserve Account on March 15 of each year, commencing March 15, 2026, an amount equal to the Additional Interest until the Delinquency and Prepayment Reserve Requirement has been accumulated in the Delinquency and Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Delinquency and Prepayment Reserve Account is less than Delinquency and Prepayment Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement has accumulated in the Delinquency and Prepayment Reserve Account. In calculating the amounts to be transferred pursuant to this Section, the Trustee may conclusively rely on the Annual Installment as shown on the applicable Assessment Roll in the Service and Assessment Plan unless and until it receives a City Order directing that a different amount be used. The Additional Interest shall continue to be collected and deposited pursuant to this Section 6.7 until the Bonds are no longer Outstanding.

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

(c) In the event of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to Section 4.4, the Trustee, pursuant to prior written directions from the City, shall transfer from the Reserve Account of the Reserve Fund to the Redemption Fund the amount specified in such directions, which shall be an amount equal to the principal amount of Bonds to be redeemed multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall or any additional amounts to permit the redemption of Bonds to be redeemed in minimum principal amounts of \$1,000 from the Delinquency and Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the request of a City Representative, the value of cash and Value of Investment Securities on deposit in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, (iii) to one or more Bond Improvement Accounts of the Project Fund to pay Actual Costs if such application and the expenditure of funds is expected to occur within three years of the date hereof, or (iv) to the Redemption Fund to be applied to the redemption of the Bonds.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amounts on deposit in the Delinquency and Prepayment Reserve Account exceed the Delinquency and Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess, and such excess shall be transferred, at the direction of the City pursuant to a City Order, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund. In the event that the Trustee does not receive a City Order directing the transfer of such excess to the Administrative Fund within 45 days of providing notice to the City of such excess, the Trustee shall transfer such excess to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof and provide the City with written notification of the transfer. The Trustee shall incur no liability for the accuracy or validity of the transfer so long as the Trustee made such transfer in full compliance with this Section.

(f) Reserved.

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

(h) At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Delinquency and Prepayment Reserve Account shall be transferred to the Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

(i) If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account the amount of such deficiency, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

(j) If the amount held in the Reserve Fund together with the amount held in the Pledged Revenue Fund, the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next date the Bonds may be optionally redeemed by the City at a redemption price of par, together with the unpaid interest accrued on such Bonds as of such date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds on such date.

Section 6.8. Rebate Fund: Rebatable Arbitrage.

(a) The Rebate Fund is to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code. The Rebate Fund shall not be part of the Trust Estate and shall not be security for the Bonds.

(b) In order to assure that Rebatable Arbitrage is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the City's federal tax certificate for the Bonds, as further set forth in written directions from the City to the Trustee. The Trustee may conclusively rely on such written instructions as set forth in this Section and shall not be responsible for any loss or liability resulting from the investment of funds under this Section, but only so long as the Trustee follows such written instructions in all respects.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and shall not be liable or responsible if it follows the written instructions of the City and shall not be required to take any action under this Section in the absence of instructions from the City.

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

Section 6.9. Administrative Fund.

(a) Immediately upon receipt thereof, the City shall deposit or cause to be deposited to the Administrative Fund the portion of each Assessment and Annual Installment allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan.

(b) Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Order solely for the purposes set forth in the Service and Assessment Plan, including payment of Annual Collection Costs and Delinquent Collection Costs. The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds.

Section 6.10. **Investment of Funds.**

(a) Money in any Fund or Account, other than the Reserve Fund, shall be invested by the Trustee in Investment Securities as directed by the City pursuant to a City Order filed with the Trustee; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or Account will be available at the proper time or times. Money in the Reserve Fund shall be invested in such Investment Securities as directed by the City pursuant to a City Order filed with the Trustee, provided that the final maturity of any individual Investment Security shall not exceed 270 days and the average weighted maturity of any investment pool or no-load money market mutual fund shall not exceed 90 days. Each such City Order shall be a certification, upon which the Trustee may conclusively rely without investigation or inquiry, that the investment directed therein constitutes an Investment Security and that such investments meet the maturity and average weighted maturity requirements set forth in the preceding sentence. Such investments shall be valued each year in terms of the Value of Investment Securities as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in the Funds and Accounts may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default under this Indenture. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is hereby directed to invest and re-invest cash balances in investments authorized and permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, and only so long as such investments constitute Investment Securities and the money required to be expended from any Fund will be available at the proper time or times.

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

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the legality of any investments.

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

(e) The Trustee will furnish to the City, upon the City's written request, periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

(f) In the event it is found, after an annual calculation has been done pursuant to Section 6.8 hereof, that the City owes Rebatale Arbitrage to the United States Government, the City shall direct the Trustee, pursuant to a City Order, to transfer to the Rebate Fund the investment earnings on funds on deposit in the Pledged Funds in an amount equal to the Rebatale Arbitrage owed by the City. The City Order shall specify the amount to be transferred and the Pledged Fund or Pledged Funds from which the investment earnings shall be transferred.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Assessment.

The City hereby confirms, covenants, and agrees that, in the applicable Assessment Ordinance, it has levied the Assessment against the Assessed Property from which the Assessment Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessment.

(a) For so long as any Bonds are Outstanding, the City covenants, agrees and warrants that it will take and pursue all reasonable actions permissible under Applicable Laws to cause each Assessment to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement or exemption in each Assessment.

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

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

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

Section 7.3. Against Encumbrances.

(a) Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

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

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any Bonds are Outstanding, it will keep and maintain a proper and complete system of records and accounts pertaining to each Assessment. The Trustee and holder or holders of any Bonds or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized

representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than twenty days after the City receives such request.

Section 7.5. Covenants Regarding Tax Exemption of Interest on Bonds.

(a) The City covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Bonds as an obligation described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Article or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Bonds being treated as a "private activity bond" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Bonds, other than investment property acquired with –

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of refunding bonds, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds or refunding bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the Delivery Date) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(10) to file or cause to be filed with the Secretary of the Treasury, not later than the fifteenth (15th) day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code and the applicable Treasury Regulations promulgated thereunder;

(11) to assure that the proceeds of the Bonds will be used solely for new money projects; and

(12) to establish reasonable expectations to prevent using the proceeds of the Bonds in contravention of the requirements of section 149(g) of the Code (relating to hedge bonds).

(b) In order to facilitate compliance with the above covenant (a)(9), the Rebate Fund is established by the City pursuant to Section 6.1 for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered Owner. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto (the "*Treasury Regulations*"). In the event that regulations or rulings

are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, City Manager and Finance Director to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, that may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for Costs on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Improvement Areas #2-3 Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the Delivery Date, or (2) the date the Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) The City covenants that the projects funded with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains a legal opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

ARTICLE VIII

LIABILITY OF CITY

Section 8.1. Liability of City.

(a) Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the Bonds, and, except for the Trust Estate, no City taxes, fee or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds or any

other obligations relating to the District. The City shall never be liable for any obligations relating to the Bonds or other obligations relating to the District, other than as specifically provided for in this Indenture.

(b) The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or event of default thereunder.

(c) In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

(d) No provision of this Indenture, the Bonds, any Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (collectively, the “*Bond Documents*”), shall require the City to expend or risk its own general funds or other funds or otherwise incur any financial liability (other than with respect to the Trust Estate) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

(e) Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City’s failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from the Trust Estate. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

(f) The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of

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

(g) In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Acceptance of Trust; Trustee as Registrar and Paying Agent.

(a) The Trustee accepts and agrees to execute the respective trusts imposed upon it by this Indenture, but only upon the terms and conditions and subject to the provisions of this Indenture to all of which the parties hereto and the respective Owners of the Bonds agree. No implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) The Trustee is hereby designated and agrees to act as Paying Agent/Registrar for and with respect to the Bonds.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified, to the extent permitted by law, to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that in no event shall the Trustee request or require indemnification as a condition to making any deposits, payments or transfers (provided such payment or transfer is prior to an Event of Default) when required hereunder, or to deliver any notice when required hereunder. To the extent permitted by law and during the occurrence of an Event of Default, the Trustee shall be entitled to indemnification as a condition to making any deposits, payments or transfers when required hereunder, or to delivering any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or exercise any such rights and powers as Trustee, and in such case the Trustee may make transfers from the Administrative Fund, and to the extent money in the Administrative Fund is insufficient, from the Pledged Revenue Fund, to pay all fees, costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall, to the extent permitted by law, be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

(a) The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for and undertakes no duty to verify the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; (iv) any calculation of arbitrage or rebate under the Code; (v) any loss suffered in connection with any investment of funds in accordance with this Indenture; or (vi) to undertake any other action unless specifically authorized pursuant to a written direction by the City or pursuant to this Indenture.

(b) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture. The Trustee will, prior to any Event of Default and after curing of any Event of Default, perform such duties and only such duties as are specifically set forth herein. The Trustee will, during the existence of an Event of Default, exercise such rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs.

(c) The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Improvement Areas #2-3 Projects. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(d) The Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts.

(e) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture.

(f) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys, or receivers, and shall not be responsible for any misconduct or negligence on the part of any agent, attorney, or receiver

appointed or chosen by it with due care, and the Trustee shall be entitled to rely and act upon the opinion or advice of counsel, who may be counsel to the City, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys, and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel.

(g) The Trustee shall not be responsible for any recital herein (except with respect to the authentication certificate of the Trustee endorsed on the Bonds) or for the recording, filing, or refiling of this Indenture in connection therewith, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency or security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Indenture.

(h) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof or of any money paid to or upon the order of the City under any provision of this Indenture.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

(a) The Trustee may conclusively rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant that the Trustee shall in good faith reasonably believe to be qualified in relation to the subject matter or is selected by the City in accordance with this Indenture, and the Trustee shall be under no duty to make any investigation or inquiry into, and shall not be deemed to have knowledge of, any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel selected by the Trustee with due care that is nationally recognized in the field of municipal bond law, who may or may not be Bond Counsel, and any advice from such counsel with respect to compliance with the provisions of this Indenture shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it hereunder, reasonably and in good faith, in accordance with such advice.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Order, unless other evidence in respect thereof be hereby specifically prescribed. Such City Order shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but the Trustee may in lieu thereof accept

other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative. The Trustee shall be entitled to conclusively rely upon the foregoing as sufficient evidence of the facts set forth herein. The execution of any City Order shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent thereto have occurred.

(c) The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee, at the written direction of the City, shall transfer from the Administrative Fund, the previously determined and agreed upon, reasonable compensation for all services rendered by it hereunder, including its services as Paying Agent/Registrar and extraordinary services rendered, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, all pursuant to a City Order and subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by such City Order, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Bonds Outstanding. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if the Trustee has reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee shall make such payment from lawfully available funds in the Administrative Fund, and to the extent moneys in the Administrative Fund are insufficient then from any moneys in its possession under the provision of this Indenture and shall be entitled to a preference therefor over any Bonds Outstanding hereunder. The right of the Trustee to fees, expense, and indemnification, to the extent permitted by law, shall survive the release, discharge, and satisfaction of the Indenture.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the holders of a majority of the Bonds. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be liable for any permissive actions taken except as a consequence of its own negligence or misconduct.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 60 days' written notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor. Notwithstanding the foregoing, if, after 60 days following receipt of the notice, the City has not appointed a successor Trustee, the Trustee may apply to a court of competent jurisdiction to appoint a successor Trustee, at no expense to the City, and such resignation shall take effect upon the court's appointment of a successor Trustee.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority in aggregate Outstanding principal amount of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% in aggregate Outstanding principal amount of the Bonds.

Section 9.10. Successor Trustee.

(a) If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

(b) If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least 50% of the aggregate Outstanding principal amount of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

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

(d) If in a proper case no appointment of a successor Trustee shall be made within 60 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 or

after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

(e) Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

(f) Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and, upon the receipt of payment of its outstanding charges, shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee To File Continuation Statements.

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Trust Estate provided herein, and such pledge is, under current law, valid, effective and perfected. If necessary, the Trustee shall file or cause to be filed, at the City's expense, such continuation statements as may be delivered to the Trustee and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "*UCC*"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC; provided unless the Trustee is otherwise notified by the City, the Trustee may conclusively rely upon the initial filing statements delivered to it in filing any continuation statements hereunder. The Trustee is not responsible for the initial filing of any financing statements.

Section 9.14. Accounts, Periodic Reports and Certificates.

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

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

Section 9.16. Offering Documentation.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum, or any other disclosure material prepared or distributed with respect to the Bonds and, except as otherwise provided in the Continuing Disclosure Agreement of the Issuer approved in the Bond Ordinance, shall have no responsibility for compliance with any State or federal securities laws in connection with the Bonds.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of the Bonds of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding and City approval of such modification or amendment. No such modification or amendment shall (i) extend the maturity of any Bond or

reduce the principal of or interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, (ii) permit the creation by the City of any pledge or lien upon the Trust Estate, or any portion thereof, superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except for the issuance of Refunding Bonds or as otherwise permitted by Applicable Laws or this Indenture), or (iii) reduce the percentage of Owners of the Bonds required for the amendment hereof. Any such amendment shall not modify any of the rights or obligations of the Trustee without its written consent.

(b) This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law, and only for anyone or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

(iv) to authorize the issuance of Refunding Bonds pursuant to Section 13.2 hereof; and

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt reasonable rules and regulations for the conduct of said meeting; provided, however, that the same may not conflict with the terms of this Indenture. Without limiting the generality of the immediately preceding sentence, such rules and regulations may not reduce the percentage of Owners of Bonds required for the amendment of this Indenture as provided herein.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. A copy of such Supplemental

Indenture, together with a request to Owners for their consent thereto, if such consent is required pursuant to Section 10.1, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

(b) Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided and the City has delivered to the Trustee an opinion of Bond Counsel to the effect that such amendment is permitted and will not adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(c) After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 10.4. Procedure for Amendment Not Requiring Owner Consent.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. The City shall direct the Trustee to provide a copy of such Supplemental Indenture, together with a notice stating that the Supplemental Indenture does not require Owner consent, mailed by first class mail to each Owner of Bonds, but failure to mail copies of such Supplemental Indenture shall not affect the validity of the Supplemental Indenture. The Trustee shall retain the proof of its mailing of such notice. A record, consisting of the papers required by this Section 10.4, shall be proof of the matters therein stated until the contrary is proved.

(b) The Supplemental Indenture shall become effective upon the execution and delivery of such Supplemental Indenture by the Trustee and the City, and the Supplemental

Indenture shall be deemed conclusively binding upon the City, the Trustee and the Owners of all Bonds as of the date of such execution and delivery.

Section 10.5. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.6. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.7. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.8. Waiver of Default.

With the written consent of the Owners of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under this Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.9. Execution of Supplemental Indenture.

(a) In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(b) No such amendment shall modify any of the rights or obligations of the Trustee without its written consent. In executing or accepting any Supplemental Indenture, the Trustee

shall be fully protected in relying upon an opinion of qualified counsel addressed and delivered to the Trustee stating that (i) the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture, (ii) the execution and delivery of the Supplemental Indenture will not adversely affect the exclusion from federal gross income of the interest on the Bonds, and (iii) such Supplemental Indenture will, upon the execution and delivery thereof, to be a valid and binding obligation of the City.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an “Event of Default,” to wit:

(i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of each Assessment including the prosecution of foreclosure proceedings, in accordance with Section 7.2; and

(iii) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture, other than a default under (iv) below, and the continuation thereof for a period of ninety (90) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by the Trustee, which shall give such notice at the written request of the Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding; provided, however, if the default stated in the notice is capable of cure but cannot reasonably be cured within the applicable period, the City shall be entitled to a further extension of time reasonably necessary to remedy such default so long as corrective action is instituted by the City within the applicable period and is diligently pursued until such failure is corrected, but in no event for a period of time of more than one hundred eighty (180) days after such notice.

(iv) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days thereafter.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, then and in every such case the Trustee may proceed, and upon the written request of the Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding hereunder shall proceed, to protect and enforce the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

(b) PURSUANT TO SECTION 11.7, THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

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

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

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing as provided in Section 11.1, or of which by such Section it is deemed to

have notice, (ii) such default has become an Event of Default and the Owners of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee written evidence of indemnity as provided in Section 9.2, (iv) the Trustee has for 60 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds.

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

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2, be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

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

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

The Trustee shall make payments to the Owners of Bonds pursuant to this Section 11.4 within thirty (30) days of receipt of such good and available funds, and the record date shall be the date the Trustee receives such good and available funds.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Trust Estate.

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

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

(c) Subject to Section 7.2(d), the City will take all steps reasonably necessary and appropriate, and will provide written direction to the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of each Assessment and any other amounts pledged to the payment of the Bonds to the fullest extent permitted by the PID Act and other Applicable Laws.

Section 12.2. General.

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

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Obligations or Other Liens; Refunding Bonds.

(a) The City reserves the right to issue obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from Trust Estate, or any portion thereof.

(b) Other than Refunding Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, or any portion thereof, and will not do or omit to do or suffer to be done or omit to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; provided, however, that the City has reserved the right to issue bonds or other obligations secured by and payable from the Trust Estate so long as such pledge is subordinate to the pledge of the Trust Estate securing payment of the Bonds.

(c) Notwithstanding any contrary provision of this Indenture, but subject to Section 7.3, the City shall not issue additional bonds, notes or other obligations under this Indenture, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under this Indenture, other than Refunding Bonds. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds or Outstanding Refunding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealings, business and affairs of the City, which relate to the Trust Estate and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if this Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Deemed Paid.

(a) Any Outstanding Bonds shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding within the meaning of this Indenture (a "*Defeased Debt*"), and particularly this Article XIV, when payment of the principal of, premium, if any, on such Defeased Debt, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (1) shall have been made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust, and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment or (B) Defeasance Securities that mature as to principal and interest in such amount and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the

case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

(b) Any determination not to redeem Defeased Debt that is made in conjunction with the payment arrangements specified in Sections 14.3(a)(1) or 14.3(a)(2) shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the Defeased Debt for redemption; (2) the City gives notice of the reservation of that right to the Owners of the Defeased Debt immediately following the defeasance; (3) the City directs that notice of the reservation be included in any defeasance or redemption notices that it authorizes; and (4) at or prior to the time of the redemption, the City satisfies the conditions of clause (a) of this Section 14.3 with respect to such Defeased Debt as though it was being defeased at the time of the exercise of the option to redeem the Defeased Debt, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the Defeased Debt.

(c) Until all Defeased Debt shall have become due and payable, the Trustee and the Paying Agent/Registrar each shall perform the services of Trustee and Paying Agent/Registrar for such Defeased Debt the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Indenture.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

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

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

(a) Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

(b) Except as otherwise expressly provided herein, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged

to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

(c) Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

(d) Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. No Waiver of Personal Liability.

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

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

(a) Except as otherwise expressly provided herein, all notices or other instruments required or permitted under this Indenture shall be in writing and shall be delivered by hand, or mailed by first class mail, postage prepaid, and addressed as follows:

If to the City	City of Anna, Texas 120 W. 7th St. Anna, Texas 75409 Attn: City Manager Telephone: (972) 924-3325
----------------	---

If to the Trustee, initially also acting in the capacity of Paying Agent/Registrar	Regions Bank 1717 McKinney Avenue Dallas, Texas 75202 Attn: Corporate Trust Services Telephone: (214) 220-6158
--	--

(b) Any such notice, demand, or request may also be transmitted to the appropriate party by telegram or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

(c) Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(d) The Trustee shall mail to each Owner of a Bond notice of the redemption or defeasance of all Bonds Outstanding.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that anyone or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State applicable to contracts made and performed in the State.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

Section 15.10. Texas Government Code Verifications.

(a) The Trustee makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the "Government Code"), in entering into this Indenture. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Indenture shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Indenture, notwithstanding anything in this Indenture to the contrary.

(1) Not a Sanctioned Company. The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(2) No Boycott of Israel. The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Indenture. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(3) No Discrimination Against Firearm Entities. The Trustee 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 Indenture. 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.

(4) No Boycott of Energy Companies. The Trustee 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 Indenture. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

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

CITY OF ANNA, TEXAS

By: _____
Mayor

Attest:

City Secretary

(CITY SEAL)

REGIONS BANK
as Trustee

By: _____
Authorized Officer

THIS PAGE IS LEFT BLANK INTENTIONALLY.

APPENDIX C

SERVICE AND ASSESSMENT PLAN

THIS PAGE IS LEFT BLANK INTENTIONALLY.

The Woods at Lindsey Place Public Improvement District

2025 PRELIMINARY AMENDED & RESTATED SERVICE AND AS-
SESSMENT PLAN

OCTOBER 27TH, 2025



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

TABLE OF CONTENTS

Table of Contents	1
Introduction	3
Section I: Definitions	5
Section II: The District	16
Section III: Authorized Improvements	16
Section IV: Service Plan	24
Section V: Assessment Plan	24
Section VI: Terms of the Assessments	31
Section VII: Assessment Roll	37
Section VIII: Additional Provisions	37
Exhibits	40
Appendices	41
Exhibit A-1 – Map of the District	42
Exhibit A-2 – Map of Improvement Area #1, Improvement Area #2 & Improvement Area #3 ...	43
Exhibit A-3 – Lot Type Classification Maps	44
Exhibit B – Project Costs	48
Exhibit C – Service Plan	49
Exhibit D – Sources and Uses of Funds	50
Exhibit E – Maximum Assessment and Tax Rate Equivalent	51
Exhibit F-1 – Improvement Area #1 Assessment Roll	52
Exhibit F-2 – Improvement Area #1 Annual Installments	58
Exhibit G-1 – Improvement Area #2-A Assessment Roll	59
Exhibit G-2 –Improvement Area #2-A Annual Installments	61
Exhibit G-3 – Improvement Area #2-B Assessment Roll	62
Exhibit G-4 – Improvement Area #2-B Annual InstallmentS	66
Exhibit H-1 – Improvement Area #3 Assessment Roll	67
Exhibit H-2 - Improvement Area #3 Annual Installments	81
Exhibit I-1 – Maps of Major Improvements	82
Exhibit I-2 – Maps of Improvement Area #1 Improvements	86
Exhibit I-3 – Maps of Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements	90

Exhibit I-4 – Maps of Improvement Area #3 Improvements	93
Exhibit J – Form of Notice of Assessment Termination	98
Exhibit K-1 – Debt Service Schedule for Improvement Area #1 Bonds	101
Exhibit K-2 – Debt Service Schedule for Improvement Area #2-3 Bonds	102
Exhibit L-1 – Final Plat of Improvement Area #2-A.....	103
Exhibit L-2 – Final Plat of Improvement Area #2-B.....	105
Exhibit L-3 - Final Plats of Improvement Area #3	107
Exhibit M-1 – District Legal Description.....	113
Exhibit M-2 – Improvement Area #1 Legal Description.....	117
Exhibit M-3 – Improvement Area #2-A Legal Description	121
Exhibit M-4 – Improvement Area #2-B Legal Description	123
Exhibit M-5 – Improvement Area #3 Legal Description.....	127
Appendix A – Improvement Area #3 Engineers report	130
Appendix B – Buyer Disclosures.....	131
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #1 Lot Type 1	132
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #1 Lot Type 2.....	138
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #2-A Lot Type 3	144
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #2-B Lot Type 4	150
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #2-B Lot Type 5	156
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #3 Initial Parcel.....	162
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #3 Lot Type 6.....	168
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #3 Lot Type 7	174
The Woods at Lindsey Place Public Improvement District Buyer Disclosure Improvement Area #3 Lot Type 8.....	180

INTRODUCTION

Capitalized terms used in this 2025 Amended and Restated Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 2025 Amended and Restated Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section”, “Exhibit”, or an “Appendix” shall be a reference to a Section of this 2025 Amended and Restated Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes.

On February 14, 2023, the City Council passed and approved Resolution No. 2023-02-1378 authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon adoption as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 198.006 acres located within the corporate limits of the City, as described by the legal description on **Exhibit M-1** and depicted on **Exhibit A-1**.

On March 14, 2023, the City Council approved the Original Service and Assessment Plan and levied the Improvement Area #1 Assessments to finance the Improvement Area #1 Projects to be constructed for the benefit of the Improvement Area #1 Assessed Property within the District by approving Ordinance No. 1036-2023-03. The Original Service and Assessment Plan identified the Improvement Area #1 Authorized Improvements to be provided by the District, the costs of the Improvement Area #1 Authorized Improvements, the indebtedness to be incurred for the Improvement Area #1 Authorized Improvements, and the manner of assessing the property in the District for the costs of the Improvement Area #1 Authorized Improvements. The City also adopted an Assessment Roll for Improvement Area #1, identifying the Assessment on each Lot Type within Improvement Area #1, based on the method of assessment identified in the Original Service and Assessment Plan.

On September 12, 2023, the City Council approved the 2023 Amended and Restated Service and Assessment Plan by approving Ordinance No. 1073-2023 which served to amend and restate the Original Service and Assessment Plan in its entirety for the purposes of (1) issuing the Improvement Area #1 Bonds; and (2) updating the Improvement Area #1 Assessment Roll.

On August 27, 2024, the City Council approved the 2024 Amended and Restated Service and Assessment Plan by approving Ordinance No. 1118-2024-08 which served to amend and restate the 2023 Amended and Restated Service and Assessment Plan in its entirety for the purposes of (1) identifying the Improvement Area #2 Improvements, the Improvement Area #2-A Authorized Improvements, and the Improvement Area #2-B Authorized Improvements to be provided by the District; (2) identifying the costs of the Improvement Area #2 Improvements, the Improvement

Area #2-A Authorized Improvements, and the Improvement Area #2-B Authorized Improvements (3) identifying the indebtedness to be incurred for the Improvement Area #2-A Authorized Improvements, and the manner of assessing the Improvement Area #2-A Assessed Property for the costs of the Improvement Area #2-A Authorized Improvements; (4) identifying the indebtedness to be incurred for the Improvement Area #2-B Authorized Improvements, and the manner of assessing the Improvement Area #2-B Assessed Property for the costs of the Improvement Area #2-B Authorized Improvements; (5) levying the Improvement Area #2-A Assessment for Improvement Area #2-A Assessed Property; (6) levying the Improvement Area #2-B Assessment for Improvement Area #2-B Assessed Property; (7) updating the Improvement Area #1 Assessment Roll; (8) approving the Improvement Area #2-A Assessment Roll; and (9) approving the Improvement Area #2-B Assessment Roll.

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

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel as determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Improvement Area #1 Assessment Roll is included as **Exhibit F-1**. The Improvement Area #2-A Assessment Roll is included as **Exhibit G-1**. The Improvement Area #2-B Assessment Roll is included as **Exhibit G-3**. The Improvement Area #3 Assessment Roll is included as **Exhibit H-1**.

SECTION I: DEFINITIONS

“2023 Amended and Restated Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District Amended and Restated Service and Assessment Plan approved by the 2023 Assessment Ordinance which replaced the Original Service and Assessment Plan in its entirety.

“2023 Assessment Ordinance” means Ordinance No. 1036-2023-03 approved and adopted by the City Council on March 14, 2023, which levied the Improvement Area #1 Assessment against Improvement Area #1 Assessed Property, and approved the Original Service and Assessment Plan, as updated by Ordinance No. Ordinance No. 1073-2023 approved and adopted by the City Council on September 12, 2023, which approved the 2023 Amended and Restated Service and Assessment Plan.

“2024 Amended and Restated Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District 2025 Amended and Restated Service and Assessment Plan approved by the 2024 Assessment Ordinance which replaced the 2023 Amended and Restated Service and Assessment Plan in its entirety.

“2024 Assessment Ordinance” means Ordinance No. 1118-2024-08 approved and adopted by the City Council on August 28, 2024, as amended by Ordinance No. 1139-2025-02 on February 25, 2025, which levied the Improvement Area #2-A Assessment against Improvement Area #2-A Assessed Property, levied the Improvement Area #2-B Assessment against Improvement Area #2-B Assessed Property, and approved the 2024 Amended and Restated Service and Assessment Plan.

“2025 Amended and Restated Service and Assessment Plan” means this The Woods at Lindsey Place Public Improvement District 2025 Amended and Restated Service and Assessment Plan approved by the 2025 Assessment Ordinance which shall replace the 2024 Amended and Restated Service and Assessment Plan in its entirety.

“Actual Costs” mean with respect to Authorized Improvements, the actual costs of constructing or acquiring such Authorized Improvements, paid by or on behalf of the Developer (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5)

all related permitting and public approval expenses, architectural, engineering, consulting, and governmental fees and charges and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

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

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

“Administrator” means the City or independent firm designated by the City who shall have the responsibilities provided in this 2025 Amended and Restated Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this 2025 Amended and Restated Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

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

“Annual Service Plan Update” means an update to this 2025 Amended and Restated Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

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

“Assessment” means an assessment levied against Assessed Property, other than Non-Benefited Property and Non-Assessed Property, to pay the costs of certain Authorized Improvements as

specified herein, which Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, and is subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

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

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

“Assessment Roll” means any assessment roll for the Assessed Property, including the Improvement Area #1 Assessment Roll, the Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, and the Improvement Area #3 Assessment Roll, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds, if issued, or any Annual Service Plan Update.

“Authorized Improvements” means the improvements authorized by Section 372.003 of the PID Act, as depicted on **Exhibit I-1, Exhibit I-2, Exhibit I-3, and Exhibit I-4**, and described in **Section III**.

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

“City” means the City of Anna, Texas.

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

“County” means Collin County, Texas.

“Delinquent Collection Costs” mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this 2025 Amended and Restated Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Developer” means D.R. Horton – Texas, LTD., a Texas limited partnership, and any successors or assignees thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end-users.

“District” means The Woods at Lindsey Place Public Improvement District containing approximately 198.006 acres located within the corporate limits of the City, and more specifically described in **Exhibit M-1** and depicted on **Exhibit A-1**.

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

“Engineer’s Report” means a report provided by a licensed professional engineer that identifies the Authorized Improvements, including their costs, location, and benefit. The Engineer’s Report for the Improvement Area #3 Authorized Improvements is attached hereto as **Appendix A**.

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

“Improvement Area #1” means approximately 57.403 acres¹ located within the District, more specifically described in **Exhibit M-2**, and depicted on **Exhibit A-2**.

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

“Improvement Area #1 Assessed Property” means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

“Improvement Area #1 Assessment” means an Assessment levied against Improvement Area #1 Assessed Property to pay the Actual Costs of the Improvement Area #1 Authorized Improvements, which Improvement Area #1 Assessment is imposed pursuant to the 2023 Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll,

¹ Total acreage for any particular Improvement Area may vary if any area that is Non-Benefitted and is not assessed resides outside the boundary of the respective Improvement Area.

and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Improvement Area #1 Assessment Roll” means the Assessment Roll for the Improvement Area #1 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit F-1**.

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

“Improvement Area #1 Bonds” means those certain “City of Anna, Texas Special Assessment Revenue Bonds, Series 2023 (The Woods at Lindsey Place Public Improvement District Improvement Area #1 Project)” that are secured by Improvement Area #1 Assessments.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.B** and depicted on **Exhibit I-2**.

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

“Improvement Area #2” means approximately 55.530¹ acres located within the District, as more specifically depicted on **Exhibit A-2**. Improvement Area #2 is comprised of Improvement Area #2-A, as more specifically described in **Exhibit M-3**, and Improvement Area #2-B, as more specifically described in **Exhibit M-4**.

“Improvement Area #2 Improvements” mean those Authorized Improvements that confer a special benefit to all of the Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property, as further described in **Section III.C** and depicted on **Exhibit I-3**.

“Improvement Area #2 Projects” means, collectively, (1) the Improvement Area #2-A Projects; and (2) the Improvement Area #2-B Projects.

¹ Total acreage for any particular Improvement Area may vary if any area that is Non-Benefitted and is not assessed resides outside the boundary of the respective Improvement Area.

“Improvement Area #2-A” means approximately 31.176¹ acres located within Improvement Area #2 of the District, as more specifically described in **Exhibit M-3**, and depicted on **Exhibit L-1**.

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

“Improvement Area #2-A Assessed Property” means any Parcel within Improvement Area #2-A against which an Improvement Area #2-A Assessment is levied.

“Improvement Area #2-A Assessment” means an Assessment levied against Improvement Area #2-A Assessed Property to pay the Actual Costs of the Improvement Area #2-A Authorized Improvements, which Improvement Area #2-A Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #2-A Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Improvement Area #2-A Assessment Roll” means the Assessment Roll for the Improvement Area #2-A Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #2-A Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit G-1**.

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

“Improvement Area #2-A Improvements” means the Authorized Improvements that confer a special benefit to all the Improvement Area #2-A Assessed Property, as further described in **Section III.D** and depicted on **Exhibit I-3**.

“Improvement Area #2-A Projects” means, collectively, (1) the pro rata portion of the Major Improvements allocable to Improvement Area #2-A; (2) the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-A; and (3) the Improvement Area #2-A Improvements.

¹ Total acreage for any particular Improvement Area may vary if any area that is Non-Benefitted and is not assessed resides outside the boundary of the respective Improvement Area.

“Improvement Area #2-B” means approximately 24.354¹ acres located within Improvement Area #2 of the District, as more specifically described in **Exhibit M-4**, and depicted on **Exhibit L-2**.

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

“Improvement Area #2-B Assessed Property” means any Parcel within Improvement Area #2-B against which an Improvement Area #2-B Assessment is levied.

“Improvement Area #2-B Assessment” means an Assessment levied against Improvement Area #2-B Assessed Property to pay the Actual Costs of the Improvement Area #2-B Authorized Improvements, which Improvement Area #2-B Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #2-B Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Improvement Area #2-B Assessment Roll” means the Assessment Roll for the Improvement Area #2-B Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #2-B Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit G-3**.

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

“Improvement Area #2-B Improvements” means the Authorized Improvements that confer a special benefit to all the Improvement Area #2-B Assessed Property, as further described in **Section III.E** and depicted on **Exhibit I-3**.

“Improvement Area #2-B Projects” means, collectively, (1) the pro rata portion of the Major Improvements allocable to Improvement Area #2-B; (2) the pro rata portion of the Improvement Area #2 Improvements allocable to Improvement Area #2-B; and (3) the Improvement Area #2-B Improvements.

¹ Total acreage for any particular Improvement Area may vary if any area that is Non-Benefitted and is not assessed resides outside the boundary of the respective Improvement Area.

“Improvement Area #2-3 Bonds” means those certain “City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects)” that are secured by Improvement Area #2-A Assessments, Improvement Area #2-B Assessments, and Improvement Area #3 Assessments.

“Improvement Area #3” means approximately 84.946¹ acres located within the District, more specifically described in **Exhibit M-5**, and depicted on **Exhibit A-2**.

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

“Improvement Area #3 Assessed Property” means any Parcel within Improvement Area #3 against which an Improvement Area #3 Assessment is levied.

“Improvement Area #3 Assessment” means an Assessment levied against Improvement Area #3 Assessed Property to pay the Actual Costs of the Improvement Area #3 Authorized Improvements, which Improvement Area #3 Assessment is imposed pursuant to the 2025 Assessment Ordinance and the provisions herein, as shown on the Improvement Area #3 Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Improvement Area #3 Assessment Roll” means the Assessment Roll for the Improvement Area #3 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #3 Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit H-1**.

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

“Improvement Area #3 Improvements” means the Authorized Improvements which only benefit the Improvement Area #3 Assessed Property, as further described in **Section III.B** and depicted on **Exhibit I-4**.

¹ Total acreage for any particular Improvement Area may vary if any area that is Non-Benefitted and is not assessed resides outside the boundary of the respective Improvement Area.

“Improvement Area #3 Initial Parcel” means all of the Improvement Area #3 Assessed Property against which the entire Improvement Area #3 Assessment was levied at the time of the City Council approved this 2025 Amended and Restated Service and Assessment Plan.

“Improvement Area #3 Projects” means, collectively (1) the pro rata portion of the Major Improvements allocable to Improvement Area #3; and (2) the Improvement Area #3 Improvements.

“Indenture” means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended or supplemented from time to time, between the City and the Trustee setting forth the terms and conditions related to a series of PID Bonds.

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

“Lot Type” means a classification of final building Lots with similar characteristics (e.g., lot size, home product, Estimated Buildout Value, etc.), as determined at the time of the applicable levy of Assessments and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Developer, and confirmed by the City Council, as shown on **Exhibit E**, and the anticipated Lot Type classification map is identified on **Exhibit A-3**. The buyer disclosure for each Lot Type is attached in **Appendix B**.

“Lot Type 1” means a Lot within Improvement Area #1 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 1 is attached in **Appendix B**.

“Lot Type 2” means a Lot within Improvement Area #1 marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 2 is attached in **Appendix B**.

“Lot Type 3” means a Lot within Improvement Area #2 marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 3 is attached in **Appendix B**.

“Lot Type 4” means a Lot within Improvement Area #2 marketed to homebuilders as a 40’ Lot. The buyer disclosure for Lot Type 4 is attached in **Appendix B**.

“Lot Type 5” means a Lot within Improvement Area #2 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 5 is attached in **Appendix B**.

“Lot Type 6” means a Lot within Improvement Area #3 marketed to homebuilders as a townhome Lot. The buyer disclosure for Lot Type 6 is attached in **Appendix B**.

“Lot Type 7” means a Lot within Improvement Area #3 marketed to homebuilders as a 40’ Lot. The buyer disclosure for Lot Type 7 is attached in **Appendix B**.

“Lot Type 8” means a Lot within Improvement Area #3 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 8 is attached in **Appendix B**.

“Major Improvements” mean those Authorized Improvements that confer a special benefit to all of the Assessed Property, Apportioned Property, and Non-Assessed Property, as further described in **Section III.A** and depicted on **Exhibit I-1**.

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

“Non-Assessed Property” means Parcels located outside the boundary of the District that accrue special benefit from the Authorized Improvements, as determined by the City Council, but are not assessed. The Non-Assessed Property consists of multifamily area of approximately 36.5 acres and commercial area of approximately 4.3 acres. The Developer has agreed to pay for the portion of the Actual Costs of the Authorized Improvements that benefit the Non-Assessed Property.

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

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

“Original Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District Service and Assessment Plan that was approved by the 2023 Assessment Ordinance.

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

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

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

“Prepayment” means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

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

“Private Improvements” means improvements required to be constructed, or caused to be constructed, by the Developer to deliver final Lots and that are not Authorized Improvements. Costs of the Private Improvements will not be paid nor reimbursed from the proceeds of PID Bonds or otherwise from revenues received from the collection of Annual Installments.

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

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

SECTION II: THE DISTRICT

The District includes approximately 198.006 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described by the legal description on **Exhibit M-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 949 Lots developed with 858 Lots classified as single-family and 91 Lots classified as townhome.

Improvement Area #1 includes approximately 57.403 contiguous acres, the boundaries of which are more particularly described by the legal description on **Exhibit M-2** and depicted on **Exhibit A-2**. Development of Improvement Area #1 includes 218 Lots developed with single-family homes (188 single-family homes classified as Lot Type 1, and 30 single-family homes classified as Lot Type 2).

Improvement Area #2 includes approximately 55.530 acres, the boundaries of which are more particularly depicted on **Exhibit A-2**. Improvement Area #2 is comprised of (1) Improvement Area 2-A, as more particularly described by the legal description on **Exhibit M-3** and depicted on **Exhibit L-1**, consisting of approximately 31.176 contiguous acres; and (2) Improvement Area #2-B, as more particularly described by the legal description on **Exhibit M-4** and depicted on **Exhibit L-2**, consisting of approximately 24.354 contiguous acres. Development of Improvement Area #2-A is anticipated to include approximately 75 Lots developed with single-family homes (75 single-family homes classified as Lot Type 3) and Improvement Area #2-B is anticipated to include approximately 123 Lots developed with single-family homes (26 single-family homes classified as Lot Type 4, and 97 single-family homes classified as Lot Type 5).

Improvement Area #3 includes approximately 84.996 contiguous acres, the boundaries of which are more particularly described by the legal description on **Exhibit M-5** and depicted on **Exhibit A-2**. Development of Improvement Area #3 includes 533 Lots developed with single-family homes (91 single-family homes classified as Lot Type 6, 340 single-family homes classified as Lot Type 7, and 102 single-family homes classified as Lot Type 8).

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Authorized Improvements confer a special benefit on the Assessed Property, Apportioned Property, and Non-Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The budget for the Authorized Improvements, the allocation of the Major Improvements costs, and the allocation of the Improvement Area #2 costs is shown on **Exhibit B**.

A. Major Improvements

- *Excavation*

Excavation improvements include excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way benefiting the entire District.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service to the entire District.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage to the entire District.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service to the entire District.

- *Paving*

Paving improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of the District.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, District Formation Costs, and costs associated with financing the Major Improvements.

B. Improvement Area #1 Improvements

- *Erosion Control*

Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances

necessary to provide erosion control for all Lots within Improvement Area #1.

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #1.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #1.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #1.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #1.

- *Street Lights*

Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement Area #1.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs

associated with financing the Improvement Area #1 Improvements.

C. Improvement Area #2 Improvements

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #2 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2 Improvements.

D. Improvement Area #2-A Improvements

- *Erosion Control*

Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances necessary to provide erosion control for all Lots within Improvement Area #2-A.

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-A.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2-A.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2-A.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2-A.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-A.

- *Street Lights*

Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement

Area #2-A.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #2-A Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2-A Improvements.

E. Improvement Area #2-B Improvements

- *Erosion Control*

Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances necessary to provide erosion control for all Lots within Improvement Area #2-B.

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-B.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #2-B.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2-B.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #2-B.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #2-B.

- *Street Lights*

Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement Area #2-B.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #2-B Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #2-B Improvements.

F. Improvement Area #3 Improvements

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #3.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #3.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #3.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within

Improvement Area #3.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #3.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #3 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs associated with financing the Improvement Area #3 Improvements.

G. Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds.

- *Underwriter's Counsel Fee*

Equals a percentage of the par amount of a particular series of PID Bonds reserved for the underwriter's attorney fees.

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

H. Other Costs

- *Deposit to Administrative Fund*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for Improvement Area #1, Improvement Area #2 and Improvement Area #3. Pursuant to the PID Act and Section 5.014 of the Texas Property Code, as amended, this 2025 Amended and Restated Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in an Annual Service Plan Update to reflect any budget revisions and Actual Costs.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property and Apportioned Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this 2025 Amended and Restated Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the Assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs related to the Authorized Improvements were and shall be allocated as follows:

- The costs of the Major Improvements were allocated to the District and the Non-Assessed Property pro rata based upon acreage at the time of the Original Service and Assessment Plan. The District was allocated 84.68% of the Major Improvements and the Non-Assessed Property was allocated 15.32%. See **Exhibit B** for the allocation of the Major Improvements between the District and the Non-Assessed Property.
- The costs of the Major Improvements² allocated to the District, shall be allocated to each Assessed Property, as applicable, pro rata based on the Estimated Buildout Value of all Assessed Property at the time of the applicable Assessment Ordinance. At the time of the 2023 Amended and Restated Service and Assessment Plan, Improvement Area #1 Assessed Property was allocated 25.12% of the Major Improvements costs. At the time of the 2024 Amended and Restated Service and Assessment Plan, the Improvement Area #2-A Assessed Property² was allocated 8.02%, and the Improvement Area #2-B Assessed Property² was allocated 17.90% of the Major Improvement costs. At the time of this 2025 Amended and Restated Service and Assessment Plan, the Improvement Area #3 Assessed Property shall be allocated 54.70% of the Major Improvement costs. See **Exhibit B** for the allocation of the Major Improvements
- The costs of the Improvement Area #1 Improvements were allocated to each Improvement Area #1 Assessed Property based on the ratio of the Estimated Buildout Value of each Lot Type designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property at the time of the 2023 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #2 Improvements² were allocated to Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property pro rata based on the Estimated Buildout Value of all Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property. At the time of the 2024 Amended and Restated Service and Assessment Plan, Improvement Area #2-A Assessed Property² was allocated 30.93% of the Improvement Area #2 Improvements costs and Improvement

² These percentages have been updated to reflect recorded final plats, which increased Lot counts in Improvement Area #2-A, However, the cost of the Authorized Improvements did not change.

Area #2-B² was allocated 69.07% of the Improvement Area #2 Improvements costs. See **Exhibit B** for the allocation of the Improvement Area #2 Improvements between Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property.

- The costs of the Improvement Area #2-A Authorized Improvements were allocated to each Improvement Area #2-A Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #2-A Assessed Property to the Estimated Buildout Value of all Improvement Area #2-A Assessed Property at the time of the 2024 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #2-B Authorized Improvements were allocated to each Improvement Area #2-B Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #2-B Assessed Property to the Estimated Buildout Value of all Improvement Area #2-B Assessed Property at the time of the 2024 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #3 Authorized Improvements shall be allocated to each Improvement Area #3 Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #3 Assessed Property to the Estimated Buildout Value of all Improvement Area #3 Assessed Property. Currently, the Improvement Area #3 Initial Parcel is the only Parcel within Improvement Area #3, and as such, the Improvement Area #3 Initial Parcel is allocated 100% of the Improvement Area #3 Authorized Improvements.

B. Assessments

The Improvement Area #1 Assessment was levied on the Improvement Area #1 Assessed Property at the time the City Council approved the 2023 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #2-A Assessment was levied on the Improvement Area #2-A Assessed Property at the time the City Council approved the 2024 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #2-A Assessment Roll, attached hereto as **Exhibit G-1**. The projected Improvement Area #2-A Annual Installments are shown on **Exhibit G-2** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #2-B Assessment was levied on the Improvement Area #2-B Assessed Property at the time the City Council approved the 2024 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #2-B Assessment Roll, attached

hereto as **Exhibit G-3**. The projected Improvement Area #2-B Annual Installments are shown on **Exhibit G-4** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #3 Assessments will be levied on the Improvement Area #3 Initial Parcel in the amount on the Improvement Area #3 Assessment Roll, attached hereto as **Exhibit H-1**. The projected Improvement Area #3 Annual Installments are shown on **Exhibit H-2**. Upon division or subdivision of the Improvement Area #3 Initial Parcel, the Improvement Area #3 Assessments will be reallocated pursuant to **Section VI**, and are subject to revisions made in any Annual Service Plan Update.

The Maximum Assessment for each current Lot Type within the District is shown on **Exhibit E**. In no case will the Assessment for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8, respectively, exceed the corresponding Maximum Assessment for each Lot classification.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has found and determined:

- *Improvement Area #1*
 - The costs of the Improvement Area #1 Authorized Improvements equal \$9,896,676 as shown on **Exhibit B**; and
 - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #1 Authorized Improvements; and
 - With the adoption of the 2023 Assessment Ordinance, the Improvement Area #1 Assessed Property was allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Authorized Improvements, which equaled \$7,419,000 as shown on the debt service schedule of the official statement for Improvement Area #1 Bonds attached hereto as **Exhibit K-1**, and outstanding in the amount of \$7,176,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**; and
 - The special benefit expected at the time the City Council approved the Original Service and Assessment Plan ($\geq \$9,896,676$) received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Authorized Improvements were equal to or greater than the amount of the Improvement Area #1

Assessment (\$7,419,000) levied on the Improvement Area #1 Assessed Property for the Improvement Area #1 Authorized Improvements; and

- At the time the City Council approved the 2023 Assessment Ordinance, the Developer owned 100% of the Improvement Area #1 Assessed Property. The Developer acknowledged that the Improvement Area #1 Authorized Improvements conferred a special benefit on the Improvement Area #1 Assessed Property and consented to the imposition of the Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2023 Assessment Ordinance; (2) the Original Service and Assessment Plan and the 2023 Assessment Ordinance; and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Assessed Property.
- *Improvement Area #2-A*
 - The costs of Improvement Area #2-A Authorized Improvements equal \$4,874,222, as shown on **Exhibit B**; and
 - Improvement Area #2-A Assessed Property receives special benefit from the Improvement Area #2-A Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #2-A Authorized Improvements; and
 - With the adoption of the 2024 Assessment Ordinance, the Improvement Area #2-A Assessed Property was allocated 100% of the Improvement Area #2-A Assessment levied for the Improvement Area #2-A Authorized Improvements, which equaled \$1,753,814 and is outstanding in the amount of \$1,731,000 as shown on the Improvement Area #2-A Assessment Roll attached hereto as **Exhibit G-1**; and
 - The special benefit ($\geq \$4,874,222$) received by the Improvement Area #2-A Assessed Property from the Improvement Area #2-A Authorized Improvements is equal to or greater than the amount of the Improvement Area #2-A Assessment (\$1,753,814) levied on the Improvement Area #2-A Assessed Property for the Improvement Area #2-A Authorized Improvements; and
 - At the time the City Council approved the 2024 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #2-A Assessed Property. The Developer acknowledged that the Improvement Area #2-A Authorized Improvements confer a special benefit on the Improvement Area #2-A Assessed Property and consented to the imposition of the Improvement Area #2-A Assessment to pay for the Actual Costs associated therewith. The Developer

ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2024 Assessment Ordinance; (2) the 2024 Amended and Restated Service and Assessment Plan and the 2024 Assessment Ordinance; and (3) the levying of the Improvement Area #2-A Assessment on the Improvement Area #2-A Assessed Property.

▪ *Improvement Area #2-B*

- The costs of Improvement Area #2-B Authorized Improvements equal \$7,694,769, as shown on **Exhibit B**; and
- Improvement Area #2-B Assessed Property receives special benefit from the Improvement Area #2-B Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #2-B Authorized Improvements; and
- With the adoption of the 2024 Assessment Ordinance, the Improvement Area #2-B Assessed Property was allocated 100% of the Improvement Area #2-B Assessment levied for the Improvement Area #2-B Authorized Improvements, which equaled \$3,916,186 and is outstanding in the amount of \$3,866,000 as shown on the Improvement Area #2-B Assessment Roll attached hereto as **Exhibit G-3**; and
- The special benefit ($\geq$ \$7,694,769) received by the Improvement Area #2-B Assessed Property from the Improvement Area #2-B Authorized Improvements is equal to or greater than the amount of the Improvement Area #2-B Assessment (\$3,916,186) levied on the Improvement Area #2-B Assessed Property for the Improvement Area #2-B Authorized Improvements; and
- At the time the City Council approved the 2024 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #2-B Assessed Property. The Developer acknowledged that the Improvement Area #2-B Authorized Improvements confer a special benefit on the Improvement Area #2-B Assessed Property and consented to the imposition of the Improvement Area #2-B Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2024 Assessment Ordinance; (2) the 2024 Amended and Restated Service and Assessment Plan and the 2024 Assessment Ordinance; and (3) the levying of the Improvement Area #2-B Assessment on the Improvement Area #2-B Assessed Property.

▪ *Improvement Area #3*

- The costs of Improvement Area #3 Authorized Improvements equal \$21,691,210, as shown on **Exhibit B**; and
- Improvement Area #3 Assessed Property receives special benefit from the Improvement Area #3 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #3 Authorized Improvements; and
- With the adoption of the 2025 Assessment Ordinance, the Improvement Area #3 Assessed Property shall be allocated 100% of the Improvement Area #3 Assessment levied for the Improvement Area #3 Authorized Improvements, which equals \$18,380,000 as shown on the Improvement Area #3 Assessment Roll attached hereto as **Exhibit H-1**; and
- The special benefit ($\geq$ \$21,331,066) received by the Improvement Area #3 Assessed Property from the Improvement Area #3 Authorized Improvements is equal to or greater than the amount of the Improvement Area #3 Assessment (\$18,380,000) levied on the Improvement Area #3 Assessed Property for the Improvement Area #3 Authorized Improvements; and
- At the time the City Council approved this 2025 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #3 Assessed Property. The Developer acknowledged that the Improvement Area #3 Authorized Improvements confer a special benefit on the Improvement Area #3 Assessed Property and consented to the imposition of the Improvement Area #3 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2025 Assessment Ordinance; (2) this 2025 Amended and Restated Service and Assessment Plan and the 2025 Assessment Ordinance; and (3) the levying of the Improvement Area #3 Assessment on the Improvement Area #3 Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

The interest rate on Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual Installment related to a series of PID Bonds and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in this **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. *Upon Division Prior to Recording of Subdivision Plat*

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, relying on information from homebuilders, market studies, appraisals, Official Public Records of the County, and any other relevant information regarding the Assessed Property, as provided by the Developer. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment

for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

2. Upon Subdivision by a Recorded Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

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

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

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Lot or Parcel, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.C.**

B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefited Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable “Notice of Assessment Termination,” a form of which is attached hereto as **Exhibit J.**

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment for that Lot Type, then (1) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City, or cause to be paid to the City, the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City’s approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Assessments for any Lot exceed the Maximum Assessment.

D. Reduction of Assessments

If as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement, the Actual Costs of completed Authorized Improvements are less than the Assessments, then (i) in the event PID Bonds are not issued, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that a related series of PID Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds, that are not

expected to be used for the purposes of the project fund to redeem outstanding PID Bonds, unless otherwise directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of any Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

If an Assessment on an Assessed Property is prepaid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the projected Improvement Area #1 Annual Installments, **Exhibit G-2** shows the projected Improvement Area #2-A Annual Installments, **Exhibit G-4** shows the projected Improvement Area #2-B Annual Installments, and **Exhibit H-2** shows the projected Improvement Area #3 Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the property, not including any Non-Benefited Property or Non-Assessed Property, as shown by the Collin Central Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes due and owing to the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve said owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs. The City may provide for other means of collecting the Annual Installments to the extent permitted by the PID Act, or other applicable law.

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

Subject to applicable law, if any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a “**Taking**”), the portion of the Assessed Property that was taken or transferred (the “**Taken Property**”) shall be reclassified as Non-Benefited Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the “**Retained Property**”), following the reclassification of the Taken Property as Non-Benefited Property, subject to an adjustment of the Assessment applicable to the Retained Property after any required Prepayment as set forth below. The owner of the Retained Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2025 Amended and Restated Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Retained Property, subject to an adjustment in the Assessment applicable to the Retained Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Retained Property exceeds the applicable Maximum Assessment, the owner of the Retained Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Retained Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Retained Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of prepayment, with any remainder credited against the Assessment on the Retained Property.

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

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefited Property and the remaining 90 acres of Retained Property shall be subject to the \$100 Assessment (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Retained Property). If the Administrator determines that the \$100 Assessment reallocated to the Retained Property would exceed the Maximum Assessment, as applicable, on the Retained Property by \$10, then the owner shall be required to pay \$10 as a Prepayment of the Assessment against the Retained Property and the Assessment on the Retained Property shall be adjusted to be \$90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Retained Property notifies the City and the Administrator that the Taking prevents the Retained Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Retained Property to support the Estimated Buildout Value requirement. Said owner will remain liable to pay the Annual Installments on both the Taken Property and the Retained Property until such time that such Assessment has been prepaid in full.

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

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #2-A Assessment Roll is attached as **Exhibit G-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #2-A Assessment Roll and Improvement Area #2-A Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #2-B Assessment Roll is attached as **Exhibit G-3**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #2-B Assessment Roll and Improvement Area #2-B Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #3 Assessment Roll is attached as **Exhibit H-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #3 Assessment Roll and Improvement Area #3 Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this 2025 Amended and Restated Service and Assessment Plan, including, but not limited to, any

calculation made as part of any Annual Service Plan Update, said owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of the year following City Council's approval of the calculation. Otherwise, said owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days of such receipt of a written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this 2025 Amended and Restated Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this 2025 Amended and Restated Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this 2025 Amended and Restated Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this 2025 Amended and Restated Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2025 Amended and Restated Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this 2025 Amended and Restated Service and Assessment Plan. Interpretations of this 2025 Amended and Restated Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

D. Form of Buyer Disclosure; Filing Requirements

Per Section 5.014 of the Texas Property Code, as amended, this 2025 Amended and Restated Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto as **Appendix**

B. Within seven days of approval by the City Council, the City shall file and record in the real property records of the County the executed ordinance approving this 2025 Amended and Restated Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this Service an Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

E. Severability

If any provision of this 2025 Amended and Restated Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

EXHIBITS

The following Exhibits are attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes:

Exhibit A-1	Map of the District
Exhibit A-2	Map of Improvement Area #1, Improvement Area #2 & Improvement Area #3
Exhibit A-3	Lot Type Classification Maps
Exhibit B	Project Costs
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Improvement Area #1 Assessment Roll
Exhibit F-2	Improvement Area #1 Annual Installments
Exhibit G-1	Improvement Area #2-A Assessment Roll
Exhibit G-2	Improvement Area #2-A Annual Installments
Exhibit G-3	Improvement Area #2-B Assessment Roll
Exhibit G-4	Improvement Area #2-B Annual Installments
Exhibit H-1	Improvement Area #3 Assessment Roll
Exhibit H-2	Improvement Area #3 Annual Installments
Exhibit I-1	Maps of Major Improvements
Exhibit I-2	Maps of Improvement Area #1 Improvements
Exhibit I-3	Maps of Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements
Exhibit I-4	Maps of Improvement Area #3 Improvements
Exhibit J	Form of Notice of Assessment Termination
Exhibit K-1	Debt Service Schedule for Improvement Area #1 Bonds
Exhibit K-2	Debt Service Schedule for Improvement Area #2-3 Bonds
Exhibit L-1	Final Plat of Improvement Area #2-A
Exhibit L-2	Final Plat of Improvement Area #2-B
Exhibit L-3	Final Plats of Improvement Area #3
Exhibit M-1	District Legal Description
Exhibit M-2	Improvement Area #1 Legal Description
Exhibit M-3	Improvement Area #2-A Legal Description
Exhibit M-4	Improvement Area #2-B Legal Description
Exhibit M-5	Improvement Area #3 Area Legal Description

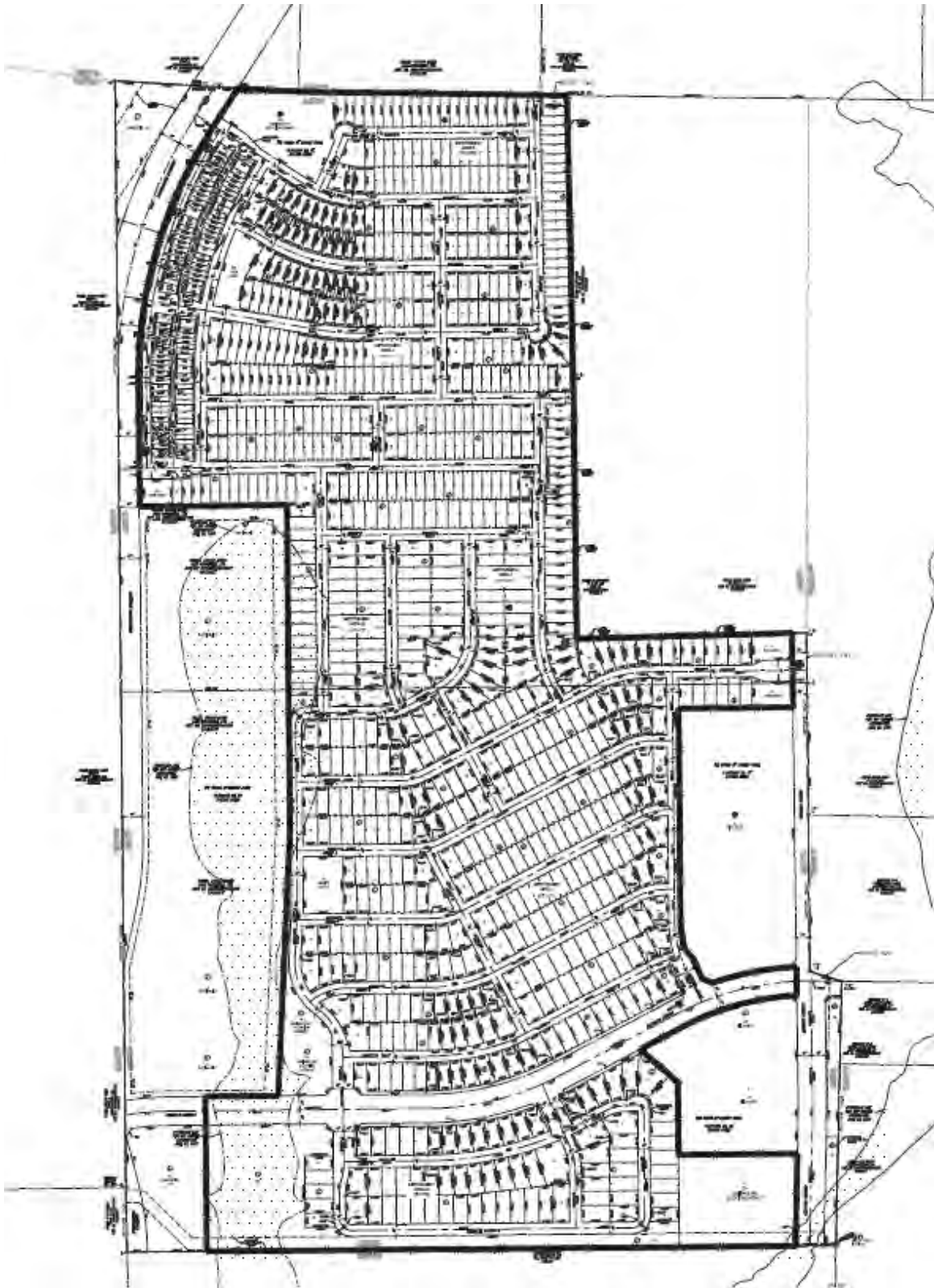
APPENDICES

The following Appendices are attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes:

Appendix A Improvement Area #2 Invoice Summary Table

Appendix B Buyer Disclosures

EXHIBIT A-1 – MAP OF THE DISTRICT



**EXHIBIT A-2 – MAP OF IMPROVEMENT AREA #1, IMPROVEMENT AREA #2 &
IMPROVEMENT AREA #3**

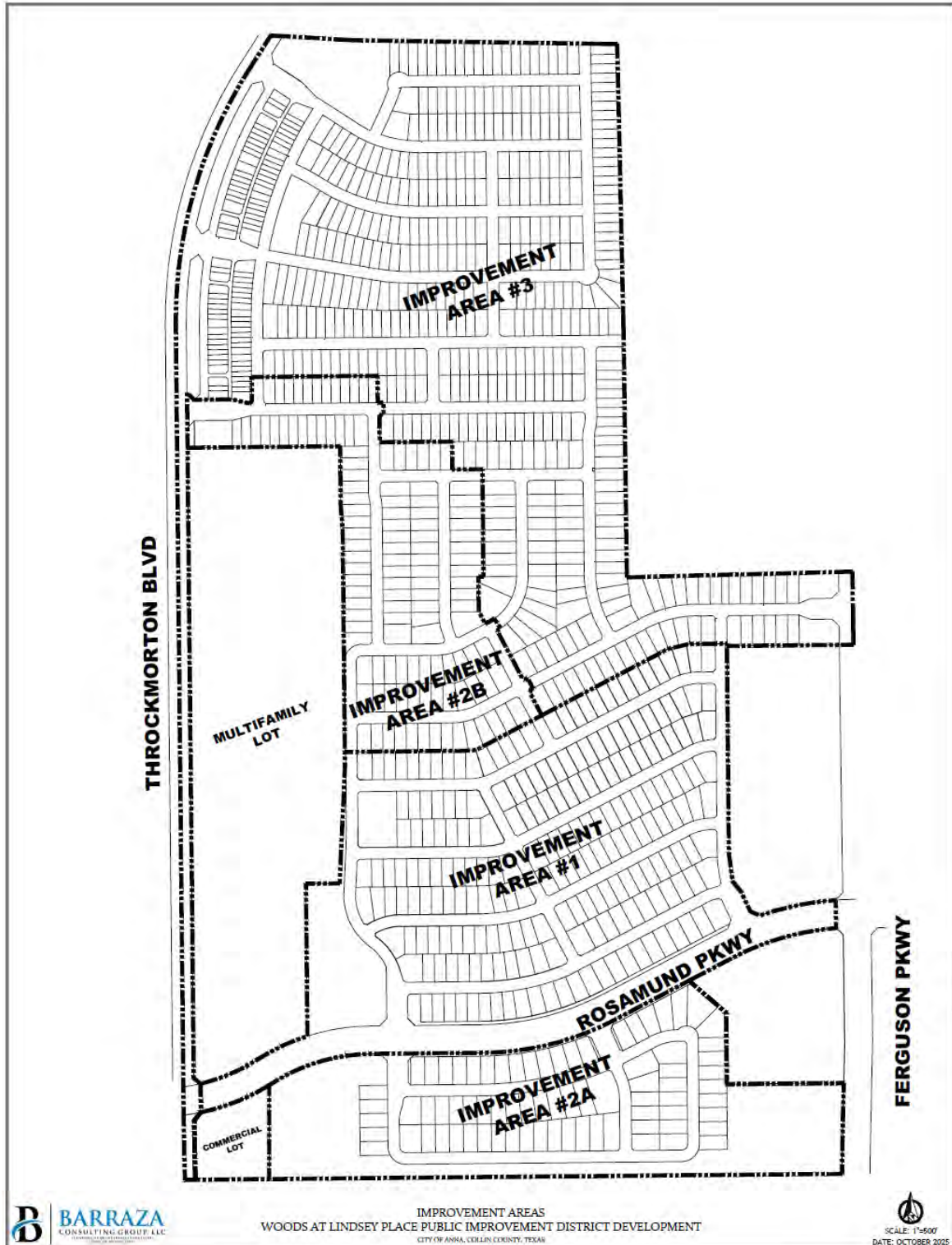
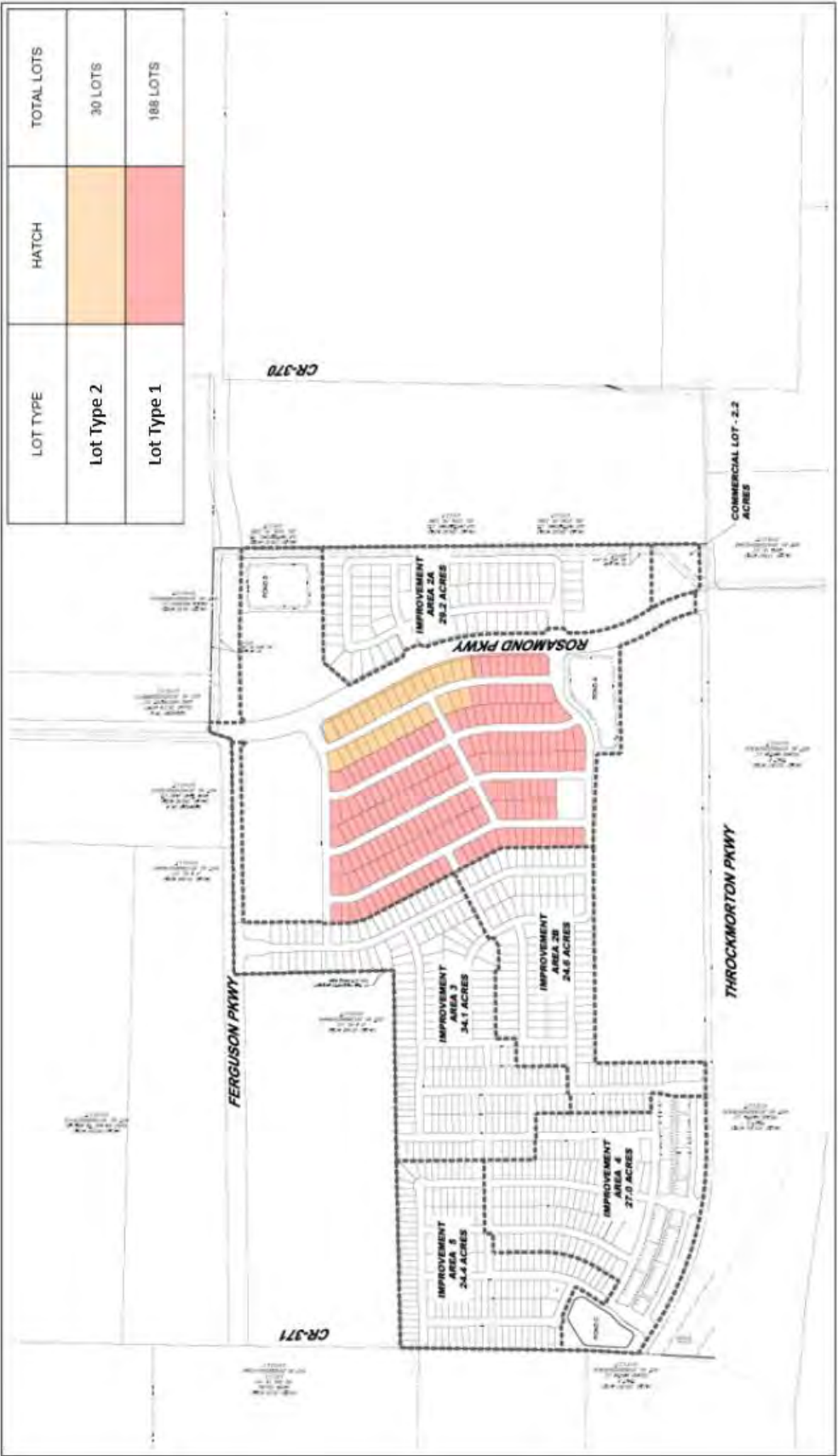
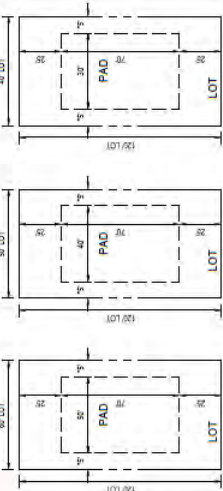


EXHIBIT A-3 – LOT TYPE CLASSIFICATION MAPS





LOT TYPE	HATCH	TOTAL LOTS
40' LOTS (PD SF-2)		0 LOTS
50' LOTS (PD SF-60)		0 LOTS
60' LOTS (PD SF-72)		75 LOTS



LEGEND	
TYPICAL NOTE TEXT	PROPOSED NOTE
FIRE HYDRANT	
INLET	
SIGN	
WATER METER	
LIGHT FIXTURE	
BARRIER FREE RAMP	
DRIVEWAY LOCATION DELINEATION	

*SIDE YARD SHALL BE 15' WHEN ADJACENT TO ROW.
TYP. SF-2, SF-60, and SF-72 LOTS
BUILDING LINE SETBACKS
(EXCEPT AS SHOWN OTHERWISE)

PROJECT BENCHMARKS	
BMP1 ONE-HALF INCH IRON ROD WITH PINK PLASTIC CAP STAMPED "N 71.184.178.81 E 2.584.988.822" APPROX. LOCATED 45' SOUTH OF A POWER POLE AND 190' NORTHWEST OF A POWER POLE. ELEVATION = 739.24'	BMP2 ONE-HALF INCH IRON ROD WITH PINK PLASTIC CAP STAMPED "N 71.183.789.012 E 2.556.821.132" APPROX. LOCATED 25' NORTHEAST OF A POWER POLE AND 250' SOUTHEAST OF A POWER POLE. ELEVATION = 764.42'

PHASE 2A PAD MAP **THE WOODS AT LINDSEY PLACE** ANNA, TEXAS

BOHLER //

2000 NETWORK BLVD. SUITE 310
 FORT WORTH, TX 76104
 Phone: (817) 459-7300
 TX@BohlerEng.com
 TYPE No. 10561 / TPL No. 10194413





PHASE 2B PAD MAP **THE WOODS AT LINDSEY PLACE**

ANNA, TEXAS

BOHLER

2000 NETWORK BLVD, SUITE 310
 FORT WORTH, TEXAS 76104
 Phone: (817) 455-7300
 TX@BohlerEng.com
 TEXAS REG. NO. 0154413



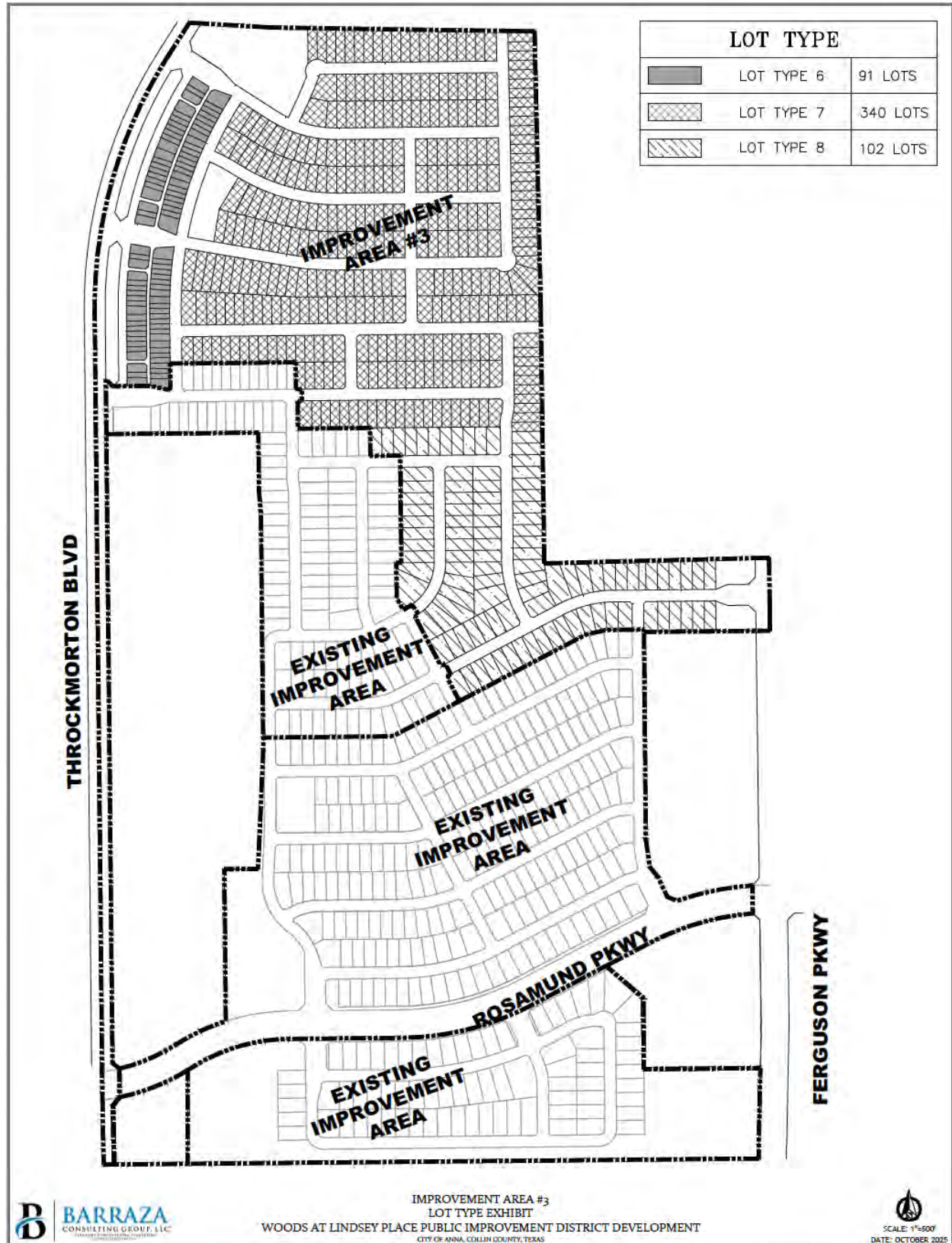


EXHIBIT B – PROJECT COSTS

	Total Costs ^(a)	Non-Assessed Property ^(b)	Private	District Eligible Costs	Improvement Area #1 % Cost	Improvement Area #2-A % Cost	Improvement Area #2-B % Cost	Improvement Area #3 % Cost
Major Improvements^{(c), (d), (e)}								
Excavation	\$ 612,616	\$ 93,824	\$ 15,418	\$ 503,374	25.89%	\$ 130,334	6.19%	\$ 275,355
Sanitary Sewer	1,212,374	185,679	30,513	996,182	25.89%	257,932	6.19%	544,932
Storm Sewer	1,136,739	174,095	28,610	934,034	25.89%	241,841	6.19%	510,935
Water	758,402	116,152	19,088	623,163	25.89%	161,350	6.19%	340,883
Paving	1,450,080	222,084	36,496	1,191,500	25.89%	308,504	6.19%	651,774
Soft Costs ^(f)	1,144,068	175,218	28,794	940,056	25.89%	243,400	6.19%	514,230
	\$ 6,314,279	\$ 967,052	\$ 158,918	\$ 5,188,309	\$ 1,343,359	\$ 320,997	\$ 685,843	\$ 2,838,109
Improvement Area #1 Improvements								
Erosion Control	\$ 57,000	\$ -	\$ -	\$ 57,000	100%	\$ 57,000	0.00%	\$ -
Excavation	162,500	-	-	162,500	100%	162,500	0.00%	-
Sanitary Sewer	1,053,228	-	-	1,053,228	100%	1,053,228	0.00%	-
Storm Sewer	1,771,838	-	-	1,771,838	100%	1,771,838	0.00%	-
Water	1,123,596	-	-	1,123,596	100%	1,123,596	0.00%	-
Paving	1,772,441	-	-	1,772,441	100%	1,772,441	0.00%	-
Street Lights	66,000	-	-	66,000	100%	66,000	0.00%	-
Soft Costs ^(g)	1,329,145	-	-	1,329,145	100%	1,329,145	0.00%	-
	\$ 7,335,748	\$ -	\$ -	\$ 7,335,748	\$ 7,335,748	\$ -	\$ -	\$ -
Improvement Area #2 Improvements^{(h), (i)}								
Excavation	\$ 9,231	\$ -	\$ 945	\$ 8,286	0.00%	\$ -	65.54%	\$ -
Sanitary Sewer	184,060	-	18,841	165,219	0.00%	-	65.54%	-
Storm Sewer	253,652	-	25,964	227,688	0.00%	-	65.54%	-
Water	321,541	-	32,914	288,627	0.00%	-	65.54%	-
Paving	847,434	-	86,745	760,689	0.00%	-	65.54%	-
Soft Costs ^(j)	226,229	-	23,157	203,071	0.00%	-	65.54%	-
	\$ 1,842,147	\$ -	\$ 188,566	\$ 1,653,581	\$ -	\$ 569,803	\$ 1,083,778	\$ -
Improvement Area #2-A Improvements								
Erosion Control	\$ 37,944	\$ -	\$ -	\$ 37,944	0.00%	\$ -	0.00%	\$ -
Excavation	69,000	-	-	69,000	0.00%	-	0.00%	-
Sanitary Sewer	351,163	-	-	351,163	0.00%	-	0.00%	-
Storm Sewer	772,368	-	-	772,368	0.00%	-	0.00%	-
Water	324,005	-	-	324,005	0.00%	-	0.00%	-
Paving	1,622,042	-	-	1,622,042	0.00%	-	0.00%	-
Street Lights	24,000	-	-	24,000	0.00%	-	0.00%	-
Soft Costs ^(k)	486,919	-	-	486,919	0.00%	-	0.00%	-
	\$ 3,687,441	\$ -	\$ -	\$ 3,687,441	\$ -	\$ 3,687,441	\$ -	\$ -
Improvement Area #2-B Improvements								
Erosion Control	\$ 36,500	\$ -	\$ -	\$ 36,500	0.00%	\$ -	100%	\$ -
Excavation	96,015	-	-	96,015	0.00%	-	100%	-
Sanitary Sewer	683,725	-	-	683,725	0.00%	-	100%	-
Storm Sewer	926,260	-	-	926,260	0.00%	-	100%	-
Water	513,707	-	-	513,707	0.00%	-	100%	-
Paving	2,247,290	-	-	2,247,290	0.00%	-	100%	-
Street Lights	42,000	-	-	42,000	0.00%	-	100%	-
Soft Costs ^(l)	731,854	-	-	731,854	0.00%	-	100%	-
	\$ 5,277,351	\$ -	\$ -	\$ 5,277,351	\$ -	\$ -	\$ 5,277,351	\$ -
Improvement Area #3 Improvements								
Erosion Control	\$ 330,000	\$ -	\$ -	\$ 330,000	0.00%	\$ -	0.00%	\$ 330,000
Excavation	928,408	-	-	928,408	0.00%	-	0.00%	928,408
Sanitary Sewer	2,616,969	-	-	2,616,969	0.00%	-	0.00%	2,616,969
Storm Sewer	3,185,765	-	-	3,185,765	0.00%	-	0.00%	3,185,765
Water	2,382,537	-	-	2,382,537	0.00%	-	0.00%	2,382,537
Paving	4,549,776	-	-	4,549,776	0.00%	-	0.00%	4,549,776
Soft Costs ^(m)	1,851,727	-	-	1,851,727	0.00%	-	0.00%	1,851,727
	\$ 15,845,182	\$ -	\$ -	\$ 15,845,182	\$ -	\$ -	\$ -	\$ 15,845,182
Private Improvements⁽ⁿ⁾								
Private Improvements	\$ 14,096,908	\$ -	\$ 14,096,908	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 14,096,908	\$ -	\$ 14,096,908	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Issuance Costs^(o)								
Debt Service Reserve Fund	\$ 2,262,544	\$ -	\$ -	\$ 2,262,544	\$ 527,258	\$ 125,278	\$ 279,794	\$ 1,330,214.72
Underwriters Discount ^(p)	941,880	-	-	941,880	222,570	51,930	115,980	551,400
Cost of Issuance	1,844,840	-	-	1,844,840	427,740	102,306	228,490	1,086,303
	\$ 5,049,264	\$ -	\$ -	\$ 5,049,264	\$ 1,177,568	\$ 279,514	\$ 624,264	\$ 2,967,918.19
Other Costs								
Deposit to Administrative Fund	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000
	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000
Total	\$ 59,568,320	\$ 967,052	\$ 14,444,392	\$ 44,156,876	\$ 9,896,676	\$ 4,874,222	\$ 7,694,769	\$ 21,691,210

Footnotes:

[a] Major Improvements and Improvement Area #1 Improvements costs based on the Original Service and Assessment Plan. Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements costs based on the 2024 Amended and Restated Service and Assessment Plan. Improvement Area #3 Improvements costs based on the Engineer's Report dated 8/28/2025, attached hereto as **Appendix A**, and subject to change. Authorized Improvement costs are estimates and will be updated with each Annual Service Plan Update, or Amended and Restated Service and Assessment Plan as appropriate. The Developer will be responsible for paying in the event of increase in costs, and the Assessments will not be increased to cover these additional costs.

[b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvements that benefit the Non-Assessed Property and is shown as Developer Contribution - Non-Assessed Property on **Exhibit D**.

[c] The Non-Assessed Property was allocated a portion of the Major Improvements pro rata based on acreage to the Non-Assessed Property and the District total acreage at the time of the Original Service and Assessment Plan as described therein.

[d] The Major Improvement costs allocated to the District were allocated to each Improvement Area pro rata based on Estimated Buildout Value at the time of the applicable Assessment Ordinance.

[e] Soft Costs includes engineering, surveying, testing, platting, inspection, construction management, and District Formation Costs.

[f] The Improvement Area #2 Improvements are allocated to Improvement Area #2-A and Improvement Area #2-B pro rata based on Estimated Buildout Value of all the Improvement Area #2 as described in **Section V.A**.

[g] Costs required to reach final Lot completion; non-reimbursable to the Developer from Assessments or PID Bonds.

[h] Bond Issuance Costs associated with Improvement Area #1 Bonds have been updated to reflect the anticipated actual cost at the time of the Original Service and Assessment Plan. Bond Issuance Costs associated with the Improvement Area #2-3 Bonds are estimates only and will be determined at the time the Improvement Area #2-3 Bonds are issued.

[i] Allocation of Authorized Improvement costs has been updated to reflect actual units platted in Improvement Area #2-A. Increased costs allocated to Improvement Area #2-A due to the increase in Lot count at the time of final plat shall be paid for by the Developer Contribution and shall not be eligible for reimbursement through Assessments or PID Bonds.

[j] Includes the fee of counsel to the underwriter.

EXHIBIT C – SERVICE PLAN

Improvement Area #1						
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ 115,000.00	\$ 121,000.00	\$ 126,000.00	\$ 132,000.00	\$ 138,000.00
Interest		408,615.00	403,008.76	397,110.00	390,967.50	384,532.50
	(1)	\$ 523,615.00	\$ 524,008.76	\$ 523,110.00	\$ 522,967.50	\$ 522,532.50
Additional Interest	(2)	\$ 35,880.00	\$ 35,305.00	\$ 34,700.00	\$ 34,070.00	\$ 33,410.00
Annual Collection Costs	(3)	\$ 53,749.84	\$ 51,343.80	\$ 52,370.68	\$ 53,418.09	\$ 54,486.45
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 613,244.84	\$ 610,657.56	\$ 610,180.68	\$ 610,455.59	\$ 610,428.95

Improvement Area #2-A						
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ 46,000.00	\$ 27,000.00	\$ 28,000.00	\$ 30,000.00	\$ 31,000.00
Interest		72,279.35	94,865.50	93,345.40	91,769.00	90,080.00
	(1)	\$ 118,279.35	\$ 121,865.50	\$ 121,345.40	\$ 121,769.00	\$ 121,080.00
Additional Interest	(2)	\$ 8,655.00	\$ 8,425.00	\$ 8,290.00	\$ 8,150.00	\$ 8,000.00
Annual Collection Costs	(3)	\$ 9,521.05	\$ 11,555.02	\$ 11,786.12	\$ 12,021.84	\$ 12,262.28
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 136,455.40	\$ 141,845.52	\$ 141,421.52	\$ 141,940.84	\$ 141,342.28

Improvement Area #2-B						
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ 103,000.00	\$ 58,000.00	\$ 61,000.00	\$ 64,000.00	\$ 68,000.00
Interest		161,428.05	211,856.90	208,591.50	205,157.20	201,554.00
	(1)	\$ 264,428.05	\$ 269,856.90	\$ 269,591.50	\$ 269,157.20	\$ 269,554.00
Additional Interest	(2)	\$ 19,330.00	\$ 18,815.00	\$ 18,525.00	\$ 18,220.00	\$ 17,900.00
Annual Collection Costs	(3)	\$ 21,260.07	\$ 16,513.18	\$ 16,843.44	\$ 17,180.31	\$ 17,523.92
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 305,018.12	\$ 305,185.08	\$ 304,959.94	\$ 304,557.51	\$ 304,977.92

Improvement Area #3						
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ -	\$ 254,000.00	\$ 269,000.00	\$ 284,000.00	\$ 301,000.00
Interest		767,472.22	1,034,794.00	1,020,493.80	1,005,349.10	989,359.90
	(1)	\$ 767,472.22	\$ 1,288,794.00	\$ 1,289,493.80	\$ 1,289,349.10	\$ 1,290,359.90
Additional Interest	(2)	\$ 91,900.00	\$ 91,900.00	\$ 90,630.00	\$ 89,285.00	\$ 87,865.00
Annual Collection Costs	(3)	\$ 40,000.00	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 899,372.22	\$ 1,421,494.00	\$ 1,421,739.80	\$ 1,421,082.42	\$ 1,421,522.19

EXHIBIT D – SOURCES AND USES OF FUNDS

	Private	Improvement Area #1	Improvement Area #2		Improvement Area #3	Total
			Improvement Area #2-A	Improvement Area #2-B		
Improvement Area #1 Bonds	\$ -	\$ 7,176,000	\$ -	\$ -	\$ -	\$ 7,176,000
Improvement Area #2 Reimbursement Obligation	-	-	22,184	49,535	-	71,719
Improvement Area #2-3 Bonds	-	-	1,731,000	3,866,000	18,380,000	23,977,000
Developer Contribution - Improvement Area #1 ^[a]	-	2,720,676	-	-	-	2,720,676
Developer Contribution - Improvement Area #2 ^[a]	-	-	3,121,038	3,779,233	-	6,900,271
Developer Contribution - Improvement Area #2-A Allocation Update ^{[a],[d]}	347,484	-	-	-	-	347,484
Developer Contribution - Improvement Area #3 ^[a]	-	-	-	-	3,311,210	3,311,210
Developer Contribution - Non-Assessed Property ^{[a],[b]}	967,052	-	-	-	-	967,052
Developer Contribution - Private Improvements ^[a]	14,096,908	-	-	-	-	14,096,908
Total Sources	\$ 15,411,444	\$ 9,896,676	\$ 4,874,222	\$ 7,694,769	\$ 21,691,210	\$59,568,320
Uses of Funds						
Major Improvements ^[d]	\$ 1,125,970	\$ 1,343,359	\$ 320,997	\$ 685,843	\$ 2,838,109	\$ 6,314,279
Improvement Area #1 Improvements	-	7,335,748	-	-	-	7,335,748
Improvement Area #2 Improvements ^[d]	188,566	-	569,803	1,083,778	-	1,842,147
Improvement Area #2-A Improvements	-	-	3,687,441	-	-	3,687,441
Improvement Area #2-B Improvements	-	-	-	5,277,351	-	5,277,351
Improvement Area #3 Improvements	-	-	-	-	15,845,182	15,845,182
Private Improvements ^[a]	14,096,908	-	-	-	-	14,096,908
	\$ 15,411,444	\$ 8,679,108	\$ 4,578,241	\$ 7,046,972	\$ 18,683,291	\$54,399,056
Bond Issuance Costs^[c]						
Debt Service Reserve Fund	\$ -	\$ 527,258	\$ 125,278	\$ 279,794	\$ 1,330,215	\$ 2,262,544
Underwriter's Discount ^[e]	-	222,570	51,930	115,980	551,400	941,880
Cost of Issuance	-	427,740	102,306	228,490	1,086,303	1,844,840
	\$ -	\$ 1,177,568	\$ 279,514	\$ 624,264	\$ 2,967,918	\$ 5,049,264
Other Costs						
Deposit to Administrative Fund	\$ -	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000	\$ 120,000
	\$ -	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000	\$ 120,000
Total Uses	\$ 15,411,444	\$ 9,896,676	\$ 4,874,222	\$ 7,694,769	\$ 21,691,210	\$59,568,320

Footnotes:

[a] Non-reimbursable to the Developer from Assessments or PID Bonds.

[b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvement that benefit the Non-Assessed Property. These costs are non-reimbursable to the Developer from Assessments or PID Bonds.

[c] Bond Issuance Costs associated with Improvement Area #1 Bonds had been updated to reflect the anticipated actual cost at the time of the Original Service and Assessment Plan. Bond Issuance Costs associated with the Improvement Area #2-3 Bonds are estimates only and will be determined at the time the Improvement Area #2-3 Bonds are issued.

[d] Allocation of Authorized Improvement costs has been updated to reflect actual units platted in Improvement Area #2-A. Increased costs allocated to Improvement Area #2-A due to the increase in Lot count at the time of final plat shall be paid for by the Developer Contribution and shall not be eligible for reimbursement through Assessments or PID Bonds.

[e] Includes fee of counsel to the underwriter.

EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

		Estimated Buildout Value ^{[a], [b]}		Assessment ^[c]		Average Annual Installment		Tax Rate
Lot Type	Units ^[a]	Per Unit	Total	Per Unit	Total	Per Unit	Total	Equivalent
Improvement Area #1								
Lot Type 1	188	\$360,000	\$ 67,680,000	\$32,729.76	\$ 6,153,195	\$2,795.46	\$ 525,547	\$ 0.7765
Lot Type 2	30	\$375,000	\$ 11,250,000	\$34,093.50	\$ 1,022,805	\$2,911.94	\$ 87,358	\$ 0.7765
Improvement Area #1 Subtotal	218		\$ 78,930,000		\$ 7,176,000		\$ 612,905	
Improvement Area #2-A ^[d]								
Lot Type 3	75	\$385,000	\$ 28,875,000	\$23,080.00	\$ 1,731,000	\$1,884.89	\$ 141,367	\$ 0.4896
Improvement Area #2-A Subtotal	75		\$ 28,875,000		\$ 1,731,000		\$ 141,367	
Improvement Area #2-B								
Lot Type 4	26	\$300,000	\$ 7,800,000	\$28,106.14	\$ 730,760	\$2,214.99	\$ 57,590	\$ 0.7383
Lot Type 5	97	\$345,000	\$ 33,465,000	\$32,322.06	\$ 3,135,240	\$2,547.24	\$ 247,083	\$ 0.7383
Improvement Area #2-B Subtotal	123		\$ 41,265,000		\$ 3,866,000		\$ 304,672	
Improvement Area #3								
Lot Type 6	91	\$275,000	\$ 25,025,000	\$27,730.08	\$ 2,523,437	\$2,116.99	\$ 192,646	\$ 0.7698
Lot Type 7	340	\$350,000	\$ 119,000,000	\$35,292.83	\$11,999,561	\$2,694.35	\$ 916,079	\$ 0.7698
Lot Type 8	102	\$375,000	\$ 38,250,000	\$37,813.74	\$ 3,857,002	\$2,886.80	\$ 294,454	\$ 0.7698
Improvement Area #3 Subtotal	533		\$182,275,000		\$18,380,000		\$1,403,179	
Total	949		\$331,345,000		\$31,153,000			

Footnotes:

[a] Per information provided by the Developer.

[b] Improvement Area #1 Estimated Buildout Value at the time of the Original Service and Assessment Plan.

[c] The Improvement Area #1 Assessment reflects the outstanding Assessment for Improvement Area #1 Assessed Property prior to Prepayment of Assessment paid, but not yet redeemed, as further described in **Section IX.C**. Therefore, this amount does not match the Improvement Area #1 Assessment Roll.

[d] Unit counts have been updated based on the recorded final plat to reflect actual Lots.

EXHIBIT F-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878323	Lot Type 1	[c]	\$ 32,729.76	\$ 2,799.32
2878326	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878327	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878328	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878329	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878330	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878331	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878332	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878333	Lot Type 2		\$ -	\$ -
2878335	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878336	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878337	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878338	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878339	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878340	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878341	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878342	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878343	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878344	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878345	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878346	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878347	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878348	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878349	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878350	Non-Benefited Property		\$ -	\$ -
2878351	Non-Benefited Property		\$ -	\$ -
2878352	Non-Benefited Property		\$ -	\$ -
2878353	Non-Benefited Property		\$ -	\$ -
2878355	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878356	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878357	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878358	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878359	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878360	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878361	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878362	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878363	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878364	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878365	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878366	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878367	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878368	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878369	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878370	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878371	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878372	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878373	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878374	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878375	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878377	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878378	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878379	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878380	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878381	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878382	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878383	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878385	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878386	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878387	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878388	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878389	Lot Type 2	[d]	\$ 34,093.50	\$ 1,457.98
2878390	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878391	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878392	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878393	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878394	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878395	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878396	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878397	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878398	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878399	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878400	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878401	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878402	Lot Type 1	[e]	\$ 32,729.76	\$ 1,399.66
2878403	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878404	Lot Type 1	[f]	\$ 32,729.76	\$ 1,399.66
2878405	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878406	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878407	Lot Type 1	[g]	\$ 32,729.76	\$ 923.77
2878409	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878410	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878411	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878412	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878413	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878414	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878415	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878416	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878417	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878418	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878419	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878420	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878421	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878422	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878423	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878424	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878425	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878426	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878427	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878428	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878429	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878430	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878431	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878432	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878433	Lot Type 1	[c]	\$ -	\$ -
2878434	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878435	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878436	Lot Type 1	[h]	\$ 32,729.76	\$ 1,399.66
2878437	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878438	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878439	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878440	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878441	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878442	Lot Type 1	[i]	\$ 32,729.76	\$ 1,399.66
2878443	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878444	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878445	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878446	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878447	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878448	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878449	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878450	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878451	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878452	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878453	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878454	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878455	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878456	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878457	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878458	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878459	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878460	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878461	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878462	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878463	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878464	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878465	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878466	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878467	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878468	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878469	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878470	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878471	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878472	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878473	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878474	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878475	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878476	Non-Benefited Property		\$ -	\$ -
2878477	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878478	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878479	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878480	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878481	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878482	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878483	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878484	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878485	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878486	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878487	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878488	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878489	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878490	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878491	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878492	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878493	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878494	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878495	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878496	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878497	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878498	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878499	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878500	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878501	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878502	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878503	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878504	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878505	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878506	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878507	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878508	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878509	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878510	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878511	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878512	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878513	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878514	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878515	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878516	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878517	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878518	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878519	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878520	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878521	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878522	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878523	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878524	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878525	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878526	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878527	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878528	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878529	Lot Type 1	[j]	\$ 32,729.76	\$ 1,399.66

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878530	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878531	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878532	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878533	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878534	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878535	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878536	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878537	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878538	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878539	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878540	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878541	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878542	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878543	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878544	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878547	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878548	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878549	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878550	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878551	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878552	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878553	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878554	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2902250	Lot Type 1	[g]	\$ 32,729.76	\$ 923.77
2902251	Lot Type 1	[g]	\$ 32,729.76	\$ 951.77
2902834	Lot Type 2	[d]	\$ 34,093.50	\$ 1,457.98
2919217	Lot Type 1	[f]	\$ 32,729.76	\$ 1,399.66
2921219	Lot Type 1	[h]	\$ 32,729.76	\$ 1,399.66
2928726	Lot Type 1	[e]	\$ 32,729.76	\$ 1,399.66
2930905	Lot Type 1	[j]	\$ 32,729.76	\$ 1,399.66
2941163	Lot Type 1	[i]	\$ 32,729.76	\$ 1,399.66
Total			\$ 7,109,176.74	\$ 608,035.39

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Totals may not sum or match the total outstanding Assessment or Annual Installment due to rounding and Prepayment of Assessment.

[c] Property ID prepaid Assessment in full.

[d] Undivided interest of property located at 2004 Hampton St. billed 50.00% to Property ID 2878389 and 50.00% to Property ID 2902834.

[e] Undivided interest of property located at 1925 Stinnet St. billed 50.00% to Property ID 2878402 and 50.00% to Property ID 2928726.

[f] Undivided interest of property located at 1917 Stinnet St. billed 50.00% to Property ID 2878404 and 50.00% to Property ID 2919217.

[g] Undivided interest of property located at 1900 Stinnet St. billed 33.00% to Property ID 2878407, 33.00% to Property ID 2902250, and 34.00% to Property ID 2902251.

[h] Undivided interest of property located at 1921 Sue Ellen St. billed 50.00% to Property ID 2878436 and 50.00% to Property ID 2921219.

[i] Undivided interest of property located at 2108 Stinnet St. billed 50.00% to Property ID 2878442 and 50.00% to Property ID 2941163.

[j] Undivided interest of property located at 1924 Willie Ray St. billed 50.00% to Property ID 2878529 and 50.00% to Property ID 2930905.

EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 115,000.00	\$ 408,615.00	\$ 35,880.00	\$ -	\$ 53,749.84	\$ 613,244.84
2027	\$ 121,000.00	\$ 403,008.76	\$ 35,305.00	\$ -	\$ 51,343.80	\$ 610,657.56
2028	\$ 126,000.00	\$ 397,110.00	\$ 34,700.00	\$ -	\$ 52,370.68	\$ 610,180.68
2029	\$ 132,000.00	\$ 390,967.50	\$ 34,070.00	\$ -	\$ 53,418.09	\$ 610,455.59
2030	\$ 138,000.00	\$ 384,532.50	\$ 33,410.00	\$ -	\$ 54,486.45	\$ 610,428.95
2031	\$ 145,000.00	\$ 377,805.00	\$ 32,720.00	\$ -	\$ 55,576.18	\$ 611,101.18
2032	\$ 153,000.00	\$ 369,648.76	\$ 31,995.00	\$ -	\$ 56,687.70	\$ 611,331.46
2033	\$ 161,000.00	\$ 361,042.50	\$ 31,230.00	\$ -	\$ 57,821.45	\$ 611,093.95
2034	\$ 170,000.00	\$ 351,986.26	\$ 30,425.00	\$ -	\$ 58,977.88	\$ 611,389.14
2035	\$ 180,000.00	\$ 342,423.76	\$ 29,575.00	\$ -	\$ 60,157.44	\$ 612,156.20
2036	\$ 190,000.00	\$ 332,298.76	\$ 28,675.00	\$ -	\$ 61,360.59	\$ 612,334.35
2037	\$ 200,000.00	\$ 321,611.26	\$ 27,725.00	\$ -	\$ 62,587.80	\$ 611,924.06
2038	\$ 212,000.00	\$ 310,361.26	\$ 26,725.00	\$ -	\$ 63,839.56	\$ 612,925.82
2039	\$ 223,000.00	\$ 298,436.26	\$ 25,665.00	\$ -	\$ 65,116.35	\$ 612,217.61
2040	\$ 236,000.00	\$ 285,892.50	\$ 24,550.00	\$ -	\$ 66,418.68	\$ 612,861.18
2041	\$ 249,000.00	\$ 272,617.50	\$ 23,370.00	\$ -	\$ 67,747.05	\$ 612,734.55
2042	\$ 264,000.00	\$ 258,611.26	\$ 22,125.00	\$ -	\$ 69,101.99	\$ 613,838.25
2043	\$ 279,000.00	\$ 243,761.26	\$ 20,805.00	\$ -	\$ 70,484.03	\$ 614,050.29
2044	\$ 294,000.00	\$ 228,067.50	\$ 19,410.00	\$ -	\$ 71,893.71	\$ 613,371.21
2045	\$ 312,000.00	\$ 210,795.00	\$ 17,940.00	\$ -	\$ 73,331.58	\$ 614,066.58
2046	\$ 331,000.00	\$ 192,465.00	\$ 16,380.00	\$ -	\$ 74,798.21	\$ 614,643.21
2047	\$ 350,000.00	\$ 173,018.76	\$ 14,725.00	\$ -	\$ 76,294.17	\$ 614,037.93
2048	\$ 372,000.00	\$ 152,456.26	\$ 12,975.00	\$ -	\$ 77,820.05	\$ 615,251.31
2049	\$ 394,000.00	\$ 130,601.26	\$ 11,115.00	\$ -	\$ 79,376.45	\$ 615,092.71
2050	\$ 418,000.00	\$ 107,453.76	\$ 9,145.00	\$ -	\$ 80,963.98	\$ 615,562.74
2051	\$ 443,000.00	\$ 82,896.26	\$ 7,055.00	\$ -	\$ 82,583.26	\$ 615,534.52
2052	\$ 470,000.00	\$ 56,870.00	\$ 4,840.00	\$ -	\$ 84,234.93	\$ 615,944.93
2053	\$ 498,000.00	\$ 29,257.50	\$ 2,490.00	\$ (527,257.50)	\$ 85,919.63	\$ 88,409.63
Total	\$ 7,176,000.00	\$ 7,474,611.40	\$ 645,025.00	\$ (527,257.50)	\$ 1,868,461.53	\$ 16,636,840.43

Footnotes:

[a] Interest rate on the Improvement Area #1 Bonds is 4.875% for bonds maturing 2030, 5.625% for bonds maturing 2043, and 5.875% for bonds maturing 2053.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #1 Annual Installments at maturity of the Improvement Area #1 Bonds.

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

EXHIBIT G-1 – IMPROVEMENT AREA #2-A ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Improvement Area #2-A	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936533	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936535	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936536	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936537	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936538	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936539	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936540	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936541	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936542	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936543	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936544	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936545	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936546	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936547	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936548	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936563	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936564	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936565	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936566	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936567	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936568	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936569	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936570	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936571	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936572	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936573	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936574	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936575	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936576	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936577	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936579	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936580	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936581	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936582	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936583	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936584	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936585	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936586	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936587	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936588	Lot Type 3	\$ 23,080.00	\$ 1,819.41

		Improvement Area #2-A	
Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936589	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936590	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936591	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936592	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936593	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936594	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936595	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936596	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936597	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936599	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936600	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936601	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936602	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936603	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936604	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936605	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936606	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936607	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936608	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936609	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936610	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936611	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936612	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936613	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936614	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936615	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936616	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936617	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936618	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936619	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936620	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936621	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936622	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936623	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936624	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936625	Non-Benefited Property	\$ -	\$ -
2936626	Non-Benefited Property	\$ -	\$ -
2936627	Non-Benefited Property	\$ -	\$ -
2936628	Non-Benefited Property	\$ -	\$ -
2936629	Non-Benefited Property	\$ -	\$ -
2936630	Non-Benefited Property	\$ -	\$ -
2936631	Non-Benefited Property	\$ -	\$ -
Total		\$ 1,731,000.00	\$ 136,455.75

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT G-2 –IMPROVEMENT AREA #2-A ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 46,000.00	\$ 72,279.35	\$ 8,655.00	\$ -	\$ 9,521.05	\$ 136,455.40
2027	\$ 27,000.00	\$ 94,865.50	\$ 8,425.00	\$ -	\$ 11,555.02	\$ 141,845.52
2028	\$ 28,000.00	\$ 93,345.40	\$ 8,290.00	\$ -	\$ 11,786.12	\$ 141,421.52
2029	\$ 30,000.00	\$ 91,769.00	\$ 8,150.00	\$ -	\$ 12,021.84	\$ 141,940.84
2030	\$ 31,000.00	\$ 90,080.00	\$ 8,000.00	\$ -	\$ 12,262.28	\$ 141,342.28
2031	\$ 33,000.00	\$ 88,334.70	\$ 7,845.00	\$ -	\$ 12,507.53	\$ 141,687.23
2032	\$ 35,000.00	\$ 86,476.80	\$ 7,680.00	\$ -	\$ 12,757.68	\$ 141,914.48
2033	\$ 36,000.00	\$ 84,506.30	\$ 7,505.00	\$ -	\$ 13,012.83	\$ 141,024.13
2034	\$ 38,000.00	\$ 82,479.50	\$ 7,325.00	\$ -	\$ 13,273.09	\$ 141,077.59
2035	\$ 40,000.00	\$ 80,340.10	\$ 7,135.00	\$ -	\$ 13,538.55	\$ 141,013.65
2036	\$ 43,000.00	\$ 78,088.10	\$ 6,935.00	\$ -	\$ 13,809.32	\$ 141,832.42
2037	\$ 45,000.00	\$ 75,667.20	\$ 6,720.00	\$ -	\$ 14,085.51	\$ 141,472.71
2038	\$ 48,000.00	\$ 73,133.70	\$ 6,495.00	\$ -	\$ 14,367.22	\$ 141,995.92
2039	\$ 50,000.00	\$ 70,431.30	\$ 6,255.00	\$ -	\$ 14,654.56	\$ 141,340.86
2040	\$ 53,000.00	\$ 67,616.30	\$ 6,005.00	\$ -	\$ 14,947.65	\$ 141,568.95
2041	\$ 56,000.00	\$ 64,632.40	\$ 5,740.00	\$ -	\$ 15,246.60	\$ 141,619.00
2042	\$ 59,000.00	\$ 61,479.60	\$ 5,460.00	\$ -	\$ 15,551.53	\$ 141,491.13
2043	\$ 62,000.00	\$ 58,157.90	\$ 5,165.00	\$ -	\$ 15,862.56	\$ 141,185.46
2044	\$ 66,000.00	\$ 54,667.30	\$ 4,855.00	\$ -	\$ 16,179.81	\$ 141,702.11
2045	\$ 70,000.00	\$ 50,951.50	\$ 4,525.00	\$ -	\$ 16,503.41	\$ 141,979.91
2046	\$ 73,000.00	\$ 47,010.50	\$ 4,175.00	\$ -	\$ 16,833.48	\$ 141,018.98
2047	\$ 78,000.00	\$ 42,900.60	\$ 3,810.00	\$ -	\$ 17,170.15	\$ 141,880.75
2048	\$ 82,000.00	\$ 38,509.20	\$ 3,420.00	\$ -	\$ 17,513.55	\$ 141,442.75
2049	\$ 87,000.00	\$ 33,892.60	\$ 3,010.00	\$ -	\$ 17,863.82	\$ 141,766.42
2050	\$ 92,000.00	\$ 28,994.50	\$ 2,575.00	\$ -	\$ 18,221.10	\$ 141,790.60
2051	\$ 97,000.00	\$ 23,814.90	\$ 2,115.00	\$ -	\$ 18,585.52	\$ 141,515.42
2052	\$ 103,000.00	\$ 18,353.80	\$ 1,630.00	\$ -	\$ 18,957.23	\$ 141,941.03
2053	\$ 108,000.00	\$ 12,554.90	\$ 1,115.00	\$ -	\$ 19,336.37	\$ 141,006.27
2054	\$ 115,000.00	\$ 6,474.50	\$ 575.00	\$ (125,277.57)	\$ 19,723.10	\$ 16,495.03
Total	\$ 1,731,000.00	\$ 1,771,807.45	\$ 159,590.00	\$ (125,277.57)	\$ 437,648.48	\$ 3,974,768.36

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #2-A Annual Installments at maturity of the Improvement Area #2-3 Bonds.

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

EXHIBIT G-3 – IMPROVEMENT AREA #2-B ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Improvement Area #2-B	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936639	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936647	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936648	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936649	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936650	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936651	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936652	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936653	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936654	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936655	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936656	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936657	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936658	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936659	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936660	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936661	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936662	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936663	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936664	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936665	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936666	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936667	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936668	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936669	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936670	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936671	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936672	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936673	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936674	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936675	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936676	Non-Benefited Property	\$ -	\$ -
2936678	Non-Benefited Property	\$ -	\$ -
2936679	Non-Benefited Property	\$ -	\$ -
2936688	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936689	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936690	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936691	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936692	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936693	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936694	Lot Type 5	\$ 32,322.06	\$ 2,550.13

Property ID ^[a]	Lot Type	Improvement Area #2-B	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936695	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936696	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936697	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936698	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936699	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936700	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936701	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936702	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936703	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936704	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936705	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936706	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936707	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936708	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936709	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936710	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936711	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936712	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936713	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936714	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936715	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936716	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936717	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936718	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936719	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936720	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936721	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936722	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936723	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936724	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936725	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936727	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936728	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936729	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936730	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936731	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936732	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936733	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936734	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936735	Lot Type 5	\$ 32,322.06	\$ 2,550.13

		Improvement Area #2-B	
Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936736	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936737	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936738	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936739	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936740	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936741	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936742	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936743	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936744	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936745	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936746	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936747	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936748	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936749	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936750	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936751	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936752	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936753	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936754	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936755	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936756	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936757	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936758	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936759	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936760	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936761	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936762	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936763	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936766	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936767	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936768	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936769	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936770	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936771	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936772	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936773	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936774	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936775	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936776	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936777	Lot Type 4	\$ 28,106.14	\$ 2,217.51

		Improvement Area #2-B	
Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936778	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936779	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936780	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936781	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936782	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936783	Lot Type 4	\$ 28,106.14	\$ 2,217.51
Total		\$ 3,866,000.00	\$ 305,017.87

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT G-4 – IMPROVEMENT AREA #2-B ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 103,000.00	\$ 161,428.05	\$ 19,330.00	\$ -	\$ 21,260.07	\$ 305,018.12
2027	\$ 58,000.00	\$ 211,856.90	\$ 18,815.00	\$ -	\$ 16,513.18	\$ 305,185.08
2028	\$ 61,000.00	\$ 208,591.50	\$ 18,525.00	\$ -	\$ 16,843.44	\$ 304,959.94
2029	\$ 64,000.00	\$ 205,157.20	\$ 18,220.00	\$ -	\$ 17,180.31	\$ 304,557.51
2030	\$ 68,000.00	\$ 201,554.00	\$ 17,900.00	\$ -	\$ 17,523.92	\$ 304,977.92
2031	\$ 72,000.00	\$ 197,725.60	\$ 17,560.00	\$ -	\$ 17,874.40	\$ 305,160.00
2032	\$ 76,000.00	\$ 193,672.00	\$ 17,200.00	\$ -	\$ 18,231.89	\$ 305,103.89
2033	\$ 80,000.00	\$ 189,393.20	\$ 16,820.00	\$ -	\$ 18,596.53	\$ 304,809.73
2034	\$ 84,000.00	\$ 184,889.20	\$ 16,420.00	\$ -	\$ 18,968.46	\$ 304,277.66
2035	\$ 89,000.00	\$ 180,160.00	\$ 16,000.00	\$ -	\$ 19,347.83	\$ 304,507.83
2036	\$ 94,000.00	\$ 175,149.30	\$ 15,555.00	\$ -	\$ 19,734.79	\$ 304,439.09
2037	\$ 100,000.00	\$ 169,857.10	\$ 15,085.00	\$ -	\$ 20,129.49	\$ 305,071.59
2038	\$ 105,000.00	\$ 164,227.10	\$ 14,585.00	\$ -	\$ 20,532.08	\$ 304,344.18
2039	\$ 111,000.00	\$ 158,315.60	\$ 14,060.00	\$ -	\$ 20,942.72	\$ 304,318.32
2040	\$ 118,000.00	\$ 152,066.30	\$ 13,505.00	\$ -	\$ 21,361.57	\$ 304,932.87
2041	\$ 124,000.00	\$ 145,422.90	\$ 12,915.00	\$ -	\$ 21,788.80	\$ 304,126.70
2042	\$ 132,000.00	\$ 138,441.70	\$ 12,295.00	\$ -	\$ 22,224.58	\$ 304,961.28
2043	\$ 139,000.00	\$ 131,010.10	\$ 11,635.00	\$ -	\$ 22,669.07	\$ 304,314.17
2044	\$ 147,000.00	\$ 123,184.40	\$ 10,940.00	\$ -	\$ 23,122.45	\$ 304,246.85
2045	\$ 156,000.00	\$ 114,908.30	\$ 10,205.00	\$ -	\$ 23,584.90	\$ 304,698.20
2046	\$ 165,000.00	\$ 106,125.50	\$ 9,425.00	\$ -	\$ 24,056.60	\$ 304,607.10
2047	\$ 175,000.00	\$ 96,836.00	\$ 8,600.00	\$ -	\$ 24,537.73	\$ 304,973.73
2048	\$ 185,000.00	\$ 86,983.50	\$ 7,725.00	\$ -	\$ 25,028.48	\$ 304,736.98
2049	\$ 196,000.00	\$ 76,568.00	\$ 6,800.00	\$ -	\$ 25,529.05	\$ 304,897.05
2050	\$ 207,000.00	\$ 65,533.20	\$ 5,820.00	\$ -	\$ 26,039.63	\$ 304,392.83
2051	\$ 219,000.00	\$ 53,879.10	\$ 4,785.00	\$ -	\$ 26,560.42	\$ 304,224.52
2052	\$ 232,000.00	\$ 41,549.40	\$ 3,690.00	\$ -	\$ 27,091.63	\$ 304,331.03
2053	\$ 246,000.00	\$ 28,487.80	\$ 2,530.00	\$ -	\$ 27,633.46	\$ 304,651.26
2054	\$ 260,000.00	\$ 14,638.00	\$ 1,300.00	\$ (279,793.81)	\$ 28,186.13	\$ 24,330.32
Total	\$ 3,866,000.00	\$ 3,977,610.95	\$ 358,245.00	\$ (279,793.81)	\$ 633,093.61	\$ 8,555,155.75

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #2-B Annual Installments at maturity of the Improvement Area #2-3 Bonds.

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

EXHIBIT H-1 – IMPROVEMENT AREA #3 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2832376	Improvement Area #3 Initial Parcel	\$ 18,380,000.00	\$ 1,421,494.00
Total		\$ 18,380,000.00	\$ 1,421,494.00

Footnotes:

[a] The Assessment and Annual Installment have initially been allocated between all Property IDs within Improvement Area #3. Future allocation of the Assessment will be done in accordance with **Section VI** of this Service and Assessment Plan.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	I	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	1X	Non-Benefited Property	\$ -	\$ -
TBD	I	2X	Non-Benefited Property	\$ -	\$ -
TBD	N	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	29	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	30	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	31	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	Q	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	12	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	13	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	14	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	15	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	29	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	30	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	31	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	R	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	12	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	13	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	14	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	15	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	1X	Non-Benefited Property	\$ -	\$ -
TBD	R	2X	Non-Benefited Property	\$ -	\$ -
TBD	S	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	U	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	V	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	W	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	X	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	39	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	40	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	41	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	42	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	43	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	44	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	45	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	46	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	Y	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	39	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	40	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	41	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	42	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	43	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	44	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	45	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	46	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	47	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	1X	Non-Benefited Property	\$ -	\$ -
TBD	Z	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	AA	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	1X	Non-Benefited Property	\$ -	\$ -
TBD	BB	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	BB	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	CC	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	DD	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	1X	Non-Benefited Property	\$ -	\$ -
TBD	FF	1	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	2	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	3	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	4	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	5	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	6	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	7	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	8	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	9	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	10	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	11	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	12	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	13	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	14	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	15	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	16	Lot Type 6	\$ 27,730.08	\$ 1,356.89

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	FF	17	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	18	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	19	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	20	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	21	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	22	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	23	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	24	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	25	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	26	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	27	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	28	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	29	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	30	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	31	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	32	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	33	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	34	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	35	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	36	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	37	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	38	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	39	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	40	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	41	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	42	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	43	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	44	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	45	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	46	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	1X	Non-Benefited Property	\$ -	\$ -
TBD	FF	2X	Non-Benefited Property	\$ -	\$ -
TBD	GG	1X	Non-Benefited Property	\$ -	\$ -
TBD	HH	1X	Non-Benefited Property	\$ -	\$ -
TBD	II	1	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	2	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	3	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	4	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	5	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	6	Lot Type 6	\$ 27,730.08	\$ 1,356.89

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	II	7	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	8	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	9	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	10	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	11	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	12	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	13	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	14	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	15	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	16	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	17	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	18	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	19	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	20	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	21	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	22	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	23	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	24	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	25	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	26	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	27	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	28	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	29	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	30	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	31	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	32	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	33	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	34	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	35	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	36	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	37	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	38	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	39	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	40	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	41	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	42	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	43	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	44	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	45	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	1X	Non-Benefited Property	\$ -	\$ -
Total				\$ 18,380,000.00	\$ 899,371.61

Footnotes:

[a] Per the Phase 3 Final Plat and Phase 4 Final Plat, attached hereto as **Exhibit L-3**. The Property IDs have not yet been assigned by the Collin County Appraisal District.

[b] Totals may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT H-2 - IMPROVEMENT AREA #3 ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ -	\$ 767,472.22	\$ 91,900.00	\$ -	\$ 40,000.00	\$ 899,372.22
2027	\$ 254,000.00	\$ 1,034,794.00	\$ 91,900.00	\$ -	\$ 40,800.00	\$ 1,421,494.00
2028	\$ 269,000.00	\$ 1,020,493.80	\$ 90,630.00	\$ -	\$ 41,616.00	\$ 1,421,739.80
2029	\$ 284,000.00	\$ 1,005,349.10	\$ 89,285.00	\$ -	\$ 42,448.32	\$ 1,421,082.42
2030	\$ 301,000.00	\$ 989,359.90	\$ 87,865.00	\$ -	\$ 43,297.29	\$ 1,421,522.19
2031	\$ 318,000.00	\$ 972,413.60	\$ 86,360.00	\$ -	\$ 44,163.24	\$ 1,420,936.84
2032	\$ 337,000.00	\$ 954,510.20	\$ 84,770.00	\$ -	\$ 45,046.50	\$ 1,421,326.70
2033	\$ 357,000.00	\$ 935,537.10	\$ 83,085.00	\$ -	\$ 45,947.43	\$ 1,421,569.53
2034	\$ 378,000.00	\$ 915,438.00	\$ 81,300.00	\$ -	\$ 46,866.38	\$ 1,421,604.38
2035	\$ 400,000.00	\$ 894,156.60	\$ 79,410.00	\$ -	\$ 47,803.71	\$ 1,421,370.31
2036	\$ 423,000.00	\$ 871,636.60	\$ 77,410.00	\$ -	\$ 48,759.78	\$ 1,420,806.38
2037	\$ 448,000.00	\$ 847,821.70	\$ 75,295.00	\$ -	\$ 49,734.98	\$ 1,420,851.68
2038	\$ 475,000.00	\$ 822,599.30	\$ 73,055.00	\$ -	\$ 50,729.68	\$ 1,421,383.98
2039	\$ 503,000.00	\$ 795,856.80	\$ 70,680.00	\$ -	\$ 51,744.27	\$ 1,421,281.07
2040	\$ 533,000.00	\$ 767,537.90	\$ 68,165.00	\$ -	\$ 52,779.16	\$ 1,421,482.06
2041	\$ 564,000.00	\$ 737,530.00	\$ 65,500.00	\$ -	\$ 53,834.74	\$ 1,420,864.74
2042	\$ 598,000.00	\$ 705,776.80	\$ 62,680.00	\$ -	\$ 54,911.43	\$ 1,421,368.23
2043	\$ 633,000.00	\$ 672,109.40	\$ 59,690.00	\$ -	\$ 56,009.66	\$ 1,420,809.06
2044	\$ 671,000.00	\$ 636,471.50	\$ 56,525.00	\$ -	\$ 57,129.85	\$ 1,421,126.35
2045	\$ 711,000.00	\$ 598,694.20	\$ 53,170.00	\$ -	\$ 58,272.45	\$ 1,421,136.65
2046	\$ 753,000.00	\$ 558,664.90	\$ 49,615.00	\$ -	\$ 59,437.90	\$ 1,420,717.80
2047	\$ 798,000.00	\$ 516,271.00	\$ 45,850.00	\$ -	\$ 60,626.66	\$ 1,420,747.66
2048	\$ 846,000.00	\$ 471,343.60	\$ 41,860.00	\$ -	\$ 61,839.19	\$ 1,421,042.79
2049	\$ 897,000.00	\$ 423,713.80	\$ 37,630.00	\$ -	\$ 63,075.97	\$ 1,421,419.77
2050	\$ 950,000.00	\$ 373,212.70	\$ 33,145.00	\$ -	\$ 64,337.49	\$ 1,420,695.19
2051	\$ 1,007,000.00	\$ 319,727.70	\$ 28,395.00	\$ -	\$ 65,624.24	\$ 1,420,746.94
2052	\$ 1,068,000.00	\$ 263,033.60	\$ 23,360.00	\$ -	\$ 66,936.72	\$ 1,421,330.32
2053	\$ 1,132,000.00	\$ 202,905.20	\$ 18,020.00	\$ -	\$ 68,275.45	\$ 1,421,200.65
2054	\$ 1,200,000.00	\$ 139,173.60	\$ 12,360.00	\$ -	\$ 69,640.96	\$ 1,421,174.56
2055	\$ 1,272,000.00	\$ 71,613.60	\$ 6,360.00	\$ (1,330,214.72)	\$ 71,033.78	\$ 90,792.66
Total	\$ 18,380,000.00	\$ 20,285,218.42	\$ 1,825,270.00	\$ (1,330,214.72)	\$ 1,622,723.23	\$ 40,782,996.93

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #3 Annual Installments at maturity of the Improvement Area #2-3 Bonds.

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

EXHIBIT I-1 – MAPS OF MAJOR IMPROVEMENTS

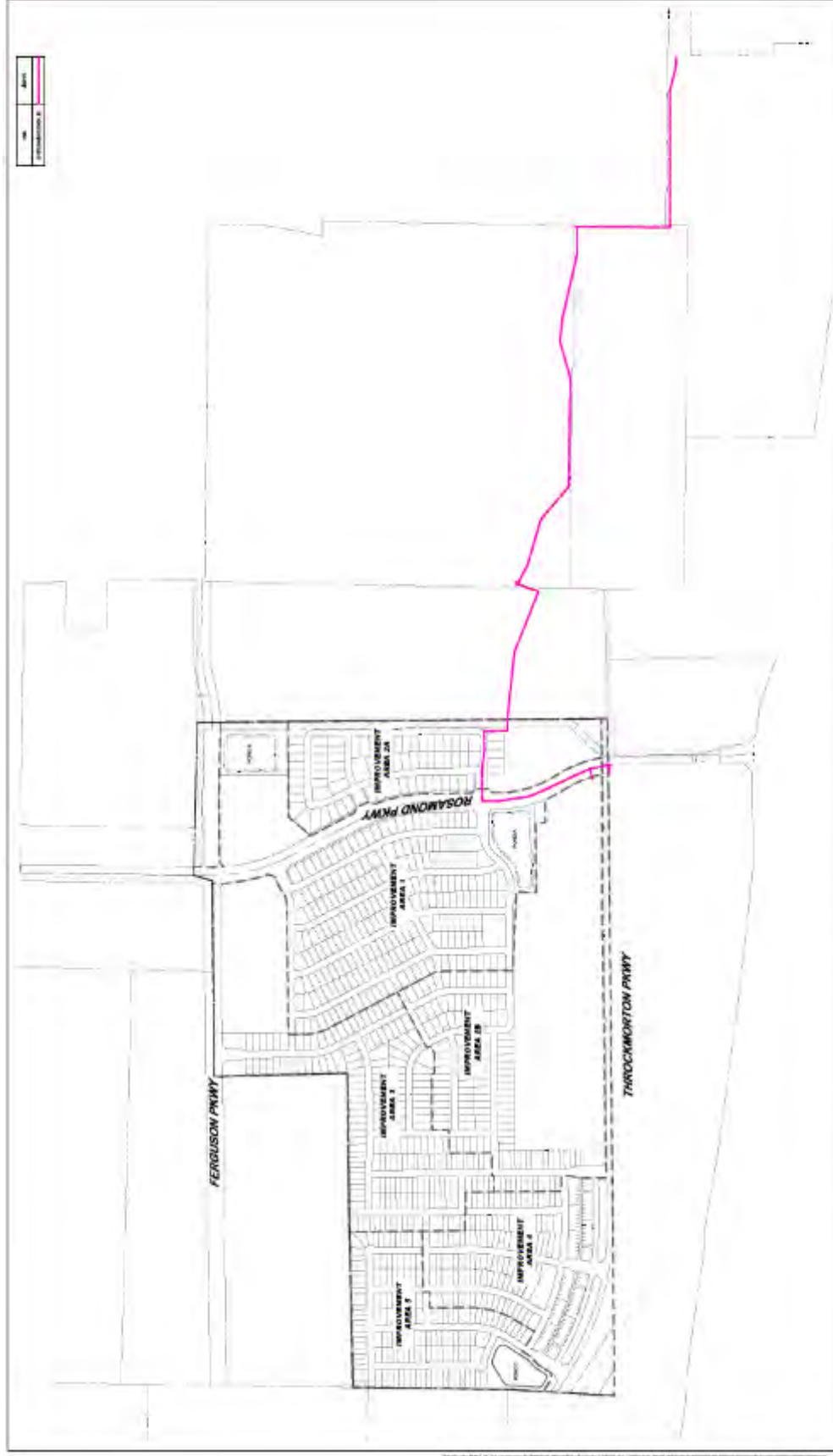


BOHLER

2600 NETWORK BLVD, SUITE 300
HOUSTON, TX 77058
713.464.1000
TX@BohlerEng.com

EXHIBIT H: PUBLIC ROADWAY MAJOR IMPROVEMENTS
THE WOODS AT LINDSEY PLACE

ANNA, TEXAS



BOHLER
 2600 NETWORK BLVD, SUITE 310
 FRISCO, TX 75034
 469-487700
 www.bohlerinc.com
 1800.756.7668 | 1800.476.9181

EXHIBIT I: MAJOR IMPROVEMENT PUBLIC SANITARY SEWER IMPROVEMENTS THE WOODS AT LINDSEY PLACE

ANNA, TEXAS





EXHIBIT J: MAJOR IMPROVEMENTS PUBLIC STORM SEWER THE WOODS AT LINDSEY PLACE

ANNA, TEXAS

BOHLER

2025 IMPROVEMENTS PUBLIC STORM SEWER
THE WOODS AT LINDSEY PLACE
PROJECT NO. 2025-001-001
TXG/Bohler/Eng/2025
DATE: 10/15/2025



EXHIBIT K: MAJOR IMPROVEMENT PUBLIC WATER THE WOODS AT LINDSEY PLACE

ANNA, TEXAS

BOHLER

2800 NETWORK BLVD, SUITE 310
FARMERSVILLE, TX 77936
Phone: (817) 440-1200
Fax: (817) 440-1201
Email: info@BohlerEng.com
Website: www.BohlerEng.com

EXHIBIT I-2 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS



EXHIBIT C-1: IMPROVEMENT AREA 1
ON-SITE DEVELOPER ROADWAY IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS

BOHLER
2605 NETWORK BLVD, SUITE 310
FARMERSVILLE, TX 77936
737.680.0000
www.bohler-engineering.com
SPE No. 1000 / DEL No. 1000412



**EXHIBIT D-1: ON-SITE IMPROVEMENT AREA 1
DEVELOPER SANITARY SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**

BOHLER
2005 NETWORK D.V.G. 3/2017.130
PROJECT NO. 1700000000000000
DATE: JAN. 2017-1003
TXG/Sohler/Eng. 008
DATE: 10/10/17 10:13:10 10/10/17

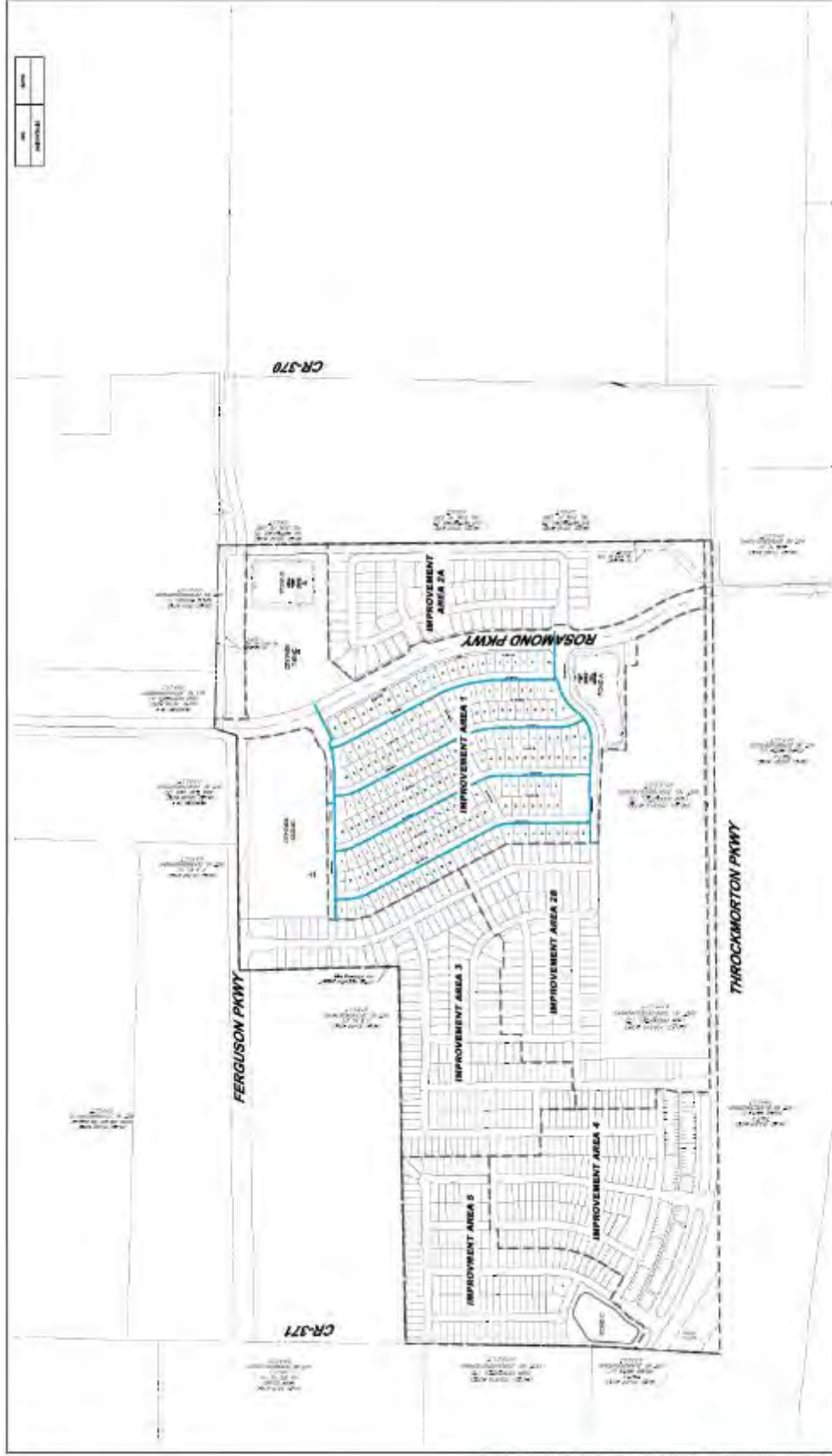


BOHLER
 2500 METCALFE BLVD, SUITE 510
 FARMERSVILLE, TX 77936
 Phone: 409-426-1200
 Fax: 409-426-1201
 Email: info@bohlereng.com
 Website: www.bohlereng.com

**EXHIBIT E-1: ON-SITE IMPROVEMENT AREA 1
 DEVELOPER STORM SEWER IMPROVEMENTS
 THE WOODS AT LINDSEY PLACE
 ANNA, TEXAS**



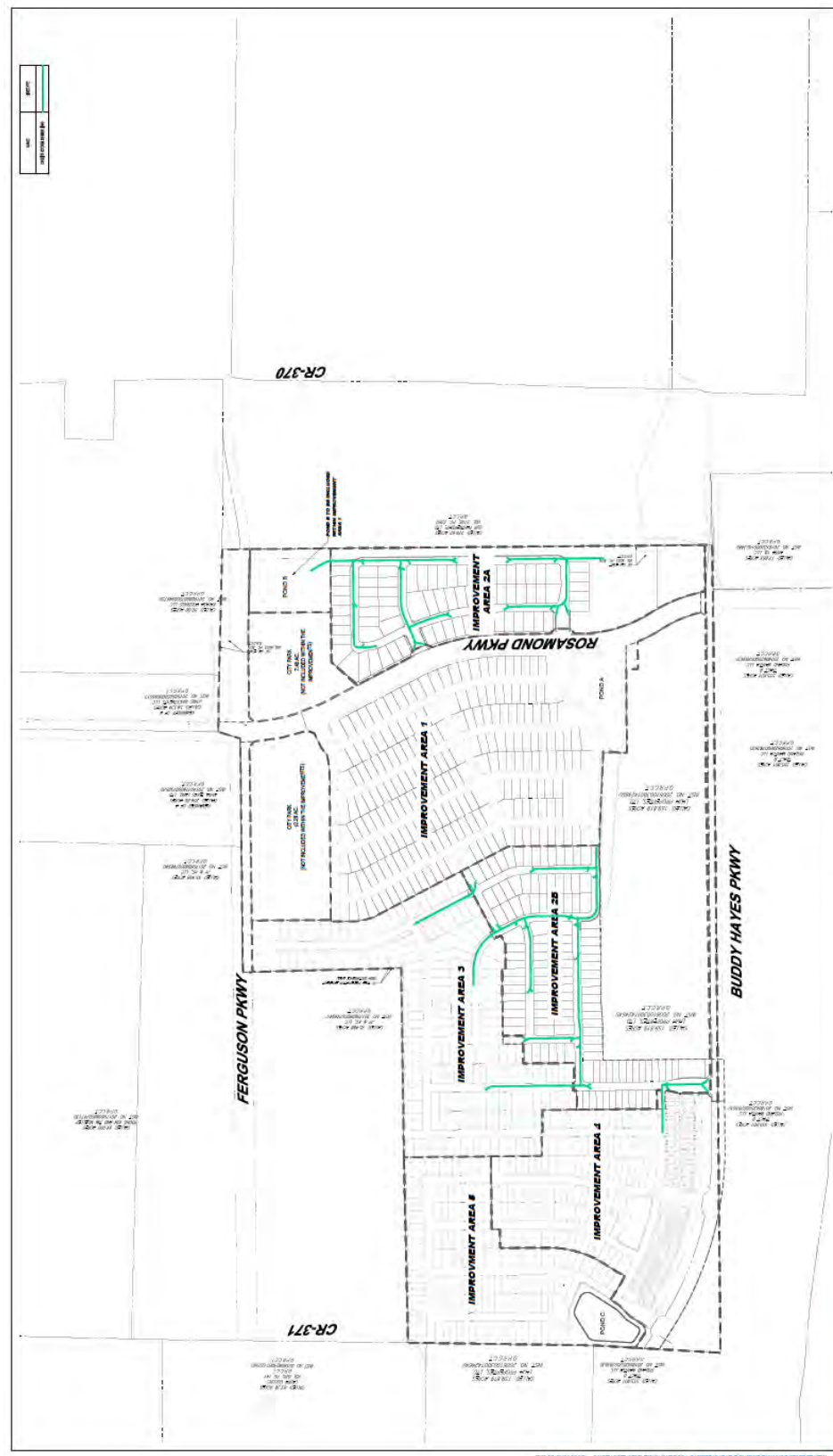
LINE	THICKNESS	WIDTH
1"	1/8"	1/8"
2"	1/4"	1/4"
3"	3/8"	3/8"
4"	1/2"	1/2"
6"	3/4"	3/4"
8"	1"	1"
10"	1 1/4"	1 1/4"
12"	1 1/2"	1 1/2"
14"	1 3/4"	1 3/4"
16"	2"	2"
18"	2 1/4"	2 1/4"
20"	2 1/2"	2 1/2"
24"	3"	3"
30"	3 1/2"	3 1/2"
36"	4"	4"
42"	4 1/2"	4 1/2"
48"	5"	5"
54"	5 1/2"	5 1/2"
60"	6"	6"
66"	6 1/2"	6 1/2"
72"	7"	7"
78"	7 1/2"	7 1/2"
84"	8"	8"
90"	8 1/2"	8 1/2"
96"	9"	9"
102"	9 1/2"	9 1/2"
108"	10"	10"
114"	10 1/2"	10 1/2"
120"	11"	11"
126"	11 1/2"	11 1/2"
132"	12"	12"
138"	12 1/2"	12 1/2"
144"	13"	13"
150"	13 1/2"	13 1/2"
156"	14"	14"
162"	14 1/2"	14 1/2"
168"	15"	15"
174"	15 1/2"	15 1/2"
180"	16"	16"
186"	16 1/2"	16 1/2"
192"	17"	17"
198"	17 1/2"	17 1/2"
204"	18"	18"
210"	18 1/2"	18 1/2"
216"	19"	19"
222"	19 1/2"	19 1/2"
228"	20"	20"
234"	20 1/2"	20 1/2"
240"	21"	21"
246"	21 1/2"	21 1/2"
252"	22"	22"
258"	22 1/2"	22 1/2"
264"	23"	23"
270"	23 1/2"	23 1/2"
276"	24"	24"
282"	24 1/2"	24 1/2"
288"	25"	25"
294"	25 1/2"	25 1/2"
300"	26"	26"
306"	26 1/2"	26 1/2"
312"	27"	27"
318"	27 1/2"	27 1/2"
324"	28"	28"
330"	28 1/2"	28 1/2"
336"	29"	29"
342"	29 1/2"	29 1/2"
348"	30"	30"
354"	30 1/2"	30 1/2"
360"	31"	31"
366"	31 1/2"	31 1/2"
372"	32"	32"
378"	32 1/2"	32 1/2"
384"	33"	33"
390"	33 1/2"	33 1/2"
396"	34"	34"
402"	34 1/2"	34 1/2"
408"	35"	35"
414"	35 1/2"	35 1/2"
420"	36"	36"
426"	36 1/2"	36 1/2"
432"	37"	37"
438"	37 1/2"	37 1/2"
444"	38"	38"
450"	38 1/2"	38 1/2"
456"	39"	39"
462"	39 1/2"	39 1/2"
468"	40"	40"
474"	40 1/2"	40 1/2"
480"	41"	41"
486"	41 1/2"	41 1/2"
492"	42"	42"
498"	42 1/2"	42 1/2"
504"	43"	43"
510"	43 1/2"	43 1/2"
516"	44"	44"
522"	44 1/2"	44 1/2"
528"	45"	45"
534"	45 1/2"	45 1/2"
540"	46"	46"
546"	46 1/2"	46 1/2"
552"	47"	47"
558"	47 1/2"	47 1/2"
564"	48"	48"
570"	48 1/2"	48 1/2"
576"	49"	49"
582"	49 1/2"	49 1/2"
588"	50"	50"
594"	50 1/2"	50 1/2"
600"	51"	51"
606"	51 1/2"	51 1/2"
612"	52"	52"
618"	52 1/2"	52 1/2"
624"	53"	53"
630"	53 1/2"	53 1/2"
636"	54"	54"
642"	54 1/2"	54 1/2"
648"	55"	55"
654"	55 1/2"	55 1/2"
660"	56"	56"
666"	56 1/2"	56 1/2"
672"	57"	57"
678"	57 1/2"	57 1/2"
684"	58"	58"
690"	58 1/2"	58 1/2"
696"	59"	59"
702"	59 1/2"	59 1/2"
708"	60"	60"
714"	60 1/2"	60 1/2"
720"	61"	61"
726"	61 1/2"	61 1/2"
732"	62"	62"
738"	62 1/2"	62 1/2"
744"	63"	63"
750"	63 1/2"	63 1/2"
756"	64"	64"
762"	64 1/2"	64 1/2"
768"	65"	65"
774"	65 1/2"	65 1/2"
780"	66"	66"
786"	66 1/2"	66 1/2"
792"	67"	67"
798"	67 1/2"	67 1/2"
804"	68"	68"
810"	68 1/2"	68 1/2"
816"	69"	69"
822"	69 1/2"	69 1/2"
828"	70"	70"
834"	70 1/2"	70 1/2"
840"	71"	71"
846"	71 1/2"	71 1/2"
852"	72"	72"
858"	72 1/2"	72 1/2"
864"	73"	73"
870"	73 1/2"	73 1/2"
876"	74"	74"
882"	74 1/2"	74 1/2"
888"	75"	75"
894"	75 1/2"	75 1/2"
900"	76"	76"
906"	76 1/2"	76 1/2"
912"	77"	77"
918"	77 1/2"	77 1/2"
924"	78"	78"
930"	78 1/2"	78 1/2"
936"	79"	79"
942"	79 1/2"	79 1/2"
948"	80"	80"
954"	80 1/2"	80 1/2"
960"	81"	81"
966"	81 1/2"	81 1/2"
972"	82"	82"
978"	82 1/2"	82 1/2"
984"	83"	83"
990"	83 1/2"	83 1/2"
996"	84"	84"
1002"	84 1/2"	84 1/2"
1008"	85"	85"
1014"	85 1/2"	85 1/2"
1020"	86"	86"
1026"	86 1/2"	86 1/2"
1032"	87"	87"
1038"	87 1/2"	87 1/2"
1044"	88"	88"
1050"	88 1/2"	88 1/2"
1056"	89"	89"
1062"	89 1/2"	89 1/2"
1068"	90"	90"
1074"	90 1/2"	90 1/2"
1080"	91"	91"
1086"	91 1/2"	91 1/2"
1092"	92"	92"
1098"	92 1/2"	92 1/2"
1104"	93"	93"
1110"	93 1/2"	93 1/2"
1116"	94"	94"
1122"	94 1/2"	94 1/2"
1128"	95"	95"
1134"	95 1/2"	95 1/2"
1140"	96"	96"
1146"	96 1/2"	96 1/2"
1152"	97"	97"
1158"	97 1/2"	97 1/2"
1164"	98"	98"
1170"	98 1/2"	98 1/2"
1176"	99"	99"
1182"	99 1/2"	99 1/2"
1188"	100"	100"
1194"	100 1/2"	100 1/2"
1200"	101"	101"
1206"	101 1/2"	101 1/2"
1212"	102"	102"
1218"	102 1/2"	102 1/2"
1224"	103"	103"
1230"	103 1/2"	103 1/2"
1236"	104"	104"
1242"	104 1/2"	104 1/2"
1248"	105"	105"
1254"	105 1/2"	105 1/2"
1260"	106"	106"
1266"	106 1/2"	106 1/2"
1272"	107"	107"
1278"	107 1/2"	107 1/2"
1284"	108"	108"
1290"	108 1/2"	108 1/2"
1296"	109"	109"
1302"	109 1/2"	109 1/2"
1308"	110"	110"
1314"	110 1/2"	110 1/2"
1320"	111"	111"
1326"	111 1/2"	111 1/2"
1332"	112"	112"
1338"	112 1/2"	112 1/2"
1344"	113"	113"
1350"	113 1/2"	113 1/2"
1356"	114"	114"
1362"	114 1/2"	114 1/2"
1368"	115"	115"
1374"	115 1/2"	115 1/2"
1380"	116"	116"
1386"	116 1/2"	116 1/2"
1392"	117"	117"
1398"	117 1/2"	117 1/2"
1404"	118"	118"
1410"	118 1/2"	118 1/2"
1416"	119"	119"
1422"	119 1/2"	119 1/2"
1428"	120"	120"
1434"	120 1/2"	120 1/2"
1440"	121"	121"
1446"	121 1/2"	121 1/2"
1452"	122"	122"
1458"	122 1/2"	122 1/2"
1464"	123"	123"
1470"	123 1/2"	123 1/2"
1476"	124"	124"
1482"	124 1/2"	124 1/2"
1488"	125"	125"
1494"	125 1/2"	125 1/2"
1500"	126"	126"
1506"	126 1/2"	126 1/2"
1512"	127"	127"
1518"	127 1/2"	127 1/2"
1524"	128"	128"
1530"	128 1/2"	128 1/2"
1536"	129"	129"
1542"	129 1/2"	129 1/2"
1548"	130"	130"
1554"	130 1/2"	130 1/2"
1560"	131"	131"
1566"	131 1/2"	131 1/2"
1572"	132"	132"
1578"	132 1/2"	132 1/2"
1584"	133"	133"
1590"	133 1/2"	133 1/2"
1596"	134"	134"
1602"	134 1/2"	134 1/2"
1608"	135"	135"
1614"	135 1/2"	135 1/2"
1620"	136"	136"
1626"	136 1/2"	136 1/2"
1632"	137"	137"
1638"	137 1/2"	137 1/2"
1644"	138"	138"
1650"	138 1/2"	138 1/2"
1656"	139"	139"
1662"	139 1/2"	139 1/2"
1668"	140"	140"
1674"	140 1/2"	140 1/2"
1680"	141"	141"
1686"	141 1/2"	141 1/2"
1692"	142"	142"
1698"	142 1/2"	142 1/2"
1704"	143"	143"
1710"	143 1/2"	143 1/2"
1716"	144"	144"
1722"	144 1/2"	144 1/2"
1728"	145"	145"
1734"	145 1/2"	145 1/2"
1740"	146"	146"
1746"	146 1/2"	146 1/2"
1752"	147"	147"
1758"	147 1/2"	147 1/2"
1764"	148"	148"
1770"	148 1/2"	148 1/2"
1776"	149"	149"
1782"	149 1/2"	149 1/2"
1788"	150"	150"
1794"	150 1/2"	150 1/2"
1800"	151"	151"
1806"	151 1/2"	151 1/2"
1812"	152"	152"
1818"	152 1/2"	152 1/2"
1824"	153"	153"
1830"	153 1/2"	153 1/2"
1836"	154"	154"
1842"	154 1/2"	154 1/2"
1848"	155"	155"
1854"	155 1/2"	155 1/2"
1860"	156"	156"
1866"	156 1/2"	156 1/2"
1872"	157"	157"
1878"	157 1/2"	157 1/2"
1884"	158"	158"
1890"	158 1/2"	158 1/2"
1896"	159"	159"
1902"	159 1/2"	159 1/2"
1908"	160"	160"
1914"	160 1/2"	160 1/2"
1920"	161"	161"
1926"	161 1/2"	161 1/2"
1932"	162"	162"
1938"	162 1/2"	162 1/2"
1944"	163"	163"
1950"	163 1/2"	163 1/2"
1956"	164"	164"
1962"	164 1/2"	164 1/2"
1968"	165"	165"
1974"	165 1/2"	165 1/2"
1980"	166"	166"
1986"	166 1/2"	166 1/2"
1992"	167"	167"
1998"	167 1/2"	167 1/2"
2004"	168"	168"
2010"	168 1/2"	168 1/2"
2016"	169"	169"
2022"	169 1/2"	169 1/2"
2028"	170"	170"
2034"	170 1/2"	170 1/2"
2040"	171"	171"
2046"	171 1/2"	171 1/2"
2052"	172"	172"
2058"	172 1/2"	172 1/2"
2064"	173"	173"
2070"	173 1/2"	173 1/2"
2076"	174"	174"
2082"		



**EXHIBIT F-1: ON-SITE IMPROVEMENT AREA 1
DEVELOPER WATER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**

BOHLER

EXHIBIT I-3 – MAPS OF IMPROVEMENT AREA #2 IMPROVEMENTS, IMPROVEMENT AREA #2-A IMPROVEMENTS, AND IMPROVEMENT AREA #2-B IMPROVEMENTS





2600 NETWORK BLVD, SUITE 310
DALLAS, TEXAS 75244
Phone: (469) 489-7300
TX@BohlerEng.com
TSP# No. 18565 | TSP# S No. 10794413

EXHIBIT E-1: IMPROVEMENT AREA 2A/2B
DEVELOPER STORM SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
 ANNA, TEXAS



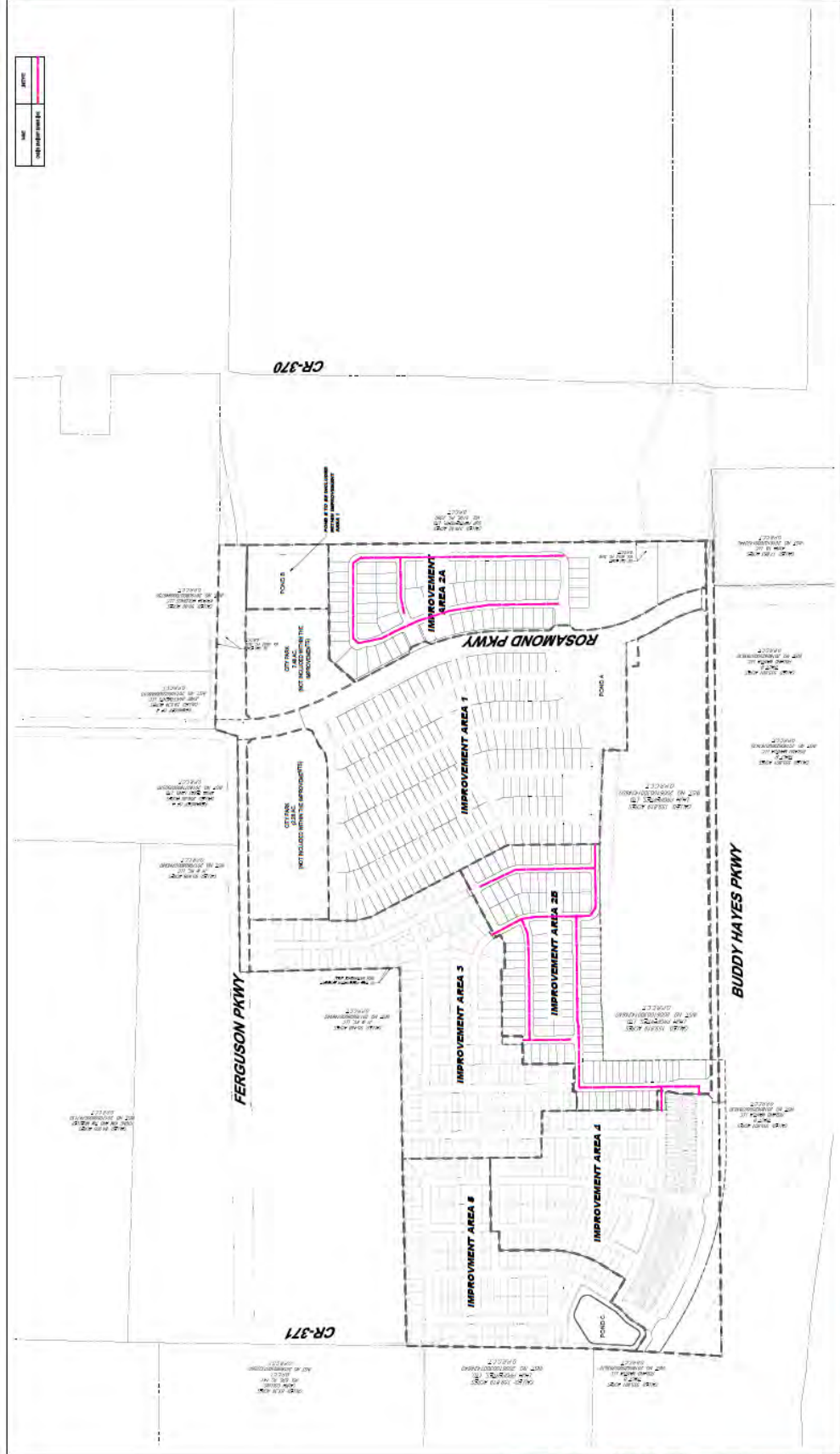
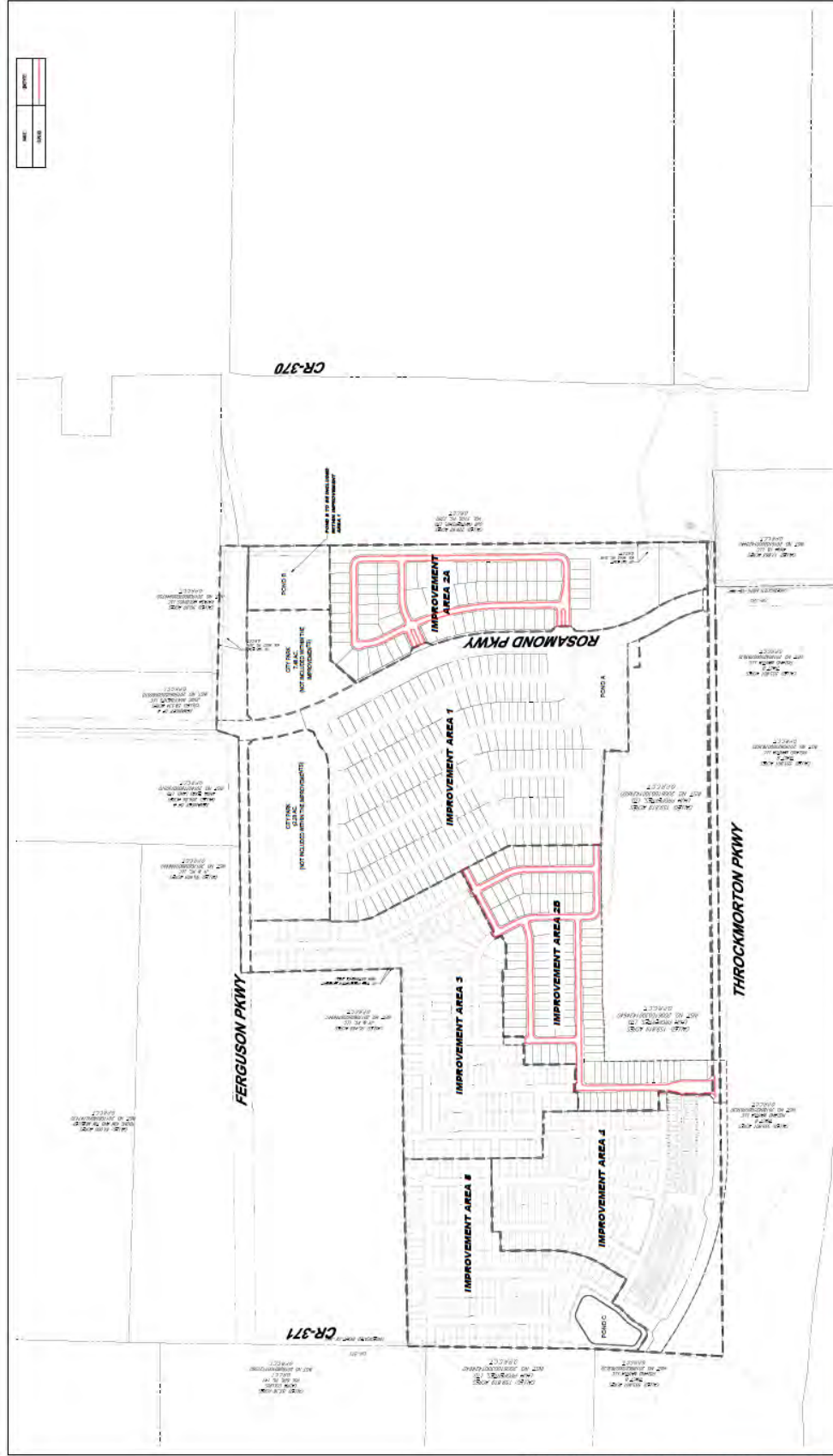



EXHIBIT D-1: IMPROVEMENT AREA 2A/2B DEVELOPER SANITARY SEWER IMPROVEMENTS THE WOODS AT LINDSEY PLACE ANNA, TEXAS

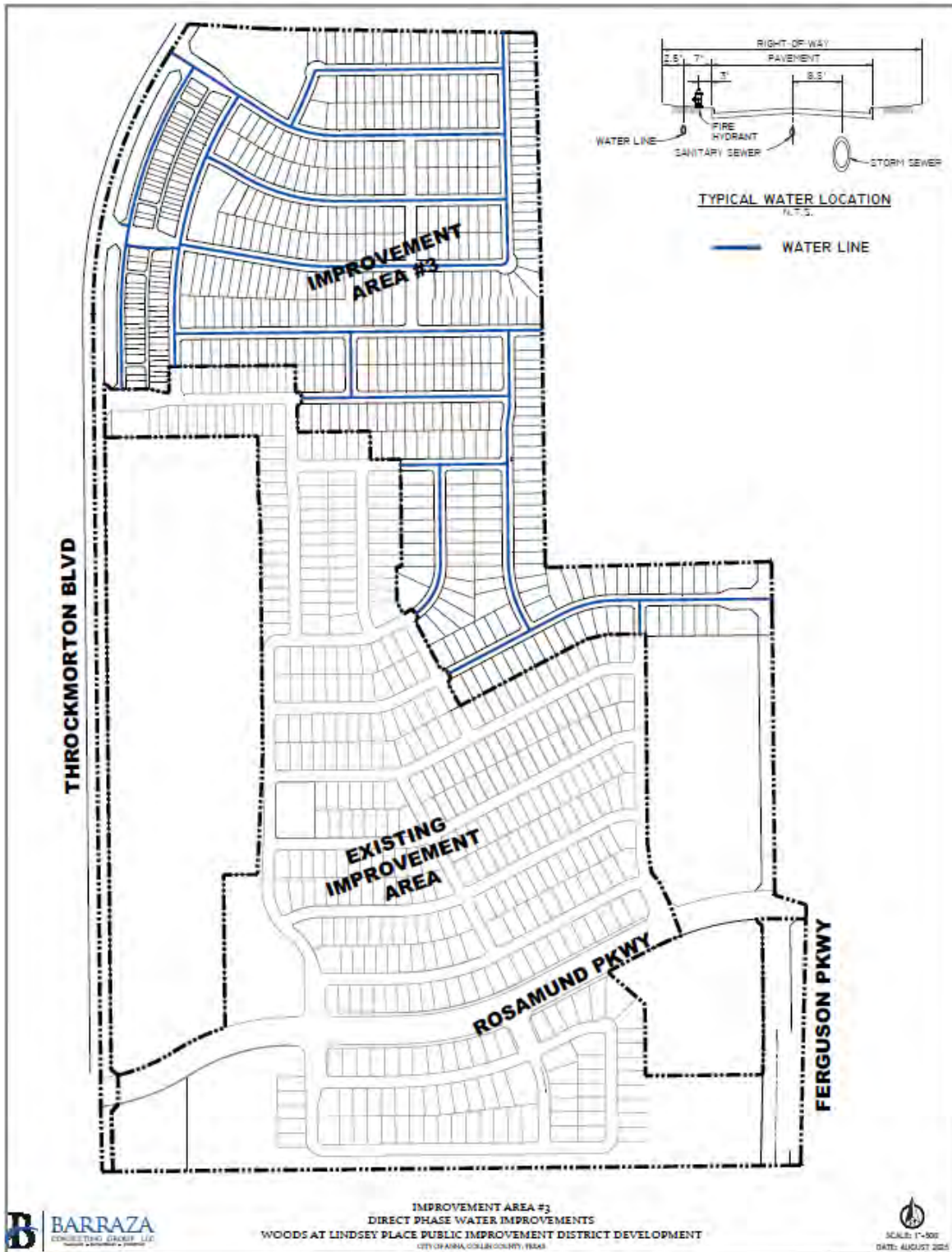
BOHLER
2500 NETWORK BLVD, SUITE 310
FRIEDRICH, TX 75334
(214) 415-1111
TX@BohlerEng.com
TSP# No. 16561 TSP#S No. 10194413

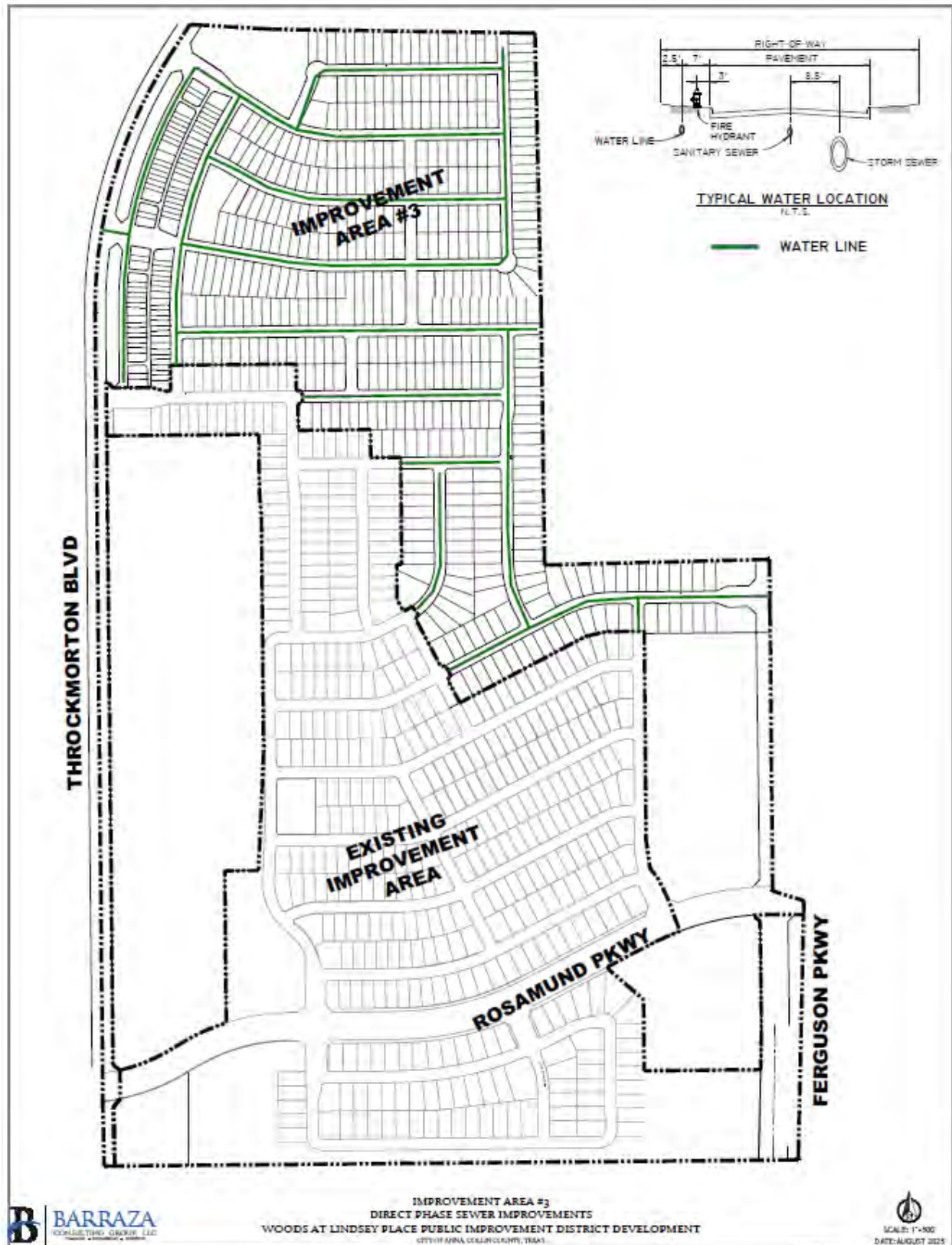


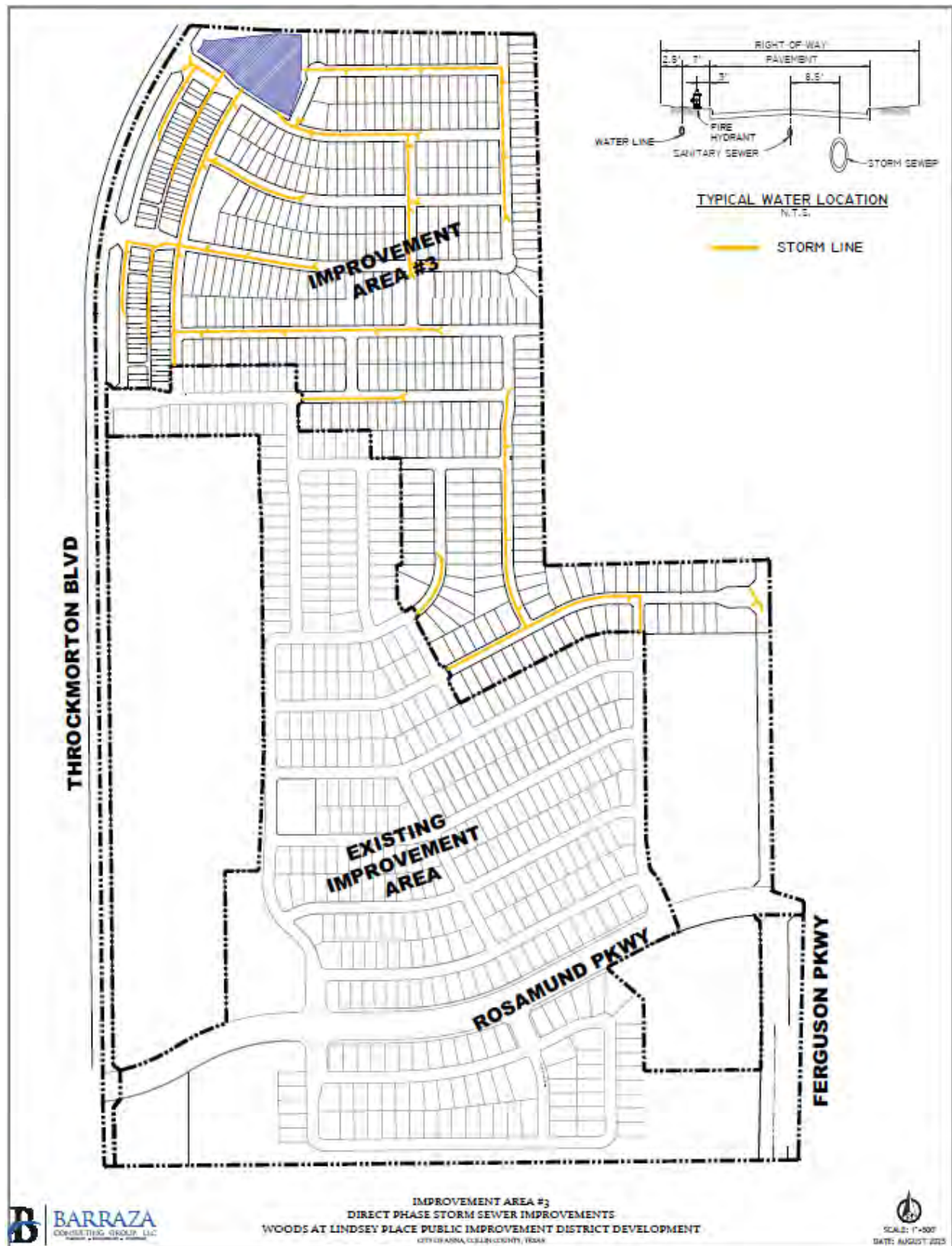
**EXHIBIT G-1: IMPROVEMENT AREA 2A/2B
DEVELOPER EROSION CONTROL
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**

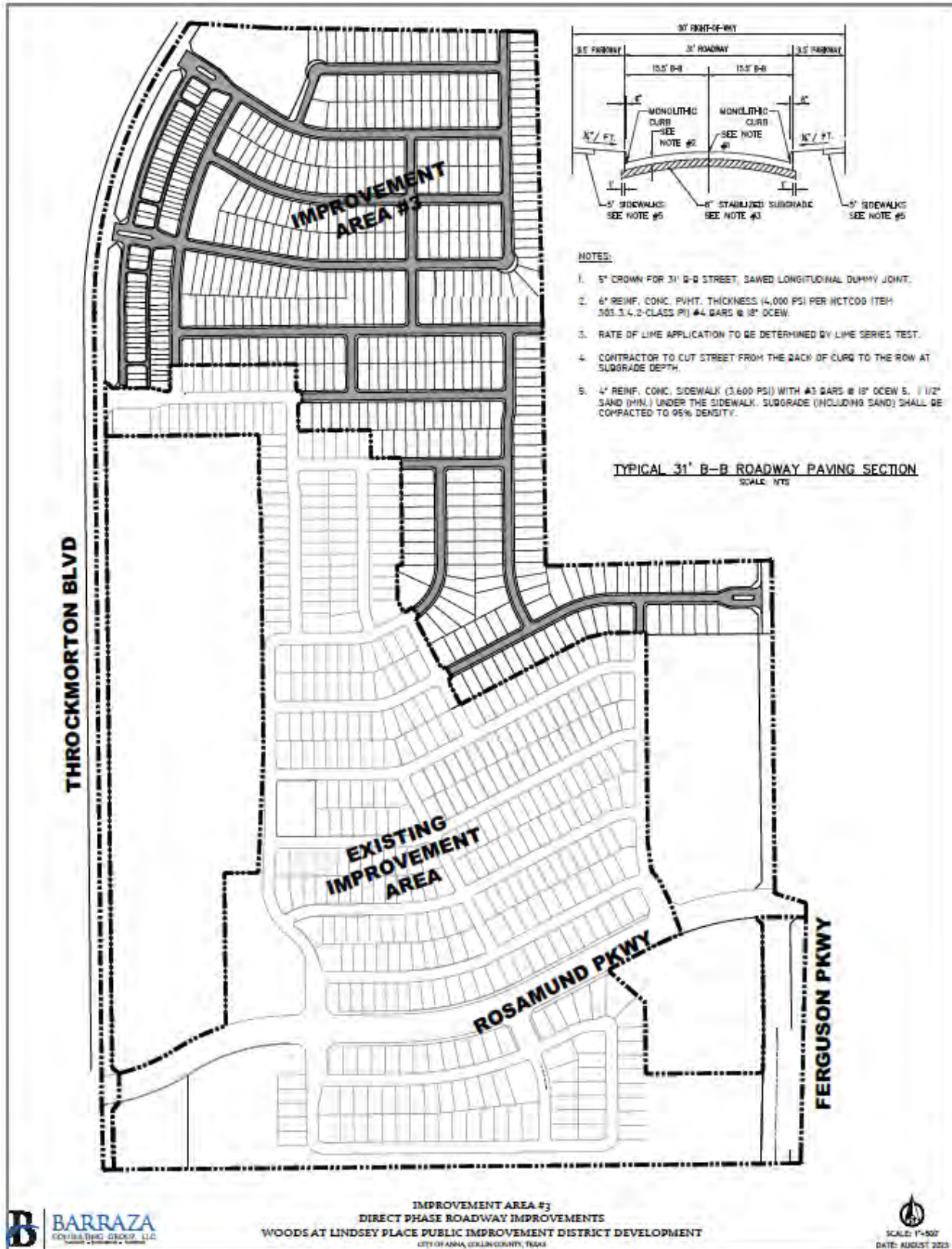
BOHLER
2800 NETWORK BLVD, SUITE 310
FRISCO, TX 75034
Phone: (469) 458-7100
TX@BohlerEng.com
TXEPLN: 150501 | 150413

EXHIBIT I-4 – MAPS OF IMPROVEMENT AREA #3 IMPROVEMENTS









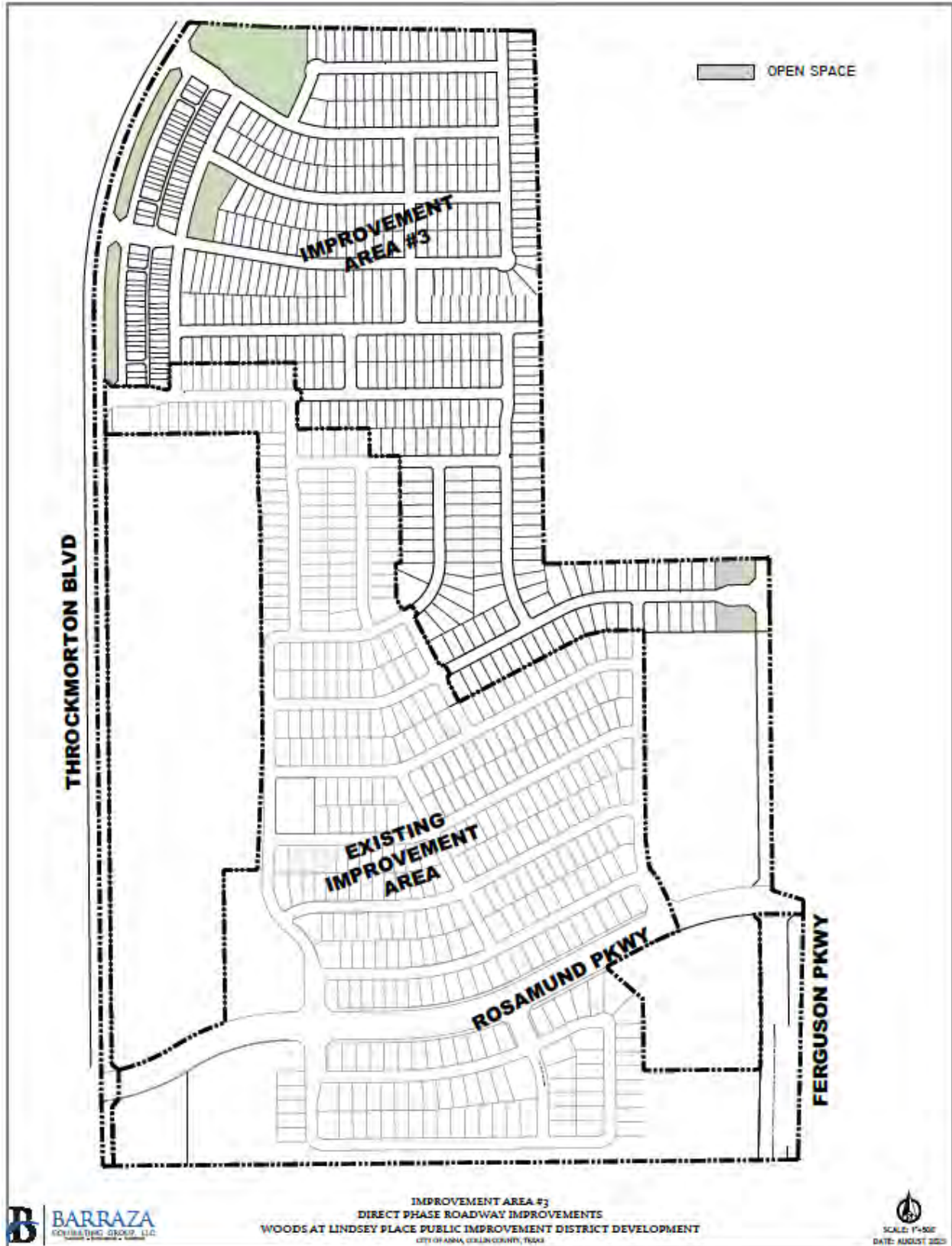


EXHIBIT J – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Collin County Clerk's Office
Honorable [County Clerk]
Collin County Administration Building
2300 Bloomdale Rd, Suite 2106
McKinney, TX 75071

Re: City of Anna Lien Release documents for filing

Dear Ms./Mr. [County Clerk]

Enclosed is a lien release that the City of Anna is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Anna
Attn: City Secretary
120 W. 7th Street
Anna, TX 75409

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

**[City Secretary Name]
120 W. 7th Street
Anna, TX 75409**

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

RECITALS

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") and further imposed a lien to secure the payment of the Lien Amount (the "Lien") against the following property located within the District, to wit:

[legal description], an addition to the City of [City], [County], Texas, according to the map or plat thereof recorded as Instrument No. _____ in the Map Records of Collin County, Texas (the "Property"); and

WHEREAS, the Lien Amount has been paid in full.

RELEASE

NOW THEREFORE, for and in consideration of the full payment of the Lien Amount, the City/County hereby releases and discharges, and by these presents does hereby release and discharge, the Lien to the extent that it affects and encumbers the Property.

EXECUTED to be **EFFECTIVE** this the ____ day of _____, 20__.

CITY OF ANNA, TEXAS,
A Texas home rule municipality,

By: _____
[Manager Name], City Manager

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [City Manager], City Manager for the City of Anna, Texas, a Texas home rule municipality, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT K-1 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

DEBT SERVICE REQUIREMENTS

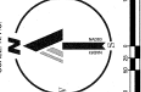
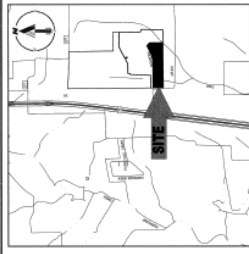
The following table sets forth the debt service requirements for the Bonds:

<u>Year Ending (September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 133,000.00	\$ 391,262.56	\$ 524,262.56
2025	110,000.00	413,977.50	523,977.50
2026	115,000.00	408,615.00	523,615.00
2027	121,000.00	403,008.76	524,008.76
2028	126,000.00	397,110.00	523,110.00
2029	132,000.00	390,967.50	522,967.50
2030	138,000.00	384,532.50	522,532.50
2031	145,000.00	377,805.00	522,805.00
2032	153,000.00	369,648.76	522,648.76
2033	161,000.00	361,042.50	522,042.50
2034	170,000.00	351,986.26	521,986.26
2035	180,000.00	342,423.76	522,423.76
2036	190,000.00	332,298.76	522,298.76
2037	200,000.00	321,611.26	521,611.26
2038	212,000.00	310,361.26	522,361.26
2039	223,000.00	298,436.26	521,436.26
2040	236,000.00	285,892.50	521,892.50
2041	249,000.00	272,617.50	521,617.50
2042	264,000.00	258,611.26	522,611.26
2043	279,000.00	243,761.26	522,761.26
2044	294,000.00	228,067.50	522,067.50
2045	312,000.00	210,795.00	522,795.00
2046	331,000.00	192,465.00	523,465.00
2047	350,000.00	173,018.76	523,018.76
2048	372,000.00	152,456.26	524,456.26
2049	394,000.00	130,601.26	524,601.26
2050	418,000.00	107,453.76	525,453.76
2051	443,000.00	82,896.26	525,896.26
2052	470,000.00	56,870.00	526,870.00
2053	498,000.00	29,257.50	527,257.50
Total	<u>\$7,419,000.00</u>	<u>\$8,279,851.46</u>	<u>\$15,698,851.46</u>

EXHIBIT K-2 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #2-3 BONDS

[To be provided at PID Bond pricing.]

13565

[illegible]

FINAL PLAT
THE WOODS AT LINDSEY PLACE
PHASE 2A

75 LOTS (SF-72)
7 COMMON AREA LOTS
1 COMMERCIAL LOT

29.229 ACRES OUT OF THE
ELI W. WITT SURVEY, ABSTRACT NO. 997
CITY OF ANNA, COLLIN COUNTY, TEXAS

DR. HORTON

[illegible]

\$13565



STATE OF TEXAS, COUNTY OF COLLIER
I, STACY JAMP, COUNTY CLERK OF COLLIER COUNTY,
EMPOWERED BY MY COMMISSION, DO HEREBY CERTIFY THAT THIS PLAT WAS FILED FOR RECORD IN
MY OFFICE AND DAILY RECORDS IN THE PLAT RECORDS
OF COLLIER COUNTY ON 01/20/2025 AT 09:20 PM.
PLAT BOOK: 202 PAGE: 48 - 48
NUMBER OF PAGES: 2 AMOUNT: \$150.00
IS THIS INSTRUMENT WITNESSED BY TWO
AND OFFICIAL SEAL OF OFFICE.
COUNTY CLERK, COLLIER COUNTY, TEXAS
BY: *Stacy Jamp* CLERK



TYPICAL SF-72 LOTS
ALONG KNUCKLE
BUILDING LINE SETBACKS
(EXCEPT AS SHOWN OTHERWISE)

[illegible]

[illegible][illegible][illegible]

WITNESS my hand, this 21 day of September, 2023.

Authorized Signature of C

David L Booth Asst VP

STATE OF TEXAS
COUNTY OF Dallas

Below me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Daniel Boone Owner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office this the 21 day of September, 2023.

2/7/25

Karen Williams
Notary Public in and for the State of Texas

KAREN WILLIAMS
Notary Public in and for the State of Texas
My Commission Expires
February 7, 2025



My Commission Expires On

[illegible][illegible]

Approved this 27th day of August, 2020, by the
City Council of the City of Arroyo, Texas.

[Signature]
Mayor

[Signature]
City Secretary



29.229 ACRES OUT OF THE
ELI W. WITT SURVEY, ABSTRACT NO. 997
CITY OF ANNA, COLLIN COUNTY, TEXAS

[illegible]

STATE OF TEXAS, COUNTY OF COLLIER
I, CLAYTON KEMP, CLERK OF SAID COUNTY, DO HEREBY CERTIFY THAT THE
FOLLOWING LISTED PERSONS HAVE BEEN RECORDED IN
MY OFFICE AND HAVE BEEN INCORPORATED IN THE PUBLIC RECORDS
OF SAID COUNTY ON THE FOLLOWING DATES AND AT THE FOLLOWING
HOURS: (NAME OF PARTY) (AMOUNT) (TYPE OF
INSTRUMENT) (DATE OF RECORDING)
COUNTY CLERK, COLLIER COUNTY, TEXAS
Clayton Kemp
CLERK

[illegible]

Month 8 requires 26 minutes. 11 research data = distance of 160,000 feet to be navigated from mid and end for practice.

Notes: (1) columns 1-3 measure 20 seconds time, a distance of 200.00 m to a stopped car set for corner, (2) columns 4-6 measure 20 seconds time, a distance of 200.00 m to a stopped car set for corner, (3) columns 7-9 measure 20 seconds time, a distance of 100.75 m to the POINT OF NO RETURN consisting of 1.00m, 100.75m, 1m or 2.24m turns.

[illegible]

FINAL PLAT
THE WOODS AT LINDSEY PLACE
PHASE 2B
97 LOTS (SF-60)
26 LOTS (SF-2)
3 COMMON AREA LOTS
27.474 ACRES OUT OF THE
ELI W. WITT SURVEY, ABSTRACT NO. 997
CITY OF ANNA, COLLIN COUNTY, TEXAS
MADE BY THE
7-27-2004
DR. HORRION
America's Builder

[illegible]

EXHIBIT L-3 - FINAL PLATS OF IMPROVEMENT AREA #3



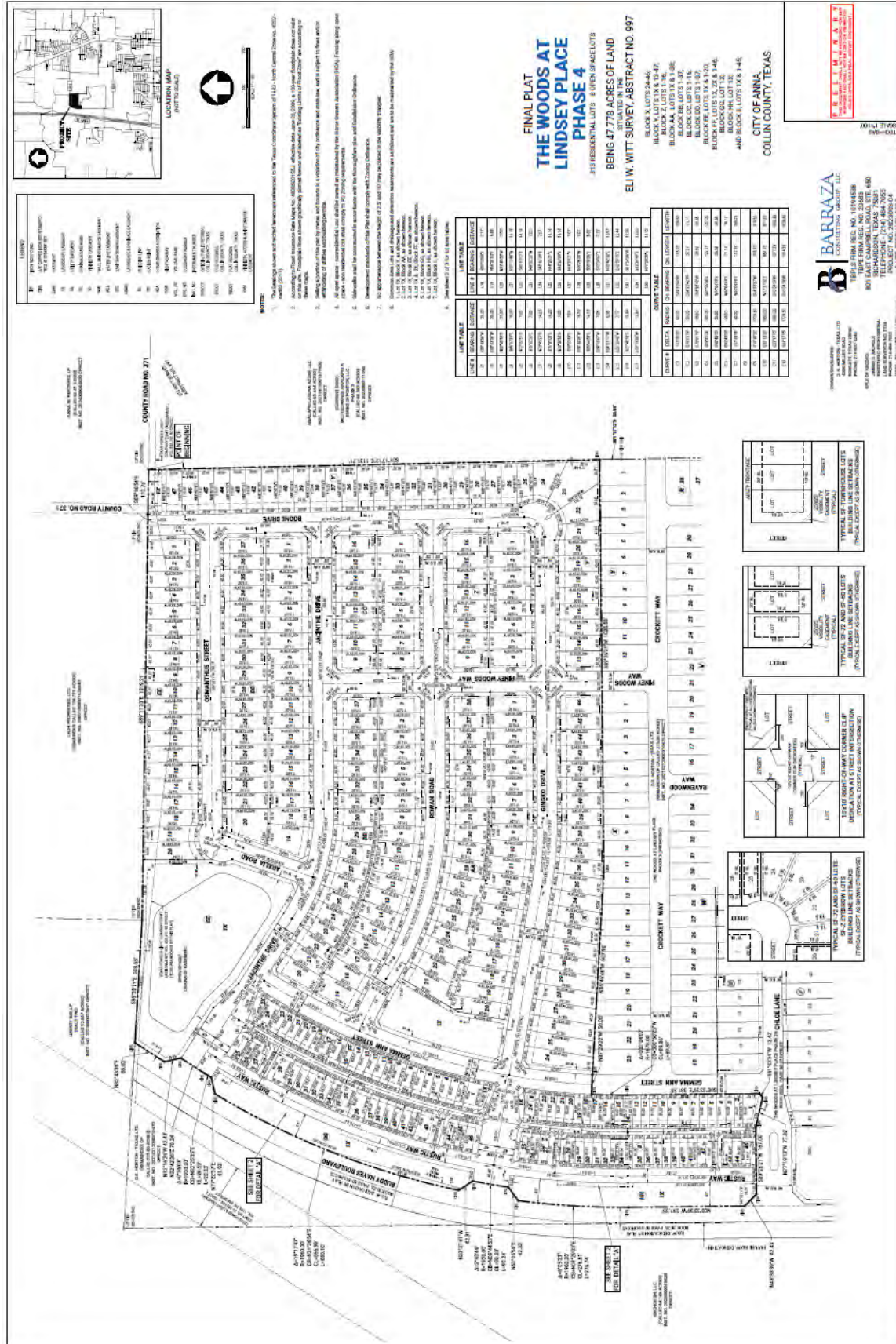


EXHIBIT M-1 – DISTRICT LEGAL DESCRIPTION

Exhibit Q – Overall PID Legal Description

FIELD DESCRIPTION:

BEING a tract of land situated in the Town of Anna, Collin County, Texas, a part of Eli Witt Survey, Abstract No. 997, being part of a called 275.00 acre tract of land described in a Special Warranty Deed to D.R. Horton – Texas, Ltd., recorded in Instrument No. 20210212000310470, Official Public Records, Collin County, Texas (O.P.R.C.C.T), and being more particularly described as follows:

COMMENCING at a five-eighths inch iron rod with yellow plastic cap that is illegible found at the southeast corner of said 275.00 acre tract of land, said iron rod being at the northeast corner of a called 226.62 acre tract of land described in a Warranty Deed to QJR Partnership, Ltd. recorded in Volume 5106, Page 2380, O.P.R.C.C.T and said iron rod being in the west line of a called 50.00 acre tract of land described in a Special Warranty Deed with Vendor's Lien to MCI Preferred Income Fund II, LLC, recorded in Instrument No. 20210830001753370, (O.P.R.C.C.T);

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 168.60 feet along the south line of said 275.00 acre tract of land and along the north line of said 226.62 acre tract of land to the **POINT OF BEGINNING** of the herein described tract of land;

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 2,480.27 feet along the south line of said 275.00 acre tract of land) and along the north line of said 226.62 acre tract of land to a point for corner, from which a one-half inch iron rod with yellow plastic cap stamped "BOHLER ENG" set (hereinafter called "iron rod set") at the southwest corner of said 275.00 acre tract of land bears South 89 degrees 28 minutes 48 seconds West, a distance of 335.99 feet

THENCE North 00 degrees 34 minutes 00 seconds West, a distance of 385.03 feet to a point for corner;

THENCE North 29 degrees 27 minutes 03 seconds West, a distance of 120.00 feet to a point for corner;

THENCE Northeasterly 44.49 feet along a non-tangent curve to the left, having a central angle of 03 degrees 13 minutes 35 seconds, a radius of 790.00 feet, a tangent of 22.25 feet and whose cord bears North 58 degrees 56 minutes 09 seconds East, a cord distance of 44.48 feet to a point for corner;

THENCE Northeasterly 236.99 feet along a curve to the right, having a central angle of 14 degrees 55 minutes 17 seconds, a radius of 910.00 feet, a tangent of 119.17 feet and whose cord bears North 64 degrees 47 minutes 01 seconds East, a cord distance of 236.32 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 652.43 feet to a point for corner;

THENCE North 89 degrees 26 minutes 21 seconds East, a distance of 144.81 feet to a point for corner;

THENCE North 02 degrees 33 minutes 19 seconds East, a distance of 504.55 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 1,369.34 feet to a point for corner;

THENCE South 89 degrees 26 minutes 21 seconds West, a distance of 620.00 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 526.78 feet to a point for corner;

THENCE Northeasterly 1,091.99 feet along a curve to the right, having a central angle of 32 degrees 41 minutes 20 seconds, a radius of 1,914.00 feet, a tangent of 561.30 feet and whose cord bears North 15 degrees 47 minutes 01 seconds East, a cord distance of 1,077.24 feet to a point for corner;

THENCE North 32 degrees 39 minutes 37 seconds East, a distance of 90.00 feet to a point for corner;

THENCE North 32 degrees 43 minutes 36 seconds East, a distance of 144.49 feet to a point in the north line of said 275.00 acre tract of land, said point being a the south line of a called 555.801 acre tract of land, described as Tract B in a Special Warranty Deed to Risland Mantua, LLC, recorded in Instrument No. 20180625000783630, (O.P.R.C.C.T);

THENCE South 86 degrees 39 minutes 03 seconds East, a distance of 255.78 feet along the north line of said 275.00 acre tract of land and along a south line of said 555.801 acre tract of land to a one-half inch iron rod found for corner, from which a one-half inch iron rod found bears North 01 degrees 19 minutes 02 seconds West, a distance of 2.04 feet;

THENCE South 89 degrees 10 minutes 24 seconds East, a distance of 1,018.92 feet along the north line of said 275.00 acre tract of land to a one-half inch iron rod set for corner, said iron rod being at the southwest corner of a called 83.36 acre tract of land described in a Quit Claim Deed to Alta McClain, recorded in Volume 626, Page 141, (D.R.C.C.T) which is now listed in the Collin County Appraisal District records as being owned by Laura Collins to which no transfer of title either direct or indirect can be found in Collin County Deed Records;

THENCE South 89 degrees 16 minutes 53 seconds East, a distance of 111.06 feet along a north line of said 275.00 acre tract of land and along the south line of said 83.36 acre tract of land to a one-half inch iron rod set at the northeast corner of said 275.00 acre tract of land, said iron rod being at the northwest corner of a called 95.444 acre tract of land described in a Special Warranty Deed with Vendor's Lien to MCI PREFERRED INCOME FUND II, LLC, recorded in Instrument No. 20210819001679920, (O.P.R.C.C.T);

THENCE along the east line of said 275.00 acre tract of land and along the west line of said 95.444 acre tract of land as follows:

South 01 degrees 16 minutes 44 seconds East, a distance of 1,185.56 feet to a one-half inch iron rod with yellow cap stamped "JBI" found for corner;

South 00 degrees 47 minutes 08 seconds East, a distance of 1,100.00 feet to a one-half inch iron rod set at the most westerly southwest corner of said 95.444 acre tract of land;

THENCE North 88 degrees 32 minutes 52 seconds East, a distance of 906.82 feet along the most easterly north line of said 275.00 acre tract of land and along the most westerly south line of said 95.444 acre tract of land to a point for corner;

THENCE South 00 degrees 44 minutes 46 seconds East, a distance of 314.82 feet to a point for corner;

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 481.91 feet to a point for corner;

THENCE South 00 degrees 31 minutes 12 seconds East, a distance of 889.34 feet to a point for corner;

THENCE Southeasterly 120.981 feet along a curve to the left, having a central angle of 14 degrees 35 minutes 35 seconds, a radius of 475.00 feet, a tangent of 60.82 feet and whose cord bears South 07 degrees 49 minutes 00 seconds East, a cord distance of 120.66 feet to a point for corner;

THENCE South 39 degrees 17 minutes 34 seconds East, a distance of 55.80 feet to a point for corner;

THENCE Southeasterly 38.63 feet along a non-tangent curve to the left, having a central angle of 04 degrees 51 minutes 53 seconds, a radius of 455.00 feet, a tangent of 19.33 feet and whose cord bears South 23 degrees 58 minutes 10 seconds East, a cord distance of 38.62 feet to a point for corner;

THENCE South 26 degrees 24 minutes 07 seconds East, a distance of 56.52 feet to a point for corner;

THENCE South 68 degrees 02 minutes 34 seconds East, a distance of 44.84 feet to a point for corner;

THENCE Northeasterly 361.48 feet along a non-tangent curve to the right, having a central angle of 16 degrees 26 minutes 14 seconds, a radius of 1,260.00 feet, a tangent of 181.99 feet and whose cord bears North 79 degrees 13 minutes 01 seconds East, a cord distance of 360.24 feet to a point for corner;

THENCE South 00 degrees 44 minutes 46 seconds East, a distance of 120.07 feet to a point for corner;

THENCE Southwesterly 497.56 feet along a non-tangent curve to the left, having a central angle of 25 degrees 00 minutes 25 seconds, a radius of 1,140.00 feet, a tangent of 252.80 feet and whose cord bears South 74 degrees 44 minutes 27 seconds West, a cord distance of 493.62 feet to a point for corner;

THENCE South 62 degrees 14 minutes 14 seconds West, a distance of 202.70 feet to a point for corner;

THENCE South 27 degrees 45 minutes 46 seconds East, a distance of 15.00 feet to a point for corner;

THENCE South 49 degrees 18 minutes 42 seconds East, a distance of 194.61 feet to a point for corner;

THENCE South 00 degrees 31 minutes 12 seconds East, a distance of 305.98 feet to a point for corner;

THENCE North 89 degrees 28 minutes 48 seconds East, a distance of 501.05 feet to a point for corner;

THENCE South 01 degrees 14 minutes 22 seconds West, a distance of 327.87 feet to a point for corner;

THENCE Southeasterly 60.96 feet along a curve to the left, having a central angle of 02 degrees 46 minutes 20 seconds, a radius of 1,260.00 feet, a tangent of 30.49 feet and whose cord bears South 00 degrees 08 minutes 48 seconds East, a cord distance of 60.96 feet to the **POINT OF BEGINNING** and containing 8,625,128 square feet or 198.006 acres.

EXHIBIT M-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

PHASE 1

BEING a tract of land situated in the Town of Anna, Collin County, Texas, a part of Eli Witt Survey, Abstract No. 997, being part of The Woods At Lindsey Place Phase 1 (Phase 1), an addition to the City of Anna, recorded in Instrument No. 2023010000115 Official Public Records, Collin County, Texas (O.P.R.C.C.T.), being a part of a called 275.00 acre tract of land as described in Special Warranty Deed to D.R. HORTON-TEXAS, LTD., recorded in Instrument No. 20210212000310470 (O.P.R.C.C.T.) and being more particularly described as follows:

BEGINNING at a point for corner in the south line of said Phase 1, said point being in the south line of Rosamond Parkway (a 120' right-of-way) and said point being at the northeast corner of Lot 22X, Block C of The Woods At Lindsey Place Phase 2A (Phase 2A), an addition to the City of Anna, recorded in Instrument No. 2025010000029 (O.P.R.C.C.T.)

THENCE along the south line of said Phase 1, along the south line of Rosamond Parkway and along the north line of said Phase 2A the following courses and distances:

South 62 degrees 14 minutes 14 seconds West, a distance of 357.72 feet to a point for corner in the north line of said Lot 22X;

Southwesterly a distance of 597.97 feet along a tangent curve to the right, having a central angle of 27 degrees 11 minutes 29 seconds, a radius of 1,260.00 feet, a tangent length of 304.73 feet and whose chord bears South 75 degrees 49 minutes 59 seconds West, a chord distance of 592.38 feet to a point for corner in the north line of Lot 15X, said Block E of said Phase 2A;

South 89 degrees 25 minutes 44 seconds West, a distance of 287.14 feet to a point for corner at the northwest corner of said Lot 15X;

South 44 degrees 25 minutes 44 seconds West a distance of 42.43 feet to a point for corner at the most westerly northwest corner of Lot 1, said Block E, said point being in the east line of Harlow Boulevard (a variable width right-of-way);

South 89 degrees 25 minutes 44 seconds West, a distance of 90.00 feet to a point for corner in the west line of Harlow Boulevard, said point being the most easterly northeast corner of Lot 21X, Block C of said Phase 2A;

North 45 degrees 34 minutes 16 seconds West a distance of 42.43 feet to a point for corner at the most northly northeast corner of said Lot 21X;

South 89 degrees 25 minutes 44 seconds West a distance of 42.00 feet to a point for corner in the north line of said Lot 21X;

Southwesterly a distance of 442.68 feet along a tangent curve to the left, having a central angle of 32 degrees 06 minutes 22 seconds, a radius of 790.00 feet, a tangent length of 227.32 feet and whose chord bears of South 73 degrees 22 minutes 33 seconds West, a distance of 436.91 feet to a point for corner in the north line of said Lot 21X;

Southwesterly a distance of 51.24 feet along a non-tangent curve to the right, having a central angle of 03 degrees 13 minutes 33 seconds, a radius of 910.00 feet, a tangent length of 25.62 feet and whose chord bears South 58 degrees 56 minutes 09 seconds West, a distance of 51.23 feet to a point for corner at the northwest corner of said Lot 21X, said point being the northeast corner of Lot 1, Block G of said Phase 2A;

THENCE North 29 degrees 27 minutes 05 seconds West, a distance of 120.00 feet to a point in the north line of Rosamond Parkway, said point being in the south line of Lot 3, Block A of DHI Anna, an addition to the City of Anna, recorded in Instrument No. 2024010000131, (O.P.R.C.C.T.)

THENCE along the north line of Rosamond Parkway and along the south line of said Lot 3, the following courses and distances:

Northeasterly a distance of 44.48 feet along a non-tangent curve to the left, having a central angle of 03 degrees 13 minutes 33 seconds, a radius of 790.00 feet, a tangent length of 22.25 feet and whose chord bears North 58 degrees 56 minutes 09 seconds East a distance of 44.47 feet to a point for corner;

Northeasterly a distance of 236.99 feet along a tangent curve to the right, having a central angle of 14 degrees 55 minutes 17 seconds, a radius of 910.00 feet, a tangent length of 119.17 feet and whose chord bears North 64 degrees 47 minutes 01 seconds East a distance of 236.32 feet to a point for corner at the southeast corner of said Lot 3, said point being the southwest corner of Lot 1X, Block F of said Phase 1;

THENCE along the west line of said Phase 1 the following courses and distances:

North 00 degrees 33 minutes 39 seconds West, a distance of 652.43 feet to a point for corner at the northwest corner of said Lot 1X, said point being an ell corner in the east line of Lot 3R, Block A of DHI Anna, an addition to the City of Anna, recorded in Instrument No. 2025010000322 (O.P.R.C.C.T.);

North 89 degrees 26 minutes 21 seconds East a distance of 144.81 feet to a point for corner at an angle point in the west line of said Lot 1X, said point being the most easterly southeast corner of said Lot 3R;

THENCE along the west line of said Phase 1 and along the west line of said Lot 1X the following courses and distances:

North 02 degrees 33 minutes 19 seconds East a distance of 504.55 feet to a point for corner in the east line of Lot 2R, Block A of said DHI Anna (2025010000322);

North 00 degrees 33 minutes 39 seconds West a distance of 59.43 feet to a point for corner in the east line of said Lot 2R, said point being the southwest corner of Lot 1X, Block F of The Woods At Lindsey Place Phase 2B (Phase 2B), an addition to the city of Anna, recorded in Instrument No. 2025010000030 (O.P.R.C.C.T.);

THENCE North 89 degrees 25 minutes 47 seconds East, along the north line of said Phase 1 and along the south line of said Phase 2B a distance of 556.69 feet to a point for corner in the

north line of Lot 6, Block O, said Phase 1, said point being in the south line of Lot 25, Block O of said Phase 2B;

THENCE North 62 degrees 13 minutes 50 seconds East, along the north line of said Phase 1 a distance of 937.37 feet to a point for corner in the north line of Lot 4, Block N of said Phase 1, said point being the southeast corner of Lot 27 and the southwest corner of Lot 28, Block N of The Woods at Lindsey Place Phase 3, an addition to the City of Anna, recorded in Instrument No. 2025010000360 (O.P.R.C.C.T.);

THENCE along the north line of said Phase 1 and along the south line of said Phase 3 the following courses and distances:

North 77 degrees 11 minutes 07 seconds East, a distance of 91.82 feet to a point for corner in the north line of Lot 2, Block N of said Phase 1, said point being in the south line of Lot 29, Block N of said Phase 3;

North 89 degrees 28 minutes 48 seconds East, a distance of 161.53 feet to a point for corner at the northeast corner of said Phase 1, said point being in the west line of Lot 6, Block I of said Phase 3 and said point being in the east line of Mossy Lake Lane (a 50' right-of-way);

THENCE along the east line of said Phase 1 and along the east line of Mossy Lake Lane the following courses and distances:

South 00 degrees 31 minutes 12 seconds East, a distance of 899.34 feet to a point for corner;

Southeasterly a distance of 121.05 along a tangent curve to the left, having a central angle of 16 degrees 06 minutes 40 seconds, a radius of 430.50 feet, a tangent length of 60.93 feet, and whose chord bears South 07 degrees 49 minutes 00 seconds East a distance of 120.66 feet to a point for corner;

South 39 degrees 17 minutes 34 seconds East, a distance of 55.75 feet to a point for corner

Southeasterly a distance of 38.49 feet along a non-tangent curve to the left, having a central angle of 04 degrees 50 minutes 49 seconds, a radius of 455.00 feet, a tangent length of 19.26 feet, and whose chord bears South 23 degrees 58 minutes 42 seconds East a distance of 38.48 feet to a point for corner;

South 26 degrees 24 minutes 07 seconds East, a distance of 56.71 feet to a point for corner;

THENCE South 68 degrees 02 minutes 34 seconds East, along the east line of said Phase 1 a distance of 44.84 feet to a point for corner in the north line of Rosamond Parkway;

THENCE Northeasterly a distance of 331.48 feet along a non-tangent curve to the right, having a central angle of 15 degrees 04 minutes 23 seconds, a radius of 1,260.00 feet, a tangent length of 166.70 feet and whose chord bears of North 78 degrees 32 minutes 05 seconds East, a distance of 330.52 feet to a point for corner;

THENCE South 00 degrees 44 minutes 56 seconds East, a distance of 120.20 feet to a point for corner;

THENCE Southwesterly a distance of 467.55 feet along a non-tangent curve to the left, having a central angle of 23 degrees 29 minutes 57 seconds, a radius of 1,140.00 feet, a tangent length of 237.11 feet and whose chord bears of South 73 degrees 59 minutes 12 seconds West, a distance of 464.28 feet to a point for corner in the south line of said Phase 1, said point being in the south line of Rosamond Parkway;

THENCE South 62 degrees 14 minutes 14 seconds West, a distance of 202.70 feet to the **POINT OF BEGINNING**, containing 2,500,462 square feet or 57.403 acres, more or less.

EXHIBIT M-3 – IMPROVEMENT AREA #2-A LEGAL DESCRIPTION

PHASE 2A

BEING of a tract of land situated in the City of Anna, Collin County, Texas, being a part of Eli W. Witt Survey, Abstract No. 997, being a part of a called 275.00 acre tract of land as described in Special Warranty Deed to D.R. HORTON-TEXAS, LTD., recorded in Instrument No. 20210212000310470, Official Public Records of Collin County, Texas (O.P.R.C.C.T.), being part of The Woods At Lindsey Place Phase 2A (Phase 2A), an addition to the City of Anna, recorded in Instrument No. 2025010000029 (O.P.R.C.C.T.) and being more particularly described as follows;

BEGINNING at a point in the south line of said 275.00 acre tract of land, said point being in the north line of a called 61.905 acre tract of land as described in a Special Warranty Deed to Bloomfield Homes, LP, a Texas Limited Partnership, recorded in Instrument No. 20211220002555410 (O.P.R.C.C.T.), from which the southeast corner of said 275.00 acre tract of land bears North 89 degrees 28 minutes 48 seconds East, a distance of 168.60 feet;

THENCE South 89 degrees 28 minutes 48 seconds West, along the south line of said 275.000 acre tract, at a distance of 490.58 feet passing the southeast corner of Lot 21X, Block C of said Phase 2A, continuing, in all a distance of 2,480.27 feet to a point at the southwest corner of said Lot 21X, said point being the southeast corner of Lot 1, Block G, said Phase 2A and said point being in the north line of a called 4.890 acre tract of land described in a Special Warranty Deed to Area Anna, LLC, recorded in Instrument No. 2024000122982 (O.P.R.C.C.T.);

THENCE North 00 degree 33 minutes 56 seconds West, along the west line of said Lot 21X and along the east line of said Lot 1, Block G, a distance of 385.03 feet to a point for corner at the northwest corner of said Lot 21X, at the northeast corner of said Lot 1, Block G and in the south line of Rosamond Parkway (a 120' right-of-way) as shown on final plat of The Woods at Lindsey Place Phase 1, recorded in Instrument No. 2023010000115 (O.P.R.C.C.T.);

THENCE Along the north line of said Phase 2A and along the south line of Rosamond Parkway, the following courses and distances:

Northeasterly a distance of 51.24 feet along a non-tangent curve to the left, having a central angle of 03 degrees 13 minutes 33 seconds, a radius of 910.00 feet, a tangent length of 25.62 feet and whose chord bears North 58 degrees 56 minutes 09 seconds East, a distance of 51.23 feet to a point for corner in the north line of said Lot 21X;

Northeasterly a distance of 442.68 feet along a tangent curve to the right, having a central angle of 32 degrees 06 minutes 22 seconds, a radius of 790.00 feet, a tangent length of 227.32 feet and whose chord bears of North 73 degrees 22 minutes 33 seconds East, a distance of 436.91 feet to a point for corner in the north line of said Lot 21X;

North 89 degrees 25 minutes 44 seconds East, a distance of 42.00 feet to a point for corner in the north line of said Lot 21X;

South 45 degrees 34 minutes 16 seconds East, a distance of 42.43 feet to a point for corner in the north line of said Lot 21X, said point being in the west line of Harlow Boulevard (a variable width right-of-way) as shown on final plat of said Phase 2A;

North 89 degrees 25 minutes 44 seconds East, a distance of 90.00 feet to a point for corner in the east line of Harlow Boulevard, said point being in the west line of Lot 1, Block E, said Phase 2A;

North 44 degrees 25 minutes 44 seconds East, a distance of 42.43 feet to a point for corner at the northwest corner of Lot 15X, said Block E;

North 89 degrees 25 minutes 44 seconds East, a distance of 287.14 feet to a point for corner in the north line of said Lot 15X;

Northeasterly a distance of 597.97 feet along a tangent curve to the left, having a central angle of 27 degrees 11 minutes 29 seconds, a radius of 1,260.00 feet, a tangent length of 304.73 feet and whose chord bears North 75 degrees 49 minutes 59 seconds, and a chord distance of 592.38 feet to a point for corner in the north line of Lot 22X, said Block C;

North 62 degrees 14 minutes 14 seconds East, a distance of 357.72 feet to a point for corner at the northeast corner of said Lot 22X;

THENCE Along the east line of said Phase 2A, the following courses and distances:

South 27 degrees 45 minutes 46 seconds East, a distance of 15.00 feet to a point for corner at the southeast corner of said Lot 22X;

South 49 degrees 18 minutes 42 seconds East, a distance of 194.61 feet to a point for corner at the most easterly northeast corner of Lot 7, said Block C;

South 00 degrees 31 minutes 12 seconds East, a distance of 305.98 feet to a point for corner in the east line of Lot 11, said Block C;

THENCE North 89 degrees 28 minutes 48 seconds East, a distance of 501.05 feet to a point for corner;

THENCE South 01 degrees 14 minutes 22 seconds West, a distance of 327.87 feet to the **POINT OF BEGINNING** containing 1,358,044Sq. Ft. and 31.176 acres of land.

EXHIBIT M-4 – IMPROVEMENT AREA #2-B LEGAL DESCRIPTION

PHASE 2B

BEING a tract of land situated in the City of Anna, Collin County, Texas, being a part of Eli Witt Survey, Abstract No. 997, being a part of The Woods At Lindsey Place Phase 2B (Phase 2B), an addition to the City of Anna, recorded in Instrument No. 2025010000030, Official Public Records, Collin County, Texas, (O.P.R.C.C.T.) and being more particularly described as follows;

BEGINNING at a point for corner at the southwest corner of Lot 32X, Block F of said Phase 2B, said point being in the southeast corner Lot 33X, said Block F and said point being in the north line of Lot 1, Block A of DHI Anna, an addition to the City of Anna, recorded in Instrument No. 2025010000226, (O.P.R.C.C.T.)

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 205.43 feet to a point for corner in the north line of Chloe Lane (a variable width right-of-way);

THENCE along the north line of said Phase 2B the following courses and distances:

North 89 degrees 26 minutes 21 seconds East, a distance of 151.00 feet to a point for corner in the north line of Chloe Lane;

South 77 degrees 19 minutes 13 seconds East, a distance of 77.32 feet to a point for corner in the north line of Chloe Lane;

North 51 degrees 03 minutes 34 seconds East, a distance of 12.42 feet to a point for corner in the west line of Gemma Ann Street (a 50' right-of-way);

North 00 degrees 33 minutes 39 seconds West, a distance of 105.00 feet to a point for corner in the west line of Gemma Ann Street, said point being the southwest corner of The Woods At Lindsey Place Phase 3 (Phase 3), an addition to the City of Anna, recorded in Instrument No. 2025010000360 (O.P.R.C.C.T.);

THENCE along the north line of said Phase 2B and along the south line of said Phase 3 the following courses and distances:

North 89 degrees 26 minutes 21 seconds East, a distance of 540.00 feet to a point for corner at the northeast corner of Lot 6, Block W, said Phase 2B, said point being at the southeast corner of Lot 29, Block W said Phase 3;

South 00 degrees 33 minutes 39 seconds East, a distance of 115.00 feet to a point for corner at the southeast corner of Lot 6, said Block W Phase 2B, said point being at the southwest corner of Lot 5, said Block W Phase 3 and said point being in the north line of Chloe Lane;

North 89 degrees 26 minutes 21 seconds East, a distance of 24.50 feet to a point for corner in the south line of said Lot 5, said point being in the north line of Chloe Lane;

South 00 degrees 33 minutes 39 seconds East, a distance of 50.00 feet to a point for corner in the south line of Chloe Lane, said point being in the north line of Lot 18, Block U of said Phase 3;

South 89 degrees 26 minutes 21 seconds West, a distance of 7.77 feet to a point for corner in the south line of Chloe Lane, said point being the most northerly northwest corner of said Lot 18;

South 44 degrees 26 minutes 21 seconds West, a distance of 14.14 feet to a point for corner in the east line of Hunter Lane (a 50' right-of-way), said point being the most westerly northwest corner of said Lot 18;

South 00 degrees 33 minutes 39 seconds East, a distance of 110.00 feet to a point for corner in the east line of Hunter Lane, said point being the northwest corner of Lot 17, Block U of said Phase 2B and said point being the southwest corner of said Lot 18;

North 89 degrees 26 minutes 21 seconds East, a distance of 310.00 feet to a point for corner at the northeast corner of Lot 12, Block U of said Phase 2B, said point being in the south line of Lot 25, Block U of said Phase 3 and said point being the northwest corner of Lot 11, Block U of said Phase 3;

South 00 degrees 33 minutes 39 seconds East, a distance of 120.00 feet to a point for corner at the southeast corner of said Lot 12, said point being the southwest corner of said Lot 11 and said point being in the north line of Foggy Woods Lane (a 50' right-of-way);

North 89 degrees 26 minutes 21 seconds East, a distance of 128.63 feet to a point for corner at the northeast corner of said Phase 2B, said point being in the south line Lot 9, Block U of said Phase 3 and said point being in the north line of Foggy Woods Lane;

THENCE along the east line of said Phase 2B and along the west line of said Phase 3 the following courses and distances:

South 00 degrees 33 minutes 39 seconds East, a distance of 460.00 feet to a point for corner at the southeast corner of Lot 15, Block S of said Phase 2B, said point being in the north line of Lot 9, Block S of said Phase 3 and said point being the southwest corner of Lot 8, Block S of said Phase 3;

South 89 degrees 26 minutes 21 seconds West, a distance of 21.37 feet to a point for corner in the north line of said Lot 15, said point being the northeast corner of Lot 14, Block S of said Phase 2B and said point being the northwest corner of said Lot 9;

South 00 degrees 33 minutes 39 seconds East, a distance of 150.00 feet to a point for corner at the southeast corner of Lot 12, Block S of said Phase 2B, said point being the northeast corner of Lot 11 Block S of said Phase 2B and said point being in the west line of Lot 10, Block S of said Phase 3;

South 27 degrees 46 minutes 10 seconds East, a distance of 58.73 feet to a point for corner at the southeast corner of said Lot 11, said point being the southwest corner of said Lot 10 and said point being in the north line of Ozark Hills Lane (a 50' right-of-way);

North 62 degrees 13 minutes 50 seconds East, a distance of 15.47 feet to a point for corner in the southeast line of said Lot 10, said point being in the northwest line of Ozark Hills Lane;

Northeasterly distance of 28.46 feet along a non-tangent curve to the left, having a central angle of 07 degrees 14 minutes 52 seconds, a radius is 225.00 feet, a tangent length of 14.25 feet and whose chord bears North 58 degrees 36 minutes 24 seconds East, and chord distance of 28.44 feet to a point for corner in the southeast line of said Lot 10, said point being in the northwest line of Ozark Hills Lane;

South 35 degrees 01 minute 02 seconds East, a distance of 50.00 feet to a point for corner in the southeast line of Ozark Hills Lane, said point being in the northwest line of Lot 8, Block Q of said Phase 3;

Southwesterly a distance of 8.36 feet along a non-tangent curve to the right, having a central angle of 01 degree 44 minutes 33 seconds, a radius is 275.00 feet, a tangent length of 4.18 feet, and whose chord bears South 56 degrees 53 minutes 46 seconds West and a chord distance of 8.36 feet to a point for corner in the southeast line of Ozark Hills Lane, said point being at the most northerly northwest corner of said Lot 8;

South 14 degrees 33 minutes 48 seconds West, a distance of 14.78 feet to a point for corner in the northeast line of Russell Street (a 50' right-of-way), said point being at the most westerly northwest corner of said Lot 8;

South 27 degrees 46 minutes 10 seconds East, a distance of 220.49 feet to a point for corner in the northeast line of Russell Street, said point being at the most westerly southwest corner of Lot 7, Block Q of said Phase 3;

South 72 degrees 46 minutes 10 seconds East, a distance of 14.14 feet to a point for corner in the north line of Tacoma Way (a 50' right-of-way), said point being the most southerly southwest corner of said Lot 7;

North 62 degrees 13 minutes 50 seconds East, a distance of 10.50 feet to a point for corner in the northwest line of Tacoma Way, said point being in the south line of said Lot 7;

South 27 degrees 46 minutes 10 seconds East, a distance of 50.00 feet to a point for corner in the southeast line of Tacoma Way, said point being in the northwest line of Lot 16, Block N of said Phase 3;

South 62 degrees 13 minutes 50 seconds West, a distance of 10.50 feet to a point for corner in the southeast line of Tacoma Way, said point being in the most northerly northwest corner of said Lot 16;

South 17 degrees 13 minutes 50 seconds West, a distance of 14.14 feet to a point for corner in the northeast line of Russell Street, said point being in the most westerly northwest corner of said Lot 16;

South 27 degrees 46 minutes 10 seconds East, a distance of 110.00 feet to a point for corner at the southeast corner of said Phase 2B, said point being the northwest corner of Lot 15, Block N of The Woods at Lindsey Place Phase 1 (Phase 1), an addition to the City of Anna, recorded in Instrument Number 2023010000115, O.P.R.C.C.T., said point being in the northeast line of Russell Street and said point being the southwest corner of said Lot 16;

THENCE along the south line of said Phase 2B and along the north line of said Phase 1 the following courses and distances:

South 62 degrees 13 minutes 50 seconds West, a distance of 324.78 feet to a point for corner in the south line of Lot 25, Block U of said Phase 2B, said point being in the north line of Lot 6, Block U of said Phase 1;

South 89 degrees 25 minutes 47 seconds West, a distance of 556.69 feet a point for corner at the southwest corner of said Phase 2B, said point being at the southwest corner of Lot 1X, Block F of said Phase 2B and said point being in the east line of Lot 2, Block A of DHI Anna, an addition to the City of Anna, recorded in Instrument No. 2025010000322;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 1,309.34 feet to a point for corner in the north line of Lot 17, Block F of said Phase 2B, said point being in the south line of Lot 20, said Block F;

THENCE South 89 degrees 26 minutes 21 seconds West a distance of 620.00 feet to the **POINT OF BEGINNING** containing 1,060,847 Sq. Ft. or 24.354 acres;

EXHIBIT M-5 – IMPROVEMENT AREA #3 LEGAL DESCRIPTION

EXHIBIT A

84.946 ACRES

BEING that certain tract of land situated in the Eli W. Witt Survey, Abstract No. 997, in the City of Anna, Collin County, Texas, and being part of that certain called 39.162 acre tract of land described as The Woods at Lindsey Place Phase 3, an addition to the City of Anna, Texas recorded in Book 2025, Page 715-717 of the Plat Records of Collin County Texas (PRCCT), and being part of that certain called 275.00 acre tract of land described in deed to D.R. Horton -Texas, LTD. recorded in Instrument No. 20210212000310470 of the Official Public Records of Collin County, Texas (OPRCCT), and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "BCG 10194538" found (hereinafter referred to as "iron rod found - BCG") at the southwest corner of a right-of-way dedication for Ferguson Parkway (variable width dedication according to said The Woods at Lindsey Place Phase 3 Final Plat);

THENCE South 89°28'48" West, with a south line of said Phase 3, a distance of 481.91 feet to an "X" cut in concrete found on the east right-of-way line of Mossy Lake Lane (called 50-foot right-of-way), according to The Woods at Lindsey Place Phase 1, an addition to the City of Anna, Texas according to Final Plat recorded in Book 2023, Pages 174-177, PRCCT;

THENCE North 00°31'12" West, with said east right-of-way line of Mossy Lake Lane and Phase 1, a distance of 10.00 feet to an iron rod found - BCG;

THENCE with the northerly line of said Phase 1, and the south line of said Phase 3, the following courses and distances to iron rod found - BCG:

South 89°28'48" West, a distance of 161.53 feet;

South 77°11'07" West, a distance of 91.82 feet;

South 62°13'50" West, a distance of 612.59 feet to the northeast right-of-way line of Russell Street (called 50-foot right-of-way according to said The Woods at Lindsey Place Phase 1), and being a southeast corner of The Woods at Lindsey Place Phase 2B, an addition to the City of Anna, Texas according to Final Plat recorded in Book 2025, Pages 50-51, PRCCT;

THENCE with the east and north lines of said Phase 2B, and the west and south lines of said Phase 3, the following courses to iron rod found - BCG (unless noted otherwise):

North 27°46'10" West, a distance of 110.00 feet;

North 17°13'50" East, a distance of 14.14 feet;

North 62°13'50" East, a distance of 10.50 feet;

North 27°46'10" West, a distance of 50.00 feet;

South 62°13'50" West, a distance of 10.50 feet;

North 72°46'10" West, a distance of 14.14 feet;

North 27°46'10" West, a distance of 220.49 feet to an "X" cut in concrete found;

North 14°59'57" East, a distance of 14.68 feet to the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, which has a central angle of 01°44'35", a radius of 275.00 feet, a chord which bears North 55°51'16" East, a chord distance of 8.37 feet, and for an arc distance of 8.37 feet;

North 35°01'02" West, a distance of 50.00 feet to the beginning of a non-tangent curve to the right;

With said non-tangent curve to the right, which has a central angle of 07°14'52", a radius of 225.00 feet, a chord which bears South 58°36'24" West, a chord distance of 28.44 feet, and for an arc distance of 28.46 feet;

South 62°13'50" West, a distance of 15.47 feet to an "X" cut in concrete found;

North 27°46'10" West, a distance of 58.73 feet;

North 00°33'39" West, a distance of 150.00 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found;

North 89°26'21" East, a distance of 21.37 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found;

North 00°33'39" West, a distance of 460.00 feet;

South 89°26'21" West, a distance of 128.63 feet;

North 00°33'39" West, a distance of 120.00 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found;

South 89°26'21" West, a distance of 310.00 feet to an "X" cut in concrete found;

North 00°33'39" West, a distance of 110.00 feet to an "X" cut in concrete found;

North 44°26'21" East, a distance of 14.14 feet;

North 89°26'21" East, a distance of 7.77 feet;

North 00°33'39" West, a distance of 50.00 feet;

South 89°26'21" West, a distance of 24.50 feet;

North 00°33'39" West, a distance of 115.00 feet;

South 89°26'21" West, a distance of 540.00 feet to the northwest corner of a called 50-foot right-of-way dedication for Gemma Ann Street according to said Phase 2B, and the southwest corner of the same according to said Phase 3;

THENCE South 00°33'39" East, with a west line of said Phase 2B, a distance of 105.00 feet to the most northern corner of a corner clip at the intersection of said Gemma Ann Street and Chloe Lane (variable width right-of-way) according to said Phase 2B;

THENCE South 51°03'34" West, a distance of 12.42 feet to the most western corner of said corner clip;

THENCE North 77°19'13" West, with the north right-of-way line of said Chloe Lane, a distance of 77.32 feet;

Thence South 89°26'21" West, continuing with said north right-of-way line of Chloe Lane, a distance of 151.00 feet to a point for corner;

THENCE departing the north right-of-way line of said Chloe Lane, and over and across said D.R. Horton tract, the following courses and distances to points for corner:

North 00°33'39" West for a distance of 321.35 feet to the beginning of a tangent curve to the right;

With said tangent curve to the right, which has a central angle of 32°41'20", a radius of 1914.00 feet, a chord which bears North 15°47'01" East, a chord distance of 1077.24 feet, and for an arc distance of 1091.99 feet;

North 32°39'37" East, a distance of 90.00 feet;

North 32°43'36" East, a distance of 144.25 feet to the north line of said D.R. Horton tract, and the south line of that certain called 62.667 acre tract of land described as "Tract Two" in deed to Liberty 800 L.P., recorded in Instrument Number 2023000025691, OPRCCT;

THENCE South 86°38'11" East, with the north line of said D.R Horton tract, and the south line of said Liberty 800 L.P. tract, a distance of 255.77 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found at the southeast corner of said Liberty 800 tract, and being the southwest corner of that certain called 158.779 acre tract of land described in deed to LHJH Properties, LTD., recorded in Instrument Number 20061003001424640, OPRCCT;

THENCE South 89°11'33" East, with the south line of said LHJH Properties tract, a distance of 1019.21 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found at the southeast corner of said LHJH Properties tract, and being the southwest corner of that certain called 62.41 acre tract of land described in deed to Anna 60 Partners, LP recorded in Instrument Number 2024000048850, OPRCCT;

THENCE South 89°16'54" East, a distance of 110.75 feet to a 1/2-inch iron rod with cap stamped "BOHLER ENG" found at the northeast corner of said D.R. Horton tract, and in the south line of said Anna 60 Partners tract, at the northwest corner of that certain called 48.585 acre tract of land described as "Phase 3" in deed to MCI Exchange Anacapri A Series Depositor, LLC (MCI tract) recorded in Instrument Number 2023000111060, OPRCCT and in the approximate centerline of County Road 371 (undedicated public road at this point);

THENCE South 01°17'12" East, departing the centerline of said County Road 371, with the east line of said D.R. Horton tract, and with the west line of said MCI tract, a distance of 1185.64 feet to an iron rod found - BCG in the east line of said Phase 3 according to Final plat, and the west line of said MCI tract;

THENCE South 00°46'54" East, continuing with the east line of said Phase 3, and the west line of said MCI tract, a distance of 1103.34 feet to an iron rod found - BCG;

THENCE North 88°20'59" East, with a north line of said Phase 3, and the south line of said MCI tract, a distance of 906.94 feet to an iron rod found - BCG at the northwest corner of said right-of-way dedication for Ferguson Parkway according to said Phase 3 Final Plat;

THENCE South 00°44'46" East, with the west line of said Ferguson Parkway dedication, a distance of 312.61 feet to the **POINT OF BEGINNING**, and containing an area of 84.946 acres of land.

APPENDIX A – IMPROVEMENT AREA #3 ENGINEERS REPORT

[Remainder of page left intentionally blank.]



214-484-7055 

BCG@Barraza-Group.com 

www.Barraza-Group.com 

801 East Campbell Road, Suite 650
Richardson, Texas 75081 

TBPE Firm No. 20683 | TBPLS Firm No. 10194538

August 28, 2025

David L. Booth, CPA
D.R. Horton – East Division
4306 Miller Road
Rowlett, TX 75088

RE: Engineer's Report
The Woods at Lindsey Place
Improvement Area 3
City of Anna, Collin County, Texas

Introduction

The Woods at Lindsey Place is a proposed single-family development encompassing approximately 222 acres of single family and multifamily housing. It is projected to include 949 single-family homes, including 415 existing homes. The project is located approximately 2,500 feet to the east of U.S. 75 and 1,200 feet west of County Road 369 as depicted in the concept plan in Exhibit A.

Development Costs

An engineer's Opinion of Probable Costs (OPC) has been prepared for all on-site infrastructure and is included as Exhibit B.

Development Improvements

Depictions of on-site water, wastewater/sewer, drainage, roadway, and open space improvements allowable under the PID Act and benefiting and necessary to serve the property are shown in Exhibits C through Exhibits H.

Development Schedule

Design Stage

The Overall Preliminary Plat for the entire development has been approved by the City of Anna. The on-site construction plans for Improvement Area 3 have been approved by the City of Anna.

Construction Stage

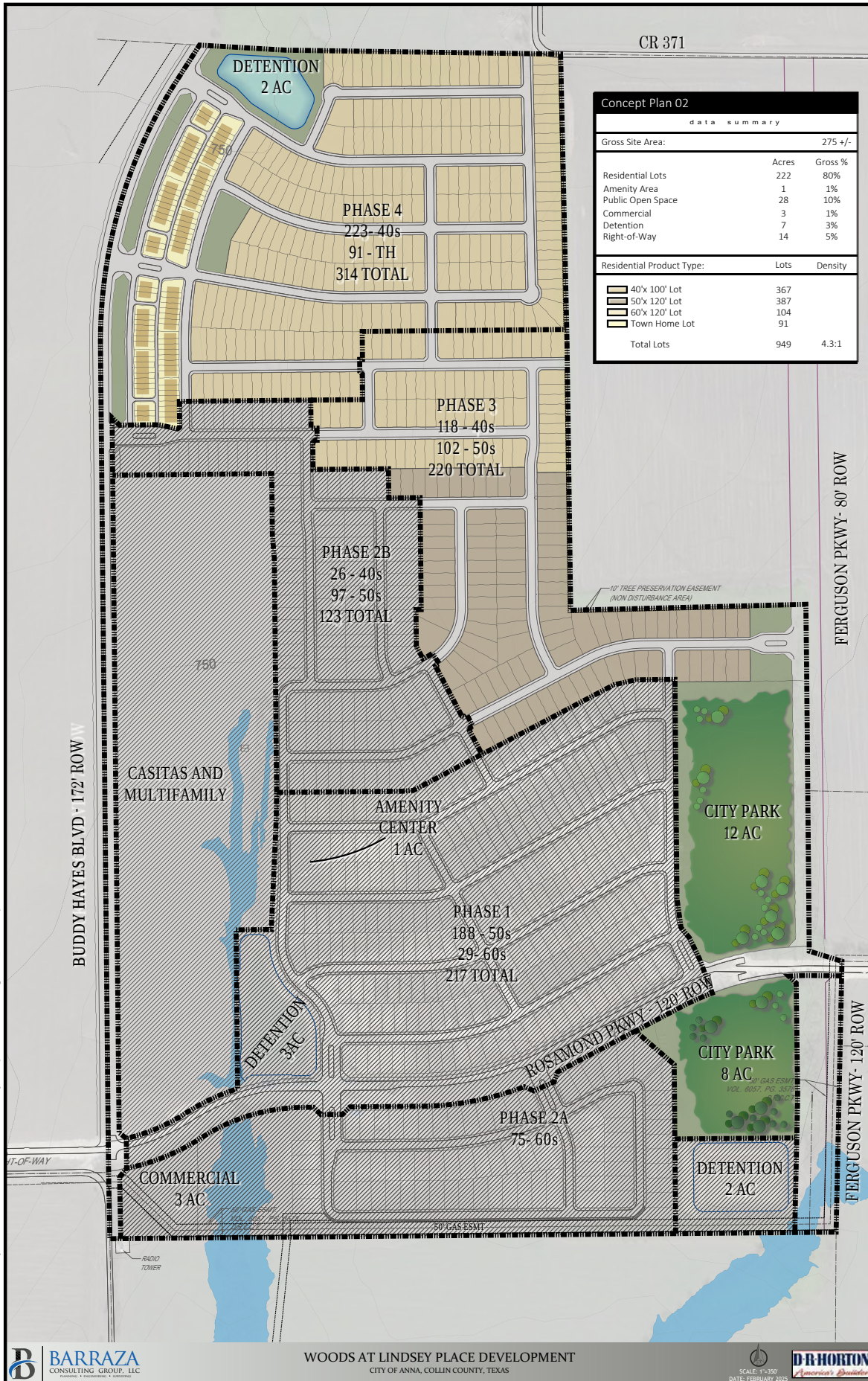
Improvement Area 3 of The Woods at Lindsey place have begun construction, with final acceptance from the City anticipated May 2025 and July 2025, respectively.

Sincerely,



Rodney Velasquez, P.E.
VP of Land Development



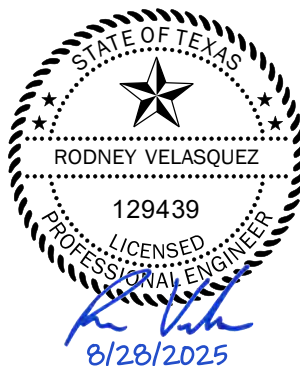


S:\2023\2023-003-100 Woods at Lindsey\CAD\EXHIBIT S\2023-003-100 Woods at Lindsey Concept Plan 02.dwg Feb 20, 2025 - 3:23 am e88033

Exhibit B: PID COST SUMMARY**The Woods at Lindsey , IA#3****8/28/2025****Projected
Cost**

Public Improvements	Erosion Control	330,000
Public Improvements	Excavation	928,408
Public Improvements	Sewer	2,616,969
Public Improvements	Storm	3,185,765
Public Improvements	Water	2,382,537
Public Improvements	Paving	4,549,776
Public Improvements	Engineering	1,490,980
Public Improvements	Contingency	720,592
	Sub Total	16,205,026
		-
Private Improvement - Developer	Retaining Walls	1,148,693
Private Improvement - Developer	Landscaping	592,457
Private Improvement - Developer	Electric	220,000
Private Improvement - Developer	Screening/Hardscape	396,000
Private Improvement - Developer	Lot Exc/Lot Benching	246,246
Private Improvement - Developer	Moisture Conditioning Pads	172,150
Private Improvement - Developer	Cluster Mailboxes	170,500
	Sub Total	2,946,045
		-
	Grand Total	19,151,072

S:\2023\2023003-00 Woods at Lindsey\OTHERS\DR Horton\[Woods - PID Exhibit - 082825 v5.xlsx]Sheet1



THROCKMORTON BLVD

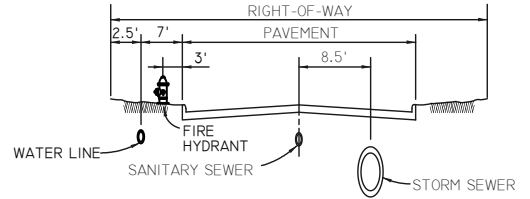
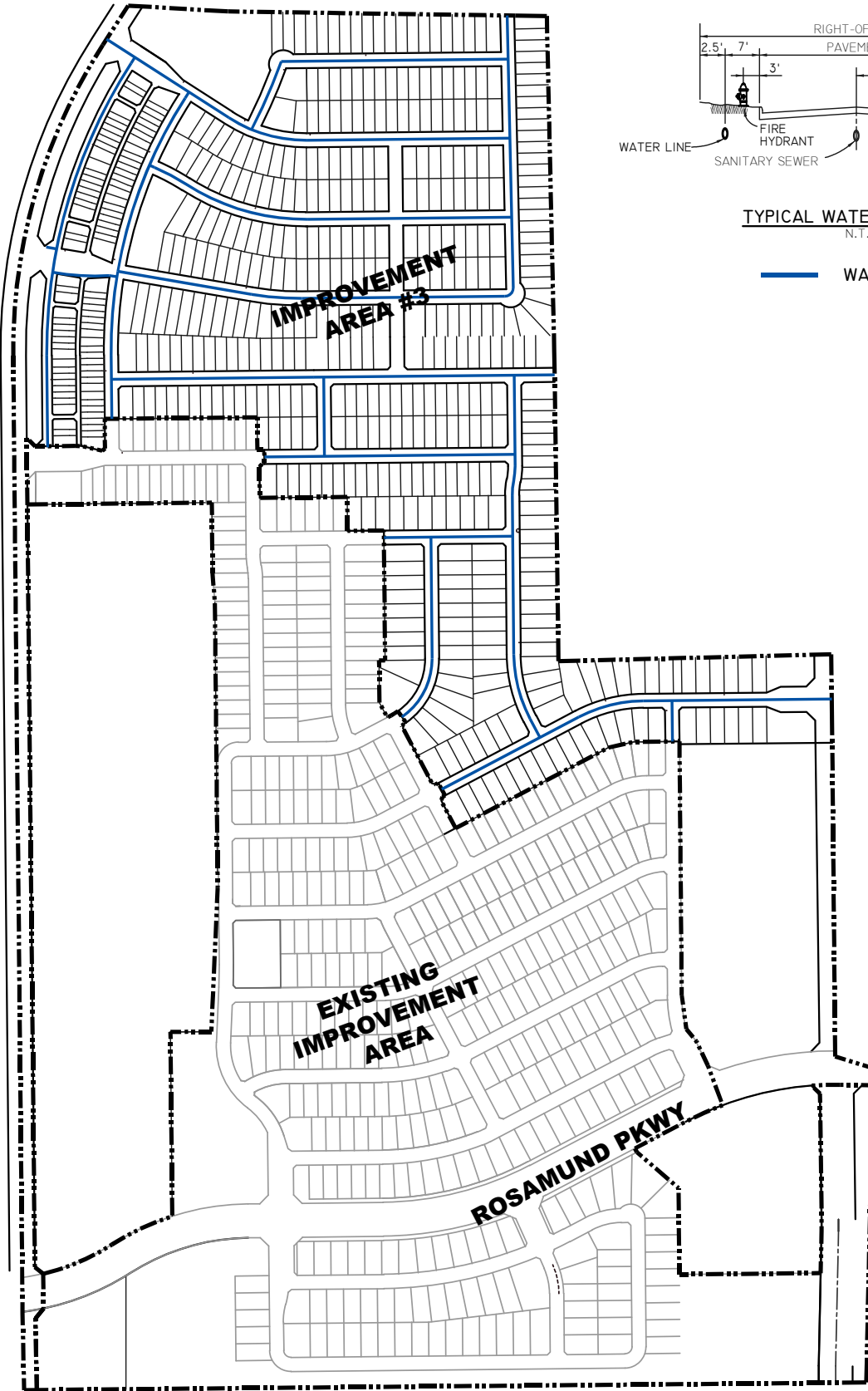
IMPROVEMENT
AREA #3

EXISTING
IMPROVEMENT
AREA

ROSAMUND PKWY

FERGUSON PKWY

THROCKMORTON BLVD



TYPICAL WATER LOCATION
N.T.S.

— WATER LINE

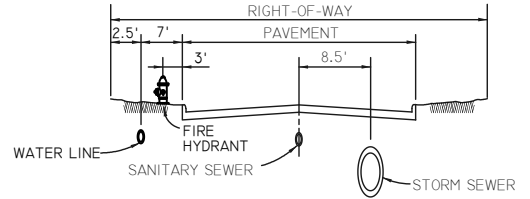
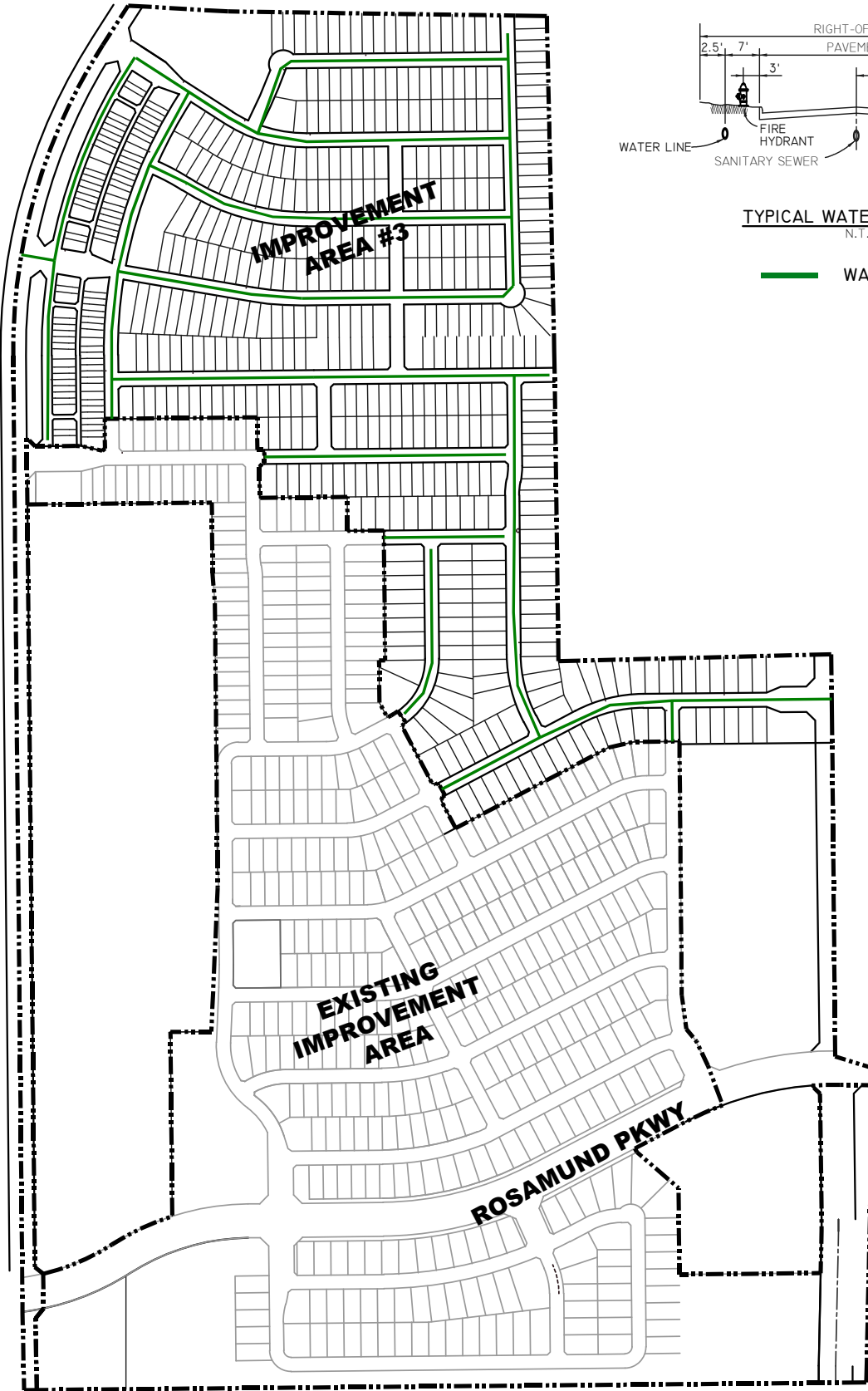
**EXISTING
IMPROVEMENT
AREA**

ROSAMUND PKWY

FERGUSON PKWY

**IMPROVEMENT
AREA #3**

THROCKMORTON BLVD



TYPICAL WATER LOCATION
N.T.S.

— WATER LINE

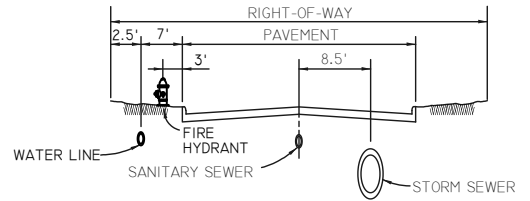
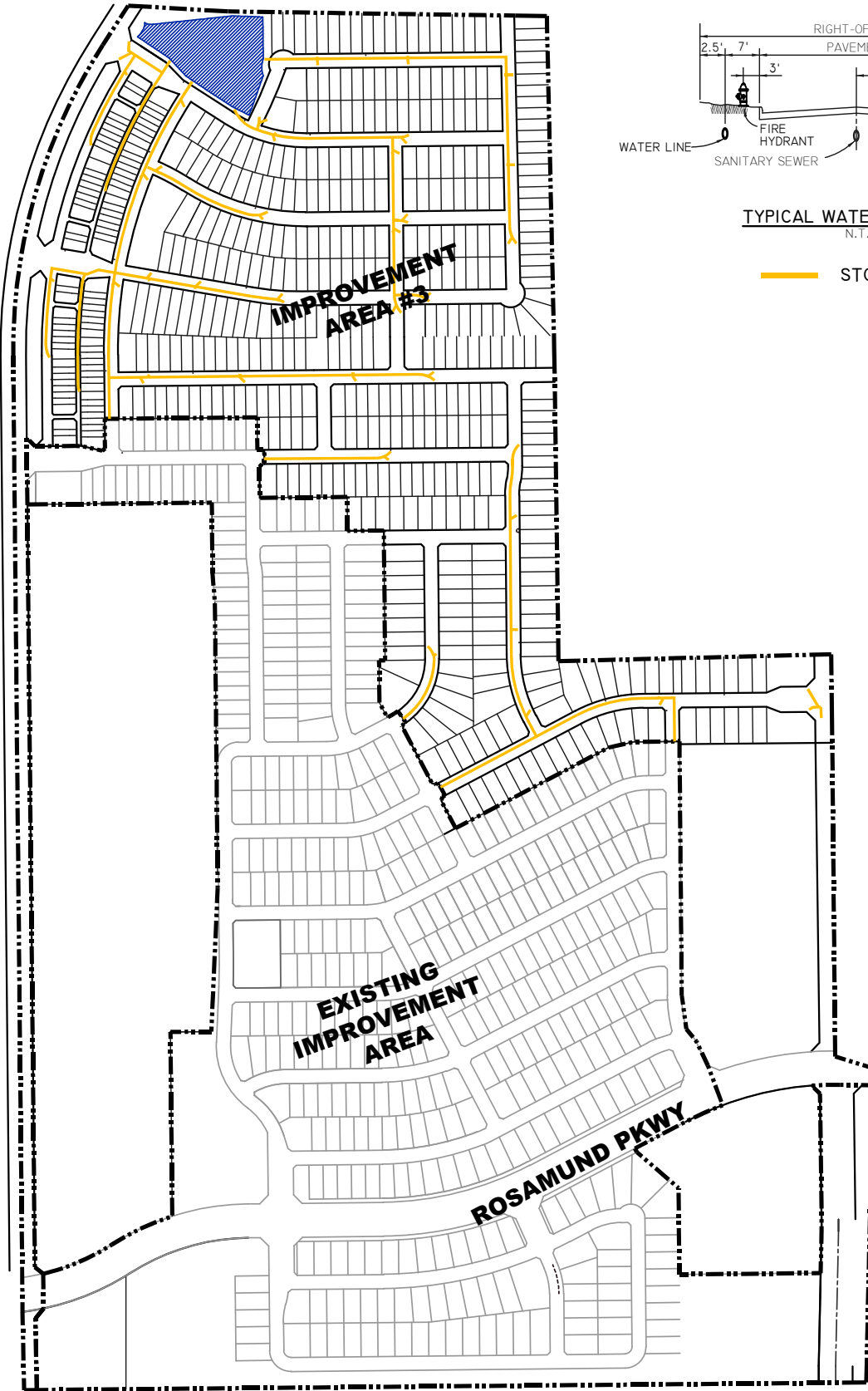
**EXISTING
IMPROVEMENT
AREA**

ROSAMUND PKWY

FERGUSON PKWY

**IMPROVEMENT
AREA #3**

THROCKMORTON BLVD



TYPICAL WATER LOCATION
N.T.S.

— STORM LINE

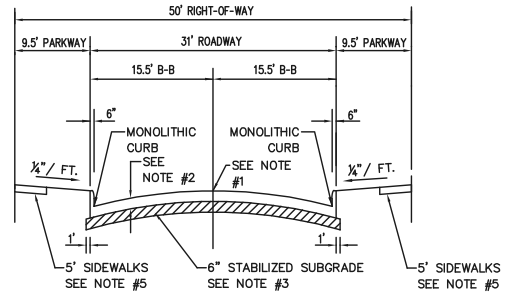
THROCKMORTON BLVD

IMPROVEMENT
AREA #3

EXISTING
IMPROVEMENT
AREA

ROSAMUND PKWY

FERGUSON PKWY



NOTES:

1. 5" CROWN FOR 31' B-B STREET, SAWED LONGITUDINAL DUMMY JOINT.
2. 6" REINF. CONC. PVMT. THICKNESS (4,000 PSI PER NCTCOG ITEM 303.3.4.2-CLASS PI) #4 BARS @ 18" OCEW.
3. RATE OF LIME APPLICATION TO BE DETERMINED BY LIME SERIES TEST.
4. CONTRACTOR TO CUT STREET FROM THE BACK OF CURB TO THE ROW AT SUBGRADE DEPTH.
5. 4" REINF. CONC. SIDEWALK (3,600 PSI) WITH #3 BARS @ 18" OCEW 5. 1 1/2" SAND (MIN.) UNDER THE SIDEWALK. SUBGRADE (INCLUDING SAND) SHALL BE COMPACTED TO 95% DENSITY.

TYPICAL 31' B-B ROADWAY PAVING SECTION
SCALE: NTS

THROCKMORTON BLVD

