

WHARTON PUBLIC IMPROVEMENT DISTRICT No. 2

CITY OF WHARTON, TEXAS

SERVICE AND ASSESSMENT PLAN

MAY 13, 2024
and updated for Phase #2 and Phase #1 and Phase #2 Bonds
on June 23, 2025

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

WHARTON PUBLIC IMPROVEMENT DISTRICT No. 2

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On October 23, 2023 (the “Creation Date”) the City Council (the “City Council”) of the City of Wharton, Texas (the “City”) passed and approved Resolution No. 2023-88 approving and authorizing the creation of the Wharton Public Improvement District No. 2 (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district (the “Authorized Improvements”), all of which was located within the extraterritorial jurisdiction of the City at the time the PID was created. On January 8, 2024, the land within the PID was annexed into the City limits.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on the property in each phase for the public improvements to be constructed for the benefit of that phase.

Chapter 372 of the Texas Local Government Code, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. The Wharton Public Improvement District No. 2 Service and Assessment Plan (the “Service and Assessment Plan”) has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; and (iii) include a copy of the notice form required by Section 5.014, Property Code.” The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Rolls for the PID are included as Appendix F and Appendix G of this Service and Assessment Plan. The Assessments as shown on the Assessment Rolls are based on the method

of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. DEFINITIONS

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise), (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

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

“Additional Interest” means the up to 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

“Additional Interest Reserve” has the meaning set forth in Section V.G. of this Service and Assessment Plan.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including

engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses in one year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Administrator” means the employee or designee of the City, identified in any indenture of trust relating to the Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Rolls attached hereto as Appendix F and Appendix G or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Additional Interest Component designated for the Additional Interest Reserve Accounts described in Section V of this Service and Assessment Plan, if applicable, and (iii) the Administrative Expenses.

“Annual Service Plan Update” has the meaning set forth in Section IV of this Service and Assessment Plan.

“Assessed Property” means the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means an Assessment Ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments.

“Assessment Roll” means the Phase #1 Assessment Roll, Phase #2 Assessment Roll, or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Bonds” mean any bonds issued by the City in one or more series and secured in whole or in part by the Assessment Revenues.

“Budgeted Cost(s)” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“Certification for Payment” means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvement.

“City” means the City of Wharton, Texas.

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

“County” means Wharton County, Texas.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means Wharton 55, LLC, a Texas limited liability company.

“Development Agreement” means that certain “Development Agreement” by and between the City and the Developer and related to the PID effective November 15, 2022, as the same may be amended from time to time.

“Equivalent Units” mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix F attached hereto.

“Homeowner Association” means a homeowner’s association or property owners’ association established for the benefit of property owners within the boundaries of the PID.

“Homeowner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowner’s Association.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Wharton County, Texas.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator 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 average home value for each home at the time of assessment levy, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Major Improvements” mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefit. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.D.

“Parcel” or **“Parcels”** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Wharton County Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Wharton County.

“Phase” means one or more Parcels within the PID that will be developed in the same general time period.

“Phase #1” means the initial Phase to be developed and generally shown in Appendix A.2, as specifically depicted and described as the sum of all Parcels shown in Appendix F.

“Phase #1 and Phase #2 Bonds” mean those certain City of Wharton, Texas, Special Assessment Revenue Bonds, Series 2025 (Wharton Public Improvement District No. 2 Phase #1 Project and Phase #2 Project) that are secured primarily by Phase #1 Assessment Revenues and Phase #2 Assessment Revenues.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Projects is levied.

“Phase #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for Phase #1 Projects.

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix F, 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 the Phase #1 and Phase #2 Bonds or in connection with any Annual Service Plan Update.

“Phase #1 Maximum Assessment Per Unit” means for Phase #1 an Assessment per unit for each applicable Lot Type as follows:

Lot Type 1 (45 Ft Lot) - \$44,489.08

Lot Type 2 (40 Ft Lot) - \$42,709.52

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property, which are described in Section III.C.

“Phase #1 Projects” mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Phase #1 Improvements.

“Phase #1 and Phase #2 Assessment Roll” means the document included in this Service and Assessment Plan as Exhibit 1 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 Bonds or in connection with any Annual Service Plan Update.

“Phase #2” means the second and final Phase to be developed and generally shown in Appendix A.3, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

“Phase #2 Assessed Property” means all Parcels within Phase #2 other than Non-Benefited Property and shown in the Phase #2 Assessment Roll against which an Assessment relating to the Phase #2 Projects is levied.

“Phase #2 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #2 Assessed Property, or the Annual Installments thereof, for Phase #2 Projects.

“Phase #2 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, 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 Phase #1 and Phase #2 Bonds or in connection with any Annual Service Plan Update.

“Phase #2 Maximum Assessment Per Unit” means for Phase #2 an Assessment per unit for each applicable Lot Type as follows:

Lot Type 1 (45 Ft Lot) - \$44,535.66

Lot Type 2 (40 Ft Lot) - \$42,754.23

“Phase #2 Improvements” mean the Authorized Improvements which only benefit Phase #2 Assessed Property, which are described in Section III.D.

“Phase #2 Projects” mean (i) the pro rata portion of the Major Improvements allocable to Phase #2, and (ii) the Phase #2 Improvements.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Wharton County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“TIRZ No. 1” means the Tax Increment Reinvestment Zone No. 1, City of Wharton, Texas.

“TIRZ Annual Credit” means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to Section VI of this Service and Assessment Plan.

“TIRZ Ordinance” means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 1 Project Plan and Financing Plan (including amendments or supplements thereto).

“TIRZ Revenues” mean, for each year, the amounts paid by the City from the TIRZ No. 1 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI of this Service and Assessment Plan.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“Trustee” means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 55.48 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 223 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

The property within the PID was originally proposed to be developed as follows:

Table II-A.1
Proposed Development – PID - Original

Proposed Development	Quantity	Measurement
45 Ft Lot	95	Units
40 Ft Lot	138	Units
Total	233	Units

The property within the PID is now proposed to be developed as follows:

Table II-A.2
Proposed Development – PID – Revised

Proposed Development	Quantity	Measurement
45 Ft Lot	90	Units
40 Ft Lot	133	Units
Total	223	Units

B. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 18.69 acres and consists of 99 single family residential units, to be developed as Phase #1, as further described in Section III. A map of the property within Phase #1 and depicting the boundaries is shown in Appendix A.2.

Table II-B
Proposed Development – Phase #1

Proposed Development	Quantity	Measurement
45 Ft Lot	51	Units
40 Ft Lot	48	Units
Total	99	Units

C. PROPERTY INCLUDED IN PHASE #2

Phase #2 consists of approximately 36.79 acres and is projected to consist of 124 single family residential units, to be developed as Phase #2, as further described in Section III. A map of the property within Phase #2 and depicting the boundaries is shown in Appendix A.3.

Table II-C
Proposed Development – Phase #2

Proposed Development	Quantity	Measurement
45 Ft Lot	39	Units
40 Ft Lot	85	Units
Total	124	Units

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B, Section III.C, and Section III.D and shown in the opinion of probable costs and on the diagrams included

as Appendix B for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND BUDGETED COSTS OF THE MAJOR IMPROVEMENTS

The Major Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Major Improvements are as follows:

Road Improvements

The road improvement portion of the Major Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the entire PID. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water improvements portion of the Major Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the entire PID. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Major Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the entire PID. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Major Improvements consists of detention ponds, HDPE or HP storm sewer pipes and outfall structures, reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, and erosion control and storm water quality features, which benefit the entire PID. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Landscaping and Hardscaping

The landscaping improvement portion of the Major Improvements consists of landscaping, hardscaping, entry monumentation, walking trails, fountains, electrical services and lighting, and playground equipment and furnishings.

Other Soft and Miscellaneous Costs

The soft and miscellaneous costs portion of the Major Improvements consists of engineering and surveying, land acquisition costs, project management fees, City inspection fees, project management fees, contingency, and other soft and miscellaneous costs.

Table III-A details the Budgeted Costs for the Major Improvements.

Table III-A
Budgeted Costs – Major Improvements

Authorized Improvements	Total Major Improvements	Phase #1 Allocated Amount	Phase #2 Allocated Amount
Road improvements	\$200,000	\$89,195	\$110,805
Water improvements	\$229,645	\$102,416	\$127,229
Sanitary sewer improvements	\$215,867	\$96,271	\$119,596
Storm drainage improvements	\$1,310,308	\$584,365	\$725,942
Landscaping & Hardscaping	\$800,000	\$356,781	\$443,219
Other soft and miscellaneous costs	\$1,747,211	\$779,214	\$967,998
Total Authorized Improvements	\$4,503,031	\$2,008,243	\$2,494,788

C. DESCRIPTIONS AND BUDGETED COSTS OF PHASE #1

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Phase #1 Improvements are shown in Table III-C. The costs shown in Table III-C are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Phase #1 Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #1 Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1 Assessed Property. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water improvements portion of the Phase #1 Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1 Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1 Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1 Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1 Improvements consists of detention ponds, HDPE or HP storm sewer pipes and outfall structures, reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, and erosion control and storm water quality features, which benefit the Phase #1 Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Costs

The soft and miscellaneous costs portion of the Phase #1 Improvements consists of engineering and surveying, land acquisition costs, project management fees, City inspection fees, project management fees, contingency, and other soft and miscellaneous costs.

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Table III-B
Budgeted Costs - Phase #1 Projects

Authorized Improvements	Phase #1's Proportional Share of Major Improvements	Phase #1 Improvements	Total Phase #1 Projects
Road Improvements	\$89,195	\$905,361	\$994,556
Water Improvements	\$102,416	\$261,456	\$363,872
Sanitary Sewer Improvements	\$96,271	\$247,678	\$343,949
Storm Drainage Improvements	\$584,365	\$490,974	\$1,075,340
Landscaping & Hardscaping	\$356,781	\$0	\$356,781
Other Soft and Miscellaneous Costs	\$779,214	\$974,078	\$1,753,292
Total Authorized Improvements	\$2,008,243	\$2,879,548	\$4,887,790

Note: Costs provided by the Developer. The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to Phase #1 does not increase.

D. DESCRIPTIONS AND BUDGETED COSTS OF PHASE #2

The Phase #2 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Phase #2 Improvements are shown in Table III-D. The costs shown in Table III-D are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Phase #2 Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #2 Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #2 Assessed Property. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water improvements portion of the Phase #2 Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #2 Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #2 Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to

provide sanitary sewer service to Phase #2 Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #2 Improvements consists of detention ponds, HDPE or HP storm sewer pipes and outfall structures, reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, and erosion control and storm water quality features, which benefit the Phase #2 Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Costs

The soft and miscellaneous costs portion of the Phase #2 Improvements consists of engineering and surveying, land acquisition costs, project management fees, City inspection fees, project management fees, contingency, and other soft and miscellaneous costs.

Table III-C
Budgeted Costs - Phase #2 Projects

Authorized Improvements	Phase #2's Proportional Share of Major Improvements	Phase #2 Improvements	Total Phase #2 Projects
Road Improvements	\$110,805	\$1,200,000	\$1,310,805
Water Improvements	\$127,229	\$250,000	\$377,229
Sanitary Sewer Improvements	\$119,596	\$450,000	\$569,596
Storm Drainage Improvements	\$725,942	\$625,000	\$1,350,942
Landscaping & Hardscaping	\$443,219	\$0	\$443,219
Other Soft and Miscellaneous Costs	\$967,998	\$1,309,500	\$2,277,498
Total Authorized Improvements	\$2,494,788	\$3,834,500	\$6,329,288

Note: Costs provided by McKim & Creed. The figures shown in Table III-C may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment relating to Phase #2 does not increase.

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IV. SERVICE PLAN

A. PROJECTED SOURCES AND USES OF FUNDS

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 PID during the five-year period. The Major Improvements and Phase #1 Improvements were completed and accepted by the City in the 3rd quarter of 2024. The Developer commenced construction of the Phase #2 Improvements in May of 2025. It is anticipated that the Phase #2 Improvements will be completed and accepted by the City in the 4th quarter of 2025.

The original Budgeted Costs for Phase #1 Projects and expenses incurred in the establishment, administration, and operation of the PID were \$4,866,274 as shown in Table IV-A.1. The revised Budgeted Costs for Phase #1 Projects and expenses incurred in the establishment, administration, and operation of the PID, as well as Phase #1's allocable share of the bond issuance costs for the Phase #1 and Phase #2 Bonds, are \$ 5,611,679 as shown in Table IV-A.2.

The Budgeted Costs for the Phase #2 Projects, expenses incurred in the establishment, administration, and operation of the PID, as well as Phase #2's allocable share of the bond issuance costs for the Phase #1 and Phase #2 Bonds, are \$7,532,479, as shown in Table IV-B.

The Phase #1 and Phase #2 Bonds will be issued to acquire or construct the Phase #1 Projects and the Phase #2 Projects, and to pay for costs related to the issuance of the Phase #1 and Phase #2 Bonds and payment of expenses incurred in the establishment, administration and operation of the PID. The Budgeted Costs for the Phase #1 Projects, the Phase #2 Projects, costs of issuance of the Phase #1 and Phase #2 Bonds and payment of expenses incurred in the establishment, administration and operation of the PID are \$13,144,158, as shown in Table IV-C.

The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Phase #1

Table IV-A.1 shows the projected sources and uses for Phase #1 Projects. Tables in this Section may be rounded to the nearest whole dollar.

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Table IV-A.1
Projected Sources and Uses – Phase #1 Projects - Original

Sources of Funds	Total
Assessment	\$4,333,000
Other funding sources	\$533,274
Total Sources	\$4,866,274
Uses of Funds	
<i>Major Improvements:</i>	
Road Improvements	\$85,353
Water Improvements	\$98,004
Sanitary Sewer Improvements	\$92,124
Storm Drainage Improvements	\$559,190
Landscaping & Hardscaping	\$341,410
Other Soft and Miscellaneous Costs	\$745,645
<i>Subtotal Major Improvements</i>	<i>\$1,921,726</i>
<i>Phase #1 Improvements:</i>	
Road improvements	\$905,361
Water improvements	\$261,456
Sanitary sewer improvements	\$247,678
Storm drainage improvements	\$490,974
Other soft and miscellaneous costs	\$974,078
<i>Subtotal Phase #1 Improvements</i>	<i>\$2,879,548</i>
<i>Other Assessment Related Costs:</i>	
Assessment levy fee and first year Administrative Expenses	\$65,000
<i>Subtotal</i>	<i>\$65,000</i>
Total Uses	\$4,866,274

A portion of the costs of the Phase #1 Projects will be reimbursed to the Developer from the proceeds of the Phase #1 and Phase #2 Bonds. The updated sources and uses for the Phase #1 portion of the Phase #1 and Phase #2 Bonds are shown in Table IV-A.2.

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Table IV-A.2
Projected Sources and Uses – Phase #1 Projects – Revised

Sources of Funds	Total¹
Par Amount	\$4,319,000
Other funding sources	\$1,292,679
Total Sources	\$5,611,679
Uses of Funds	
<i>Major Improvements</i>	
Road Improvements	\$89,195
Water Improvements	\$102,416
Wastewater Improvements	\$96,271
Storm Drainage Improvements	\$584,365
Landscaping & Hardscaping	\$356,781
Other Soft and Miscellaneous Costs	\$779,214
<i>Subtotal Major Improvements</i>	<i>\$2,008,243</i>
<i>Phase #1 Improvements</i>	
Road Improvements	\$905,361
Water Improvements	\$261,456
Wastewater Improvements	\$247,678
Storm Drainage Improvements	\$490,974
Other Soft and Miscellaneous Costs	\$974,078
<i>Subtotal Phase #1 Improvements</i>	<i>\$2,879,548</i>
<i>Bond Issuance Costs</i>	
Issuance costs	\$195,786
Administrative expenses	\$25,000
Underwriter's discount	\$129,570
Capitalized interest	\$35,660
Reserve fund	\$314,186
<i>Subtotal Bond Issuance Costs</i>	<i>\$700,202</i>
Original Issue Discount	\$23,686
Total Uses	\$5,611,679

¹Sources and Uses for Phase #1 Projects at the time of the issuance of Phase #1 and Phase #2 Bonds.

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Phase #2

A portion of the costs of the Phase #2 Projects will be reimbursed to the Developer from the proceeds of the Phase #1 and Phase #2 Bonds. The sources and uses for the Phase #2 portion of the Phase #1 and Phase #2 Bonds are shown in Table IV-B.

Table IV-B
Projected Sources and Uses – Phase #2 Projects

Sources of Funds	Total¹
Par Amount	\$5,371,000
Other funding sources	\$2,161,479
Total Sources	\$7,532,479
Uses of Funds	
<u>Major Improvements</u>	
Road Improvements	\$110,805
Water Improvements	\$127,229
Wastewater Improvements	\$119,596
Storm Drainage Improvements	\$725,942
Landscaping & Hardscaping	\$443,219
Other Soft and Miscellaneous Costs	\$967,998
<i>Subtotal Major Improvements</i>	<i>\$2,494,788</i>
<u>Phase #2 Improvements</u>	
Road Improvements	\$1,200,000
Water Improvements	\$250,000
Wastewater Improvements	\$450,000
Storm Drainage Improvements	\$625,000
Other Soft and Miscellaneous Costs	\$1,309,500
<i>Subtotal Phase #1 Improvements</i>	<i>\$3,834,500</i>
<u>Bond Issuance Costs</u>	
Issuance costs	\$243,474
Administrative expenses	\$25,000
Underwriter's discount	\$161,130
Capitalized interest	\$353,178
Reserve fund	\$390,714
<i>Subtotal Bond Issuance Costs</i>	<i>\$1,173,497</i>
Original Issue Discount	\$29,694
Total Uses	\$7,532,479

¹Sources and Uses for Phase #2 Projects at the time of the issuance of Phase #1 and Phase #2 Bonds.

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Phase #1 and Phase #2 Bonds

The Phase #1 and Phase #2 Bonds are being issued to finance a portion of both the Phase #1 Projects and the Phase #2 Projects. Table IV-C shows the sources and uses of the Phase #1 and Phase #2 Bonds.

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Table IV-C
Projected Sources and Uses - Phase #1 and Phase #2 Bonds

Sources of Funds	Phase #1	Phase #2	Total¹
Par amount	\$4,319,000	\$5,371,000	\$9,690,000
Other funding sources	\$1,292,679	\$2,161,479	\$3,454,158
Total Sources	5,611,679	7,532,479	\$13,144,158
Uses of Funds			
<i>Major Improvements</i>			
Road Improvements	\$89,195	\$110,805	\$200,000
Water Improvements	\$102,416	\$127,229	\$229,645
Wastewater Improvements	\$96,271	\$119,596	\$215,867
Storm Drainage Improvements	\$584,365	\$725,942	\$1,310,308
Landscaping & Hardscaping	\$356,781	\$443,219	\$800,000
Other Soft and Miscellaneous Costs	\$779,214	\$967,998	\$1,747,211
<i>Subtotal Major Improvements</i>	<i>\$2,008,243</i>	<i>\$2,494,788</i>	<i>\$4,503,031</i>
<i>Phase #1 Improvements</i>			
Road Improvements	\$905,361	\$0	\$905,361
Water Improvements	\$261,456	\$0	\$261,456
Wastewater Improvements	\$247,678	\$0	\$247,678
Storm Drainage Improvements	\$490,974	\$0	\$490,974
Other Soft and Miscellaneous Costs	\$974,078	\$0	\$974,078
<i>Subtotal Phase #1 Improvements</i>	<i>\$2,879,548</i>	<i>\$0</i>	<i>\$2,879,548</i>
<i>Phase #2 Improvements</i>			
Road Improvements	\$0	\$1,200,000	\$1,200,000
Water Improvements	\$0	\$250,000	\$250,000
Wastewater Improvements	\$0	\$450,000	\$450,000
Storm Drainage Improvements	\$0	\$625,000	\$625,000
Other Soft and Miscellaneous Costs	\$0	\$1,309,500	\$1,309,500
<i>Subtotal Phase #2 Improvements</i>	<i>\$0</i>	<i>\$3,834,500</i>	<i>\$3,834,500</i>
<i>Bond Issuance Costs</i>			
Issuance costs	\$195,786	\$243,474	\$439,260
Administrative expenses	\$25,000	\$25,000	\$50,000
Underwriter's discount	\$129,570	\$161,130	\$290,700
Capitalized interest	\$35,660	\$353,178	\$388,839
Reserve fund	\$314,186	\$390,714	\$704,900
<i>Subtotal Bond Issuance Costs</i>	<i>\$700,202</i>	<i>\$1,173,497</i>	<i>\$1,873,699</i>
Original Issue Discount	\$23,686	\$29,694	\$53,380
Total Uses	\$5,611,679	\$7,532,479	\$13,144,158

¹Sources and Uses for Phase #1 Projects, Phase #2 Projects, and cost of issuance at the time of the issuance of Phase #1 and Phase #2 Bonds.

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B. PROJECTED FIVE YEAR SERVICE PLAN

Phase #1

The annual projected costs and annual projected indebtedness for Phase #1 is shown by Table IV-D. The annual projected costs and indebtedness is subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-D
Annual Projected Costs and Annual Projected Indebtedness – Phase #1 Projects

Year	Annual Projected Cost¹	Annual Projected Indebtedness	Other Funding Sources	Projected Phase #1 Annual Installments
2024	\$4,887,790	\$4,319,000	\$533,274	\$0
2025	\$723,889	\$0	\$759,405	\$0
2026	\$0	\$0	\$0	\$355,380
2027	\$0	\$0	\$0	\$355,439
2028	\$0	\$0	\$0	\$355,790
2029	\$0	\$0	\$0	\$356,006
2030	\$0	\$0	\$0	\$356,086
Total	\$5,611,679	\$4,319,000	\$1,292,679	\$1,778,701

¹Administrative Expenses in year 2024 were funded by the Developer.

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Phase #1 Projects shown in Table III-B, the costs associated with setting up the PID, and the costs of issuance for the Phase #1 and Phase #2 Bonds related to Phase #1. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

Phase #2

The annual projected costs and annual projected indebtedness for Phase #2 is shown by Table IV-E. The annual projected costs and indebtedness is subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-E
Annual Projected Costs and Annual Projected Indebtedness – Phase #2 Projects

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Phase #2 Annual Installments
2025	\$7,532,479	\$5,371,000	\$2,161,479	\$0
2026	\$0	\$0	\$0	\$441,958
2027	\$0	\$0	\$0	\$442,519
2028	\$0	\$0	\$0	\$441,895
2029	\$0	\$0	\$0	\$442,136
2030	\$0	\$0	\$0	\$442,192
2031	\$0	\$0	\$0	\$442,064
Total	\$7,532,479	\$5,371,000	\$2,161,479	\$2,652,763

The annual projected costs shown in Table IV-E are the annual expenditures relating to the Phase #2 Projects shown in Table III-C, and the costs associated with setting up the PID and Phase #2's share of the costs of issuance of the Phase #1 and Phase #2 Bonds. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

C. PID ASSESSMENT NOTICE

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan Update include a copy of the notice form required by Section 5.014 of the Texas Property Code. The "PID Assessment Notice" is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed Authorized Improvement program anticipated reimbursement agreements potentially followed by a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. The City has levied Assessments on property related to Phase #1 to finance the Phase #1 Projects. This Service and Assessment Plan is being updated to provide for the Phase #1 and Phase #2 Bonds and the levy of Assessments for property within Phase #2 to finance the Phase #2 Projects.

The purpose of this gradual levy of assessment and related execution of a reimbursement agreement and/or issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The levy of Assessments and related execution of a reimbursement agreement and/or issuance of bonds are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds and/or execute the reimbursement agreement when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") within the financing program. In order to maintain a prudent VtL, the initial issuance of bonds and/or execution of a reimbursement agreement for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements, if necessary, can be reimbursed by a subsequent parity lien bond financing, secured by the same Assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvements, Phase #1 Improvements, and Phase #2 Improvements shall be allocated as described below:

1. The Budgeted Costs of the Major Improvements were allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property on the basis of Equivalent Units calculated using the average home price of each Lot Type once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited
2. The Budgeted Costs of the Phase #1 Projects and Phase #2 Projects are allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property, respectively, on the basis of Equivalent Units calculated using the average home price of each Lot Type once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.
3. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken in to consideration: (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home prices provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the improvements.
4. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
5. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Phase #1 Projects and Phase #2 Projects, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied on the Phase #1 Assessed Property and Phase #2 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Phase #1 Projects and Phase #2 Projects, to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. 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.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance of the Phase #1 and Phase #2 Bonds and payment of costs incurred in the establishment of the PID shown in Table IV-C are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property at the time the Assessments were levied has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as “the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.” (*Dictionary of Real Estate Appraisal, Third Edition.*) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The Assessments will repay financing that is on advantageous terms, as the Phase #1 and Phase #2 Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax-exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Phase #1 and Phase #2 Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer’s option. As a result of these

advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ALLOCATION OF COSTS TO ASSESSED PROPERTY

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Budgeted Costs of the Major Improvements must be allocated throughout all Assessed Property in the PID. Table V-A summarizes the allocation of Actual Costs for each type of Major Improvement to Phase #1 and Phase #2. The Budgeted Costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 is projected to contain 99 single family residential units, and Phase #2 is projected to contain 124 single family residential units, for a total of 223 single family residential units within the PID. As shown in Appendix D, the total projected Equivalent Units for Phase #1 is calculated as 97.08 and the total projected Equivalent Units for Phase #2 is 120.60. The total projected Equivalent Units for the PID is calculated as 217.68. As a result, 44.60 percent of the Budgeted Costs of the Major Improvements (i.e. $97.08 \div 217.68 = 44.60\%$) are allocated to the Phase #1 Assessed Property, and 55.40 percent of the Budgeted Costs of the Major Improvements (i.e., $120.60 \div 217.68 = 55.40\%$) are allocated to Phase #2. The Phase #1 and Phase #2 Bonds will fund the Budgeted Costs of the Phase #1 Projects and the Phase #2 Projects. One hundred percent (100%) of the Phase #1 Improvements and Phase #2 Improvements are allocated to the Phase #1 Assessed Property and Phase #2 Assessed Property, respectively.

Table V-A
Allocation of the Budgeted Costs of the Major Improvements

Authorized Improvement	Total
Road Improvements	\$200,000
Water Improvements	\$229,645
Sanitary Sewer Improvements	\$215,867
Storm Drainage Improvements	\$1,310,308
Landscaping & Hardscaping	\$800,000
Other Soft and Miscellaneous Costs	\$1,747,211
Total Major Improvements	\$4,503,031
Phase #1	
Projected total number of Equivalent Units	97.08
% of total units	44.60%
Proportionate Share of Costs	\$2,008,243
Phase #2	
Projected total number of Equivalent Units	120.60
% of total units	55.40%
Proportionate Share of Costs	\$2,494,788

¹See Table III-A for details.

D. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The costs of the Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. Assessment Methodology for Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Phase #1 Projects and related costs of issuance to be financed with the Phase #1 and Phase #2 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Phase #1 Projects and related costs of issuance, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 Assessed Property of the Phase #1 Projects and related costs of issuance is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel of Phase #1 Assessed Property, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

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

2. Assessment Methodology for Phase #2

For purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Phase #2 Projects and related costs of issuance to be financed with the Phase #1 and Phase #2 Bonds, shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Phase #2 Projects and related costs of issuance, as set forth in Table III-C, the City Council has determined that the benefit to Phase #2 Assessed Property of the Phase #2 Projects and related costs of issuance is at least equal to the Assessments levied on the Phase #2 Assessed Property.

Upon subsequent divisions of any Parcel of Phase #2 Assessed Property, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

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

E. ASSESSMENTS

The Assessments for Phase #1 and Phase #2 are levied on each Parcel or Lot according to the Phase #1 Assessment Roll and the Phase #2 Assessment Roll, respectively. The Annual Installments for Phase #1 and Phase #2 Bonds will be collected during the year and in the amounts shown on the Phase #1 Assessment Roll and Phase #2 Assessment Roll, respectively, attached hereto as Appendix F and Appendix G, respectively, and are subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix D for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

F. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses 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.

G. ADDITIONAL INTEREST RESERVE

Pursuant to the PID Act, the interest rate for Assessments securing the Bonds may exceed the actual interest rate per annum paid on the related Bonds, by no more than one half of one percent (0.50%) (the “Additional Interest”). The interest rate used to determine the Assessments securing any such Bonds is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with the Additional Interest Component of the Annual Installments allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs (the “Additional Interest Reserve”). If applicable, the Additional Interest Reserve shall be funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Trust Indenture. Once the Additional Interest Reserve is funded in full, the City may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture.

H. TIRZ ANNUAL CREDIT

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues representing 50% of the City’s total increments generated from each Parcel within Phase #1 and Phase #2 to offset a portion of such Parcel’s Assessments. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 1 tax increment fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI of this Service and Assessment Plan.

VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

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

Following the issuance of the Phase #1 and Phase #2 Bonds, the Annual Installments from the Phase #1 Assessed Property shall be collected in an amount sufficient to pay (i) principal and interest on the Phase #1 share of the Phase #1 and Phase #2 Bonds, (ii) the Additional Interest Component to fund the Additional Interest Reserve, if any, and (iii) Administrative Expenses related to Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. As described in Section V.H., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2025 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2026). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The number of units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #2

The Assessment and Annual Installments for each Assessed Property located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act. The Assessments shall not exceed the benefit received by the Assessed Property.

Following the issuance of the Phase #1 and Phase #2 Bonds, the Annual Installments shall be collected from Phase #2 Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #2 portion of the Phase #1 and Phase #2 Bonds, (ii) the Additional Interest Component to fund the Additional Interest Reserve, if any, and (iii) Administrative Expenses related to Phase #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. As described in Section V.H., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the

following year (i.e., TIRZ Revenues collected in 2025 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2026). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The number of units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

C. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

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

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated number of Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of Equivalent Units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid

by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

D. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. If at any time the Assessment per Unit on a Parcel of the Phase #1 Assessed Property or Phase #2 Assessed Property exceeds the applicable Phase#1 Maximum Assessment per Unit or Phase #2 Maximum Assessment per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Phase #1 Maximum Assessment per Unit or Phase #2 Maximum Assessment per Unit calculated in this Service and Assessment Plan.
3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

E. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with the Phase #1 and Phase #2 Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Budgeted Costs of the Authorized Improvements used to calculate the Assessments securing such Phase #1 and Phase #2 Bonds resulting in excess Phase #1 and Phase #2 Bond proceeds being available to redeem Phase #1 and Phase #2 Bonds, such excess Phase #1 and Phase #2 Bond proceeds shall be applied to redeem Phase #1 and Phase #2 Bonds as provided in the Trust Indenture, then the Assessments securing such Phase #1 and Phase #2 Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding Phase #1 and Phase #2 Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If all the Authorized Improvements are not undertaken, resulting in excess Phase #1 and Phase #2 Bond proceeds being available to redeem Phase #1 and Phase #2 Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Phase #1 and Phase #2 Bonds, including interest on the Phase #1 and Phase #2 Bonds and Administrative Expenses, and, in such event, any

such excess bond proceeds shall be applied to redeem Phase #1 and Phase #2 Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on number of units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel such that the sum of the resulting reduced Assessments equals the amount required to repay the Phase #1 and Phase #2 Bonds, including interest on the Phase #1 and Phase #2 Bonds thereon and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced principal portion of the Phase #1 and Phase #2 Bonds, is equal to the outstanding principal amount of the Phase #1 and Phase #2 Bonds.

F. PAYMENT OF ASSESSMENTS

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Rolls, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Additional Interest

Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds.

Phase #1 and Phase #2

Following the issuance of the Phase #1 and Phase #2 Bonds, each Assessment for the Phase #1 Assessed Property and the Phase #2 Assessed Property shall be paid with interest related to the actual interest rate paid on the Phase #1 and Phase #2 Bonds as shown in the Phase #1 and Phase #2 Assessment Roll and the Additional Interest, if applicable. Currently, interest on the Phase #1 and Phase #2 Bonds is based on an interest rate of 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055) plus the Additional Interest at the rate of up to 0.5% to fund the Additional Interest Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the Phase #1 and Phase #2 Assessment Roll. The Phase #1 and Phase #2 Assessment Roll is shown as Exhibit 1.

Reduction of Assessments

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations and actual Administrative Expenses (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.

The City reserves and shall have the right and option to refund the Phase #1 and Phase #2 Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

G. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider 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 a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for the Additional Interest Reserve and any applicable TIRZ Annual Credit Amounts. Annual Installments shall be collected by the City in the same manner and at the same time as 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 Council may provide for other means of

collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated as of September 1 and updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

Phase #1

The collection of the first Annual Installment for a Phase #1 Lot or Parcel shall commence on September 1, 2025, with the Annual Installment being due by January 31, 2026.

Phase #2

The collection of the first Annual Installment for a Phase #2 Lot or Parcel shall commence on September 1, 2026, with the Annual Installment being due by January 31, 2027.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments 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 Annual Installments against such property as they become due and payable.

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VII. THE ASSESSMENT ROLL

A. PHASE #1 ASSESSMENT ROLL

The City Council has evaluated each Parcel in Phase #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within Phase #1.

The Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1 Projects. Table VII-A summarizes the \$5,611,679 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Projects, and Phase #1's allocable share of the costs of issuance of the Phase #1 and Phase #2 Bonds. The par amount of Phase #1's allocable share of the Phase #1 and Phase #2 Bonds is \$4,319,000, which is less than the benefit received by the Phase #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is \$4,319,000. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Phase #1 Assessment Roll is attached hereto as Appendix F.

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Table VII-A
Phase #1
Special Benefit Summary

Special Benefit	Total Cost
Total Phases #1 Projects ¹	\$4,887,790
<u>Bond Issuance Costs</u>	
Issuance costs	\$195,786
Administrative expenses	\$25,000
Underwriter's discount	\$129,570
Capitalized interest	\$35,660
Reserve fund	\$314,186
<i>Subtotal Bond Issuance Costs</i>	<i>\$700,202</i>
Original Issue Discount	\$23,686
Total Special Benefit	\$5,611,679
<u>Special Benefit</u>	
Total Special Benefit	\$5,611,679
Special Assessment	\$4,319,000
Excess Benefit	\$1,292,679

¹See Table III-B for details.

B. PHASE #2 ASSESSMENT ROLL

The City Council has evaluated each Parcel in Phase #2 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within Phase #2.

The Phase #2 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #2 Projects. Table VII-B summarizes the \$7,532,479 in special benefit received by the Phase #2 Assessed Property from the Phase #2 Projects and Phase #2's allocable share of the costs of issuance of the Phase #1 and Phase #2 Bonds. The par amount of Phase #2's allocable share of the Phase #1 and Phase #2 Bonds is \$5,371,000, which is less than the benefit received by the Phase #2 Assessed Property. Accordingly, the total Assessment to be applied to all the Phase #2 Assessed Property is \$5,371,000. The Assessment for each Phase #2 Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Phase #2 Assessment Roll is attached hereto as Appendix G.

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Table VII-B
Phase #2
Special Benefit Summary

Special Benefit	Total Cost
Total Phases #2 Projects ¹	\$6,329,288
Bond Issuance Costs	
Issuance costs	\$243,474
Administrative expenses	\$25,000
Underwriter's discount	\$161,130
Capitalized interest	\$353,178
Reserve fund	\$390,714
<i>Subtotal Bond Issuance Costs</i>	<i>\$1,173,497</i>
Original Issue Discount	\$29,694
Total Special Benefit	\$7,532,479
Special Benefit	
Total Special Benefit	\$7,532,479
Special Assessment	\$5,371,000
Excess Benefit	\$2,161,479

¹See Table III-C for details.

C. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 Assessment Roll and Phase #2 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable “Notice of the PID Assessment Termination”.

C. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Delinquent Collection Costs, Administrative Expenses, and other charges imposed by the Service and Assessment Plan.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

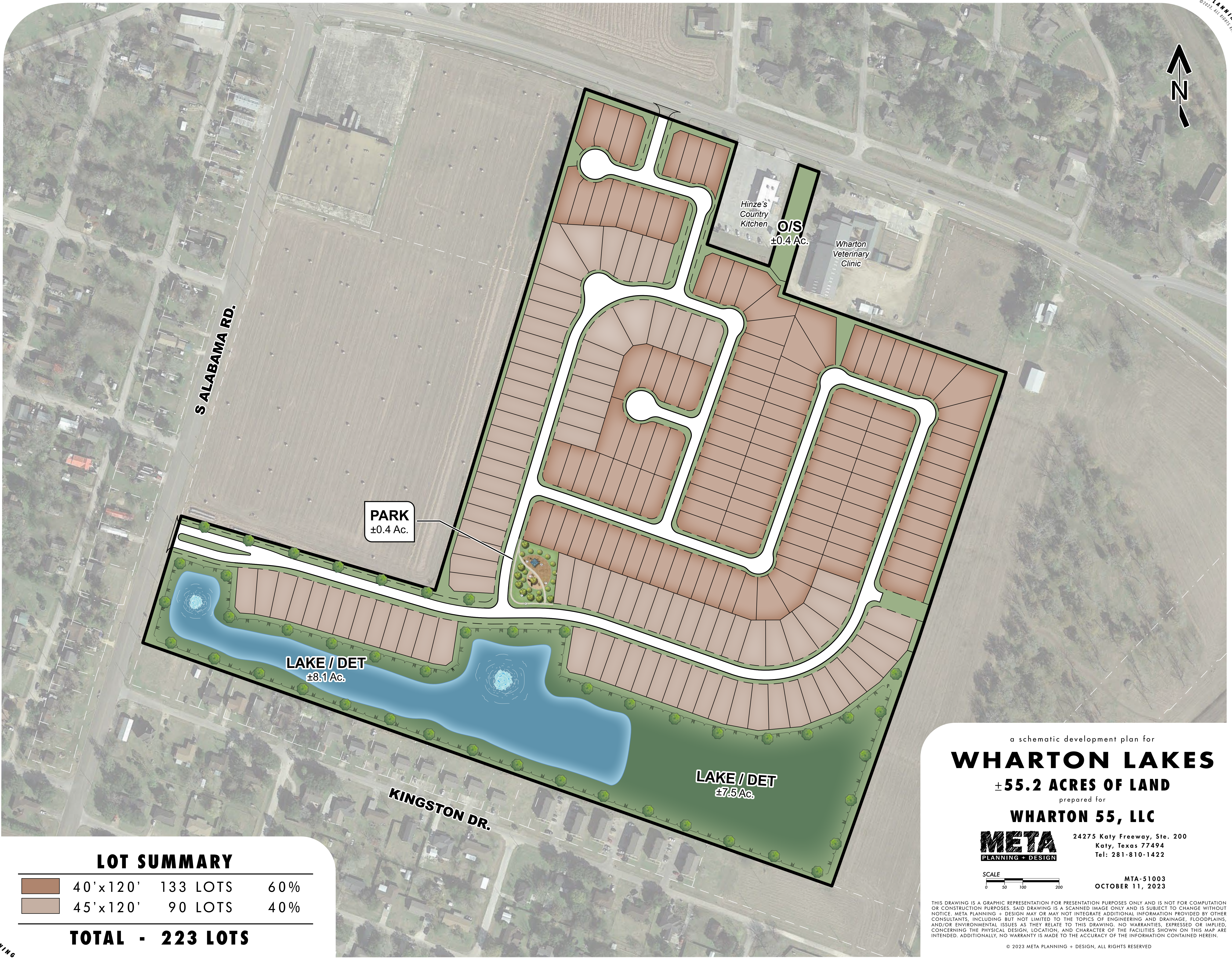
E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Property or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

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APPENDIX A
PID MAP



LOT SUMMARY

40'x120'	133 LOTS	60%
45'x120'	90 LOTS	40%

TOTAL - 223 LOTS

a schematic development plan for

WHARTON LAKES

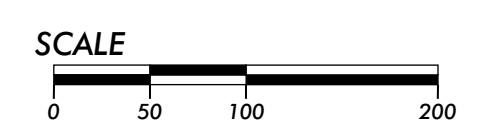
±55.2 ACRES OF LAND

prepared for

WHARTON 55, LLC



24275 Katy Freeway, Ste. 200
Katy, Texas 77494
Tel: 281-810-1422



MTA-51003
OCTOBER 11, 2023

THIS DRAWING IS A GRAPHIC REPRESENTATION FOR PRESENTATION PURPOSES ONLY AND IS NOT FOR COMPUTATION OR CONSTRUCTION PURPOSES. SAID DRAWING IS A SCANNED IMAGE ONLY AND IS SUBJECT TO CHANGE WITHOUT NOTICE. META PLANNING + DESIGN MAY OR MAY NOT INTEGRATE ADDITIONAL INFORMATION PROVIDED BY OTHER CONSULTANTS, INCLUDING BUT NOT LIMITED TO THE TOPICS OF ENGINEERING AND DRAINAGE, FLOODPLAINS, AND/OR ENVIRONMENTAL ISSUES AS THEY RELATE TO THIS DRAWING. NO WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE PHYSICAL DESIGN, LOCATION, AND CHARACTER OF THE FACILITIES SHOWN ON THIS MAP ARE INTENDED. ADDITIONALLY, NO WARRANTY IS MADE TO THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.

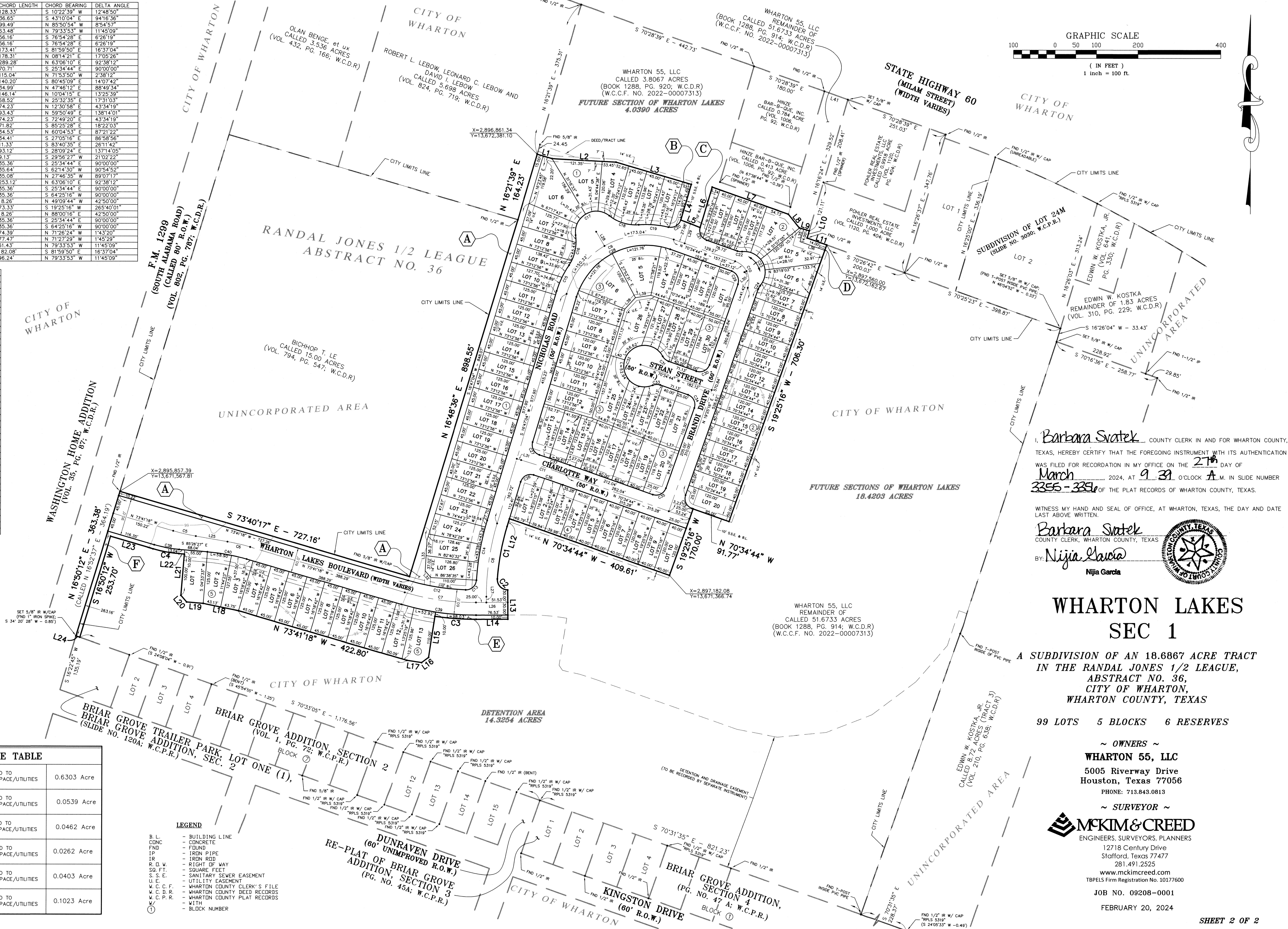
APPENDIX A.2
PHASE #1 OUTLINE

CURVE	RADIUS	LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	575.00'	128.60'	128.33'	S 10°22'39" E	12°48'50"
C2	25.00'	41.14'	36.65'	S 43°10'04" E	94°16'36"
C3	640.00'	99.59'	99.49'	N 85°50'54" W	8°54'57"
C4	310.00'	63.59'	63.48'	N 79°33'53" W	11°45'09"
C5	500.00'	56.19'	56.16'	S 76°54'28" E	6°26'19"
C6	500.00'	56.19'	56.16'	S 76°54'28" E	6°26'19"
C7	600.00'	174.02'	173.41'	S 81°59'50" E	16°37'04"
C8	600.00'	178.97'	178.31'	N 08°14'21" E	17°05'26"
C9	200.00'	323.36'	289.28'	N 63°06'10" E	92°38'12"
C10	50.00'	78.54'	70.71'	S 25°34'44" E	90°00'00"
C11	2,500.00'	115.05'	115.04'	N 71°53'50" W	7°38'12"
C12	570.00'	140.55'	140.20'	S 80°45'09" E	14°07'42"
C13	25.00'	38.76'	34.99'	N 47°46'12" E	88°49'34"
C14	625.00'	146.47'	146.14'	N 10°04'15" E	13°25'39"
C15	225.00'	68.79'	68.52'	N 25°32'35" E	17°31'03"
C16	100.00'	76.75'	74.23'	N 12°30'58" E	43°34'19"
C17	50.00'	120.63'	93.43'	N 59°50'43" E	136°14'01"
C18	100.00'	76.05'	74.23'	S 72°49'20" E	43°34'19"
C19	225.00'	72.13'	71.82'	S 85°25'28" E	18°22'03"
C20	25.00'	38.12'	34.53'	N 60°04'53" E	87°21'22"
C21	25.00'	37.95'	34.41'	S 27°05'16" E	86°58'56"
C22	25.00'	11.43'	11.33'	S 83°40'35" E	26°11'42"
C23	50.00'	119.76'	93.12'	S 28°09'24" E	137°14'05"
C24	25.00'	9.18'	9.13'	S 29°56'27" W	21°02'22"
C25	25.00'	39.27'	35.36'	S 25°34'44" E	90°00'00"
C26	25.00'	39.67'	35.64'	S 62°14'30" W	90°54'52"
C27	25.00'	25.00'	35.08'	N 27°40'35" W	89°07'17"
C28	175.00'	282.94'	253.12'	N 63°06'10" E	92°38'12"
C29	25.00'	39.27'	35.36'	S 25°34'44" E	90°00'00"
C30	25.00'	39.27'	35.36'	S 64°25'16" W	90°00'00"
C31	25.00'	18.69'	18.26'	N 49°09'44" W	42°50'00"
C32	50.00'	231.84'	73.33'	S 19°25'16" W	265°40'01"
C33	25.00'	18.69'	18.26'	N 88°00'16" E	42°50'00"
C34	25.00'	39.27'	35.36'	S 25°34'44" E	90°00'00"
C35	25.00'	39.27'	35.36'	S 64°25'16" W	90°00'00"
C36	2,475.00'	74.39'	74.39'	N 71°26'24" W	1°43'20"
C37	2,525.00'	74.39'	74.39'	N 71°26'24" W	1°43'20"
C38	300.00'	61.54'	61.43'	N 79°33'53" W	11°45'09"
C39	630.00'	182.72'	182.08'	S 81°59'50" E	16°37'04"
C40	470.00'	96.41'	96.24'	N 79°33'53" W	11°45'09"

LINE	BEARING	DISTANCE
L1	S 73°38'20" E	37.20'
L2	S 86°46'23" E	154.80'
L3	S 73°35'48" E	189.35'
L4	S 16°24'12" W	89.31'
L5	S 68°57'54" E	50.16'
L6	N 16°24'12" E	101.46'
L7	S 70°34'44" E	195.02'
L8	S 38°42'55" E	42.91'
L9	S 73°43'35" E	24.74'
L10	S 16°16'24" W	18.15'
L11	S 70°26'42" E	49.98'
L12	S 16°47'04" W	18.57'
L13	S 00°18'22" E	70.00'
L14	S 89°41'38" W	76.53'
L15	S 08°36'34" W	100.00'
L16	S 53°36'34" W	21.21'
L17	N 81°23'26" W	35.82'
L18	N 78°27'49" W	86.88'
L19	N 85°26'27" W	40.00'
L20	N 40°26'27" W	21.21'
L21	N 04°33'33" E	100.00'
L22	N 85°26'27" W	13.04'
L23	N 73°41'18" W	106.44'
L24	N 70°33'05" W	10.01'
L25	S 80°07'33" E	77.52'
L26	N 89°41'38" E	76.53'
L27	N 00°18'22" W	13.99'
L28	N 30°09'11" W	39.76'
L29	N 16°24'12" E	49.48'
L30	S 61°57'10" W	5.62'
L31	N 73°12'56" W	10.90'
L32	N 41°38'35" W	21.21'
L33	N 03°21'25" E	73.21'
L34	S 70°34'44" E	20.29'
L35	S 16°16'24" W	31.37'
L36	S 70°26'42" E	63.23'
L37	N 70°34'44" W	50.00'
L38	N 42°32'06" E	37.59'
L39	N 81°22'15" E	37.65'
L40	N 73°12'56" W	34.99'
L41	S 70°28'39" E	59.77'

RESERVE TABLE		
A	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.6303 Acre
B	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.0539 Acre
C	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.0462 Acre
D	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.0262 Acre
E	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.0403 Acre
F	RESTRICTED TO LANDSCAPE/OPEN SPACE/UTILITIES	0.1023 Acre

- LEGEND
- BUILDING LINE
 - CONCRETE
 - COUND
 - IRON PIPE
 - IRON ROD
 - RIGHT OF WAY
 - SQUARE FEET
 - SANITARY SEWER EASEMENT
 - UTILITY EASEMENT
 - WHARTON COUNTY CLERK'S FILE
 - WHARTON COUNTY DEED RECORDS
 - WHARTON COUNTY PLAT RECORDS
 - WITH
 - BLOCK NUMBER



I, Barbara Satek, COUNTY CLERK IN AND FOR WHARTON COUNTY, TEXAS, HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WITH ITS AUTHENTICATION WAS FILED FOR RECORDATION IN MY OFFICE ON THE 27th DAY OF March, 2024, AT 9:31 O'CLOCK A.M. IN SLIDE NUMBER 3355 - 3351 OF THE PLAT RECORDS OF WHARTON COUNTY, TEXAS.

WITNESS MY HAND AND SEAL OF OFFICE, AT WHARTON, TEXAS, THE DAY AND DATE LAST ABOVE WRITTEN.

Barbara Satek
COUNTY CLERK, WHARTON COUNTY, TEXAS

BY: Nijia Garcia
Nijia Garcia

WHARTON LAKES SEC 1

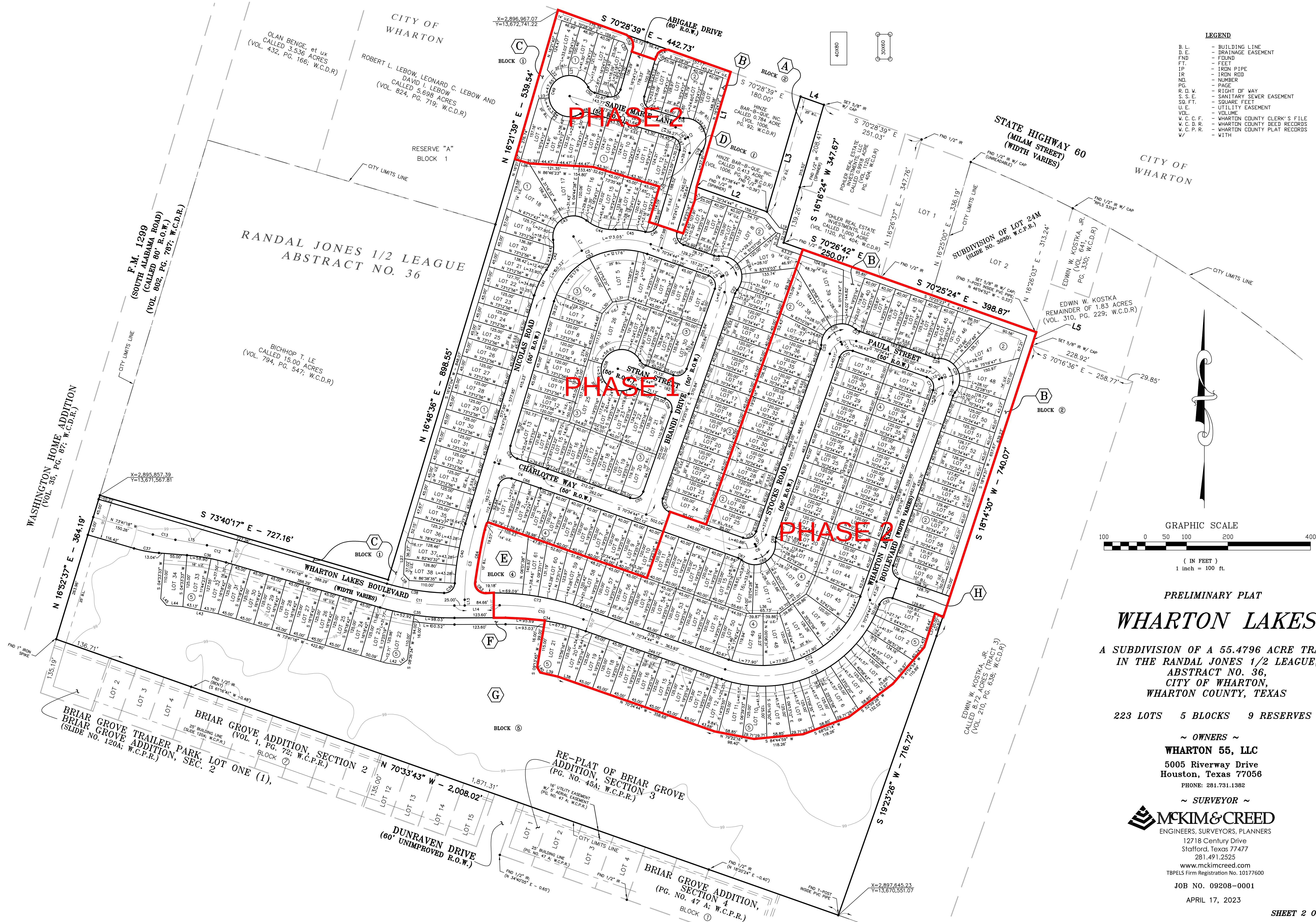
A SUBDIVISION OF AN 18.6867 ACRE TRACT
IN THE RANDAL JONES 1/2 LEAGUE,
ABSTRACT NO. 36,
CITY OF WHARTON,
WHARTON COUNTY, TEXAS

99 LOTS 5 BLOCKS 6 RESERVES

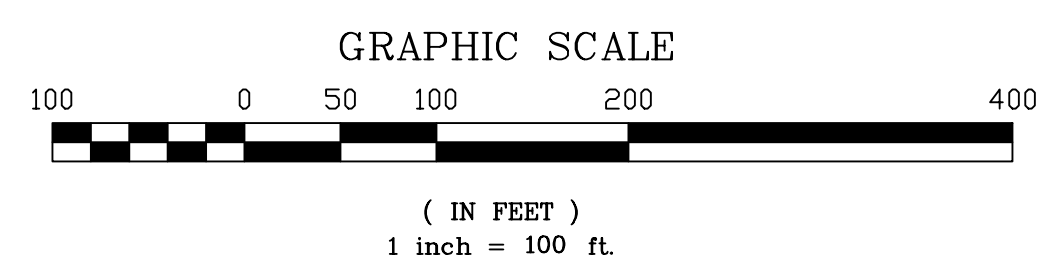
~ OWNERS ~
WHARTON 55, LLC
5005 Riverway Drive
Houston, Texas 77056
PHONE: 713.843.0813

~ SURVEYOR ~
MCKIM & CREED
ENGINEERS, SURVEYORS, PLANNERS
12718 Century Drive
Stafford, Texas 77477
281.491.2525
www.mckimcreed.com
TBPELS Firm Registration No. 10177600
JOB NO. 09208-0001
FEBRUARY 20, 2024

APPENDIX A.3
PHASE #2 OUTLINE



- LEGEND**
- B.L. - BUILDING LINE
 - D.E. - DRAINAGE EASEMENT
 - FND - FOUND
 - FT. - FEET
 - IP - IRON PIPE
 - IR - IRON ROD
 - NO. - NUMBER
 - PG. - PAGE
 - R.D.W. - RIGHT OF WAY
 - S.S.E. - SANITARY SEWER EASEMENT
 - SQ. FT. - SQUARE FEET
 - U.E. - UTILITY EASEMENT
 - VOL. - VOLUME
 - W.C.C.F. - WHARTON COUNTY CLERK'S FILE
 - W.C.D.R. - WHARTON COUNTY DEED RECORDS
 - W.C.P.R. - WHARTON COUNTY PLAT RECORDS
 - W. - WITH



PRELIMINARY PLAT
WHARTON LAKES
A SUBDIVISION OF A 55.4796 ACRE TRACT
IN THE RANDAL JONES 1/2 LEAGUE,
ABSTRACT NO. 36,
CITY OF WHARTON,
WHARTON COUNTY, TEXAS

223 LOTS 5 BLOCKS 9 RESERVES

~ OWNERS ~
WHARTON 55, LLC
5005 Riverway Drive
Houston, Texas 77056
PHONE: 281.731.1382

~ SURVEYOR ~
MCKIM&CREED
ENGINEERS, SURVEYORS, PLANNERS
12718 Century Drive
Stafford, Texas 77477
281.491.2525
www.mckimcreed.com
TBPELS Firm Registration No. 10177600
JOB NO. 09208-0001
APRIL 17, 2023

APPENDIX B
BUDGETED COSTS OF AUTHORIZED IMPROVEMENTS



ENGINEERS

SURVEYORS

PLANNERS

1/24/2025

M&C #09208-0001

City of Wharton
120 East Caney St
Wharton, TX 77488

RE: Wharton lakes Subdivision (Phase 1 and 2) Engineer's Estimate of Probably Costs (EOP)

To whom it may concern:

Please accept this Estimate of Probable Costs with regards to Wharton Lakes Subdivision.

If you have any questions, please feel free to contact me.

Respectfully,

McKIM & CREED, INC.

Osiel Perez, P.E.
Project Engineer

12718 Century Drive

Stafford, TX 77477

281.491.2525

www.mckimcreed.com

TBPELS Firm #14777, #101776

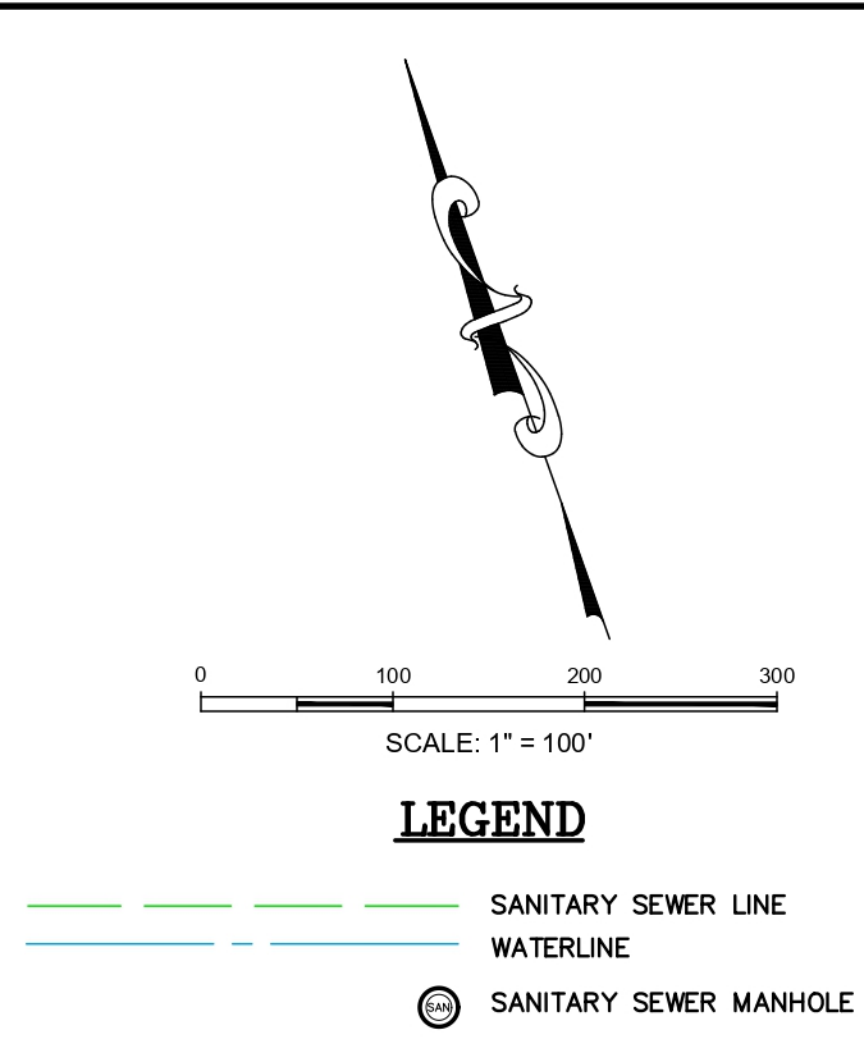
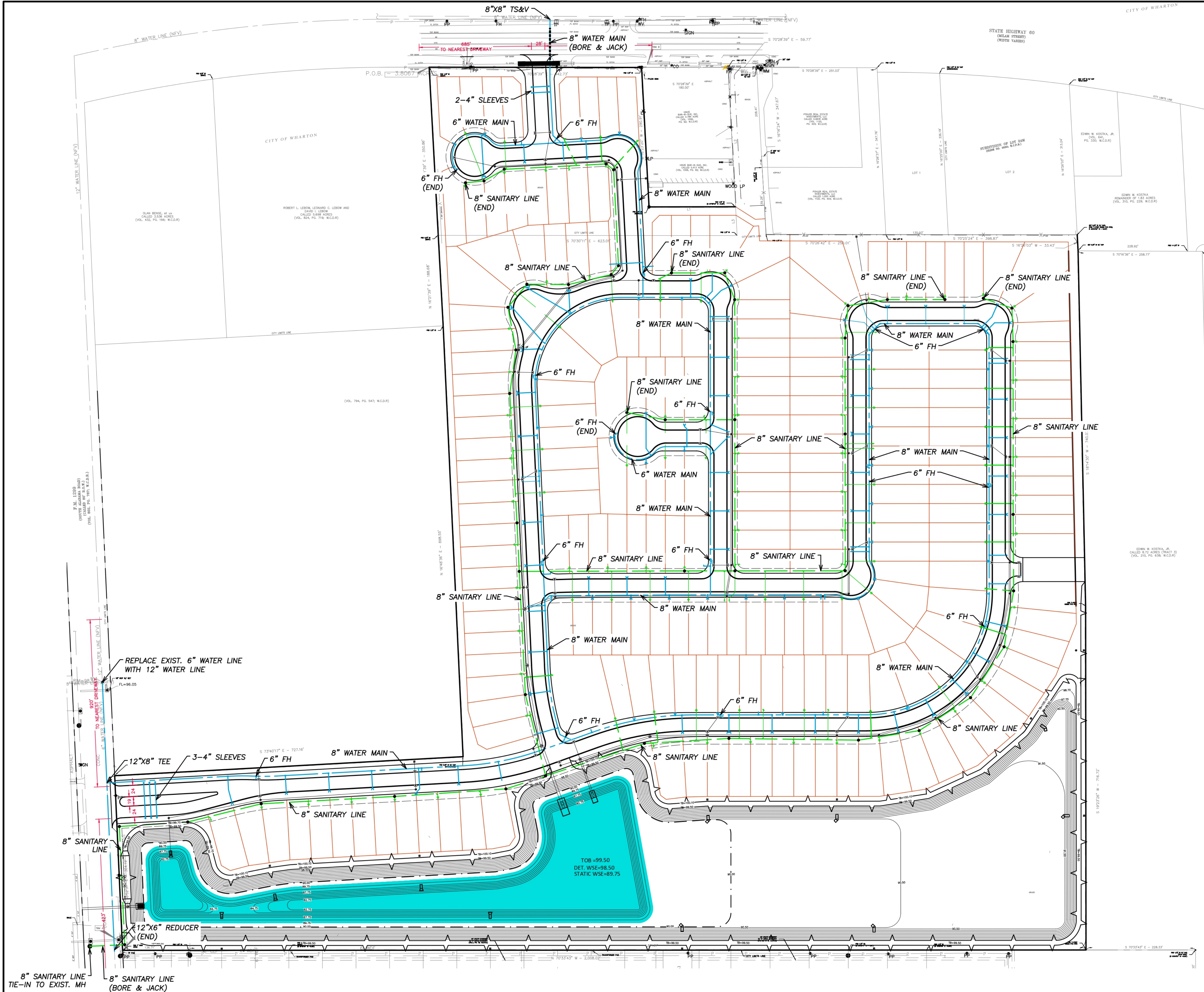
Phase 1 & 2 Major Improvements
Engineer's Estimate of Probable Costs

Direct Phase Costs		Totals	Phase 1	Phase 2
Water		\$511,455.93	\$261,455.93	\$250,000.00
Sanitary Sewer		\$697,677.93	\$247,677.93	\$450,000.00
Storm Sewer		\$1,040,974.43	\$490,974.43	\$550,000.00
Road Improvements		\$2,105,360.93	\$905,360.93	\$1,200,000.00
Detention/Earthwork		\$75,000.00		\$75,000.00
Parks and Landscaping		\$0.00		
Subtotal Hard Costs		\$4,430,469.20	\$1,905,469.20	\$2,525,000.00
Soft Costs				
Survey & Engineering	18%	\$797,484.46	\$342,984.46	\$454,500.00
Contingency/Escalation	20%	\$886,093.84	\$381,093.84	\$505,000.00
Land		\$250,000.00	\$100,000.00	\$150,000.00
Financing/Administrative		\$350,000.00	\$150,000.00	\$200,000.00
Subtotal Soft Costs		\$2,104,143.87	\$974,078.30	\$1,309,500.00
Total Direct Phase Costs		\$6,534,613.07	\$2,879,547.50	\$3,834,500.00
Major Improvements		Totals		
Water		\$229,645.00		
Sanitary Sewer		\$215,867.00		
Storm Sewer		\$459,163.50		
Paving		\$200,000.00		
Detention/Earthwork		\$851,144.00		
Parks and Landscaping		\$800,000.00		
Subtotal Hard Costs		\$2,755,819.50		
Soft Costs				
Survey & Engineering	18%	\$496,047.51		
Contingency/Escalation	20%	\$551,163.90		
Land		\$300,000.00		
Financing/Administrative		\$400,000.00		
Subtotal Soft Costs		\$1,747,211.41		
Total Major Improvements		\$4,503,030.91		
<u>Totals</u>		<u>\$11,037,643.98</u>		
Lot Count		Share		
Phase 1	99	42.49%		
Future	134	57.51%		
Total	233	100.00%		

Costs are estimates and final costs of the Public Improvements shall be as set forth in the applicable Service and Assessment Plan. The Service and Assessment Plan will also include costs of issuance for the PID Bonds.

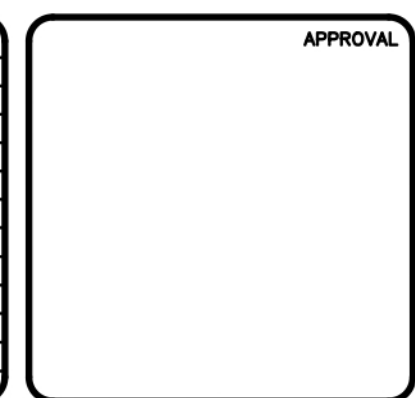
APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

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- WATER & SANITARY NOTES:**
- CONTRACTOR TO FIELD VERIFY ALL CRITICAL TIE-IN ELEVATIONS OF EXISTING SANITARY SEWER MANHOLES BEFORE COMMENCING ANY NEW CONSTRUCTION.
 - CONTRACTOR SHALL DETERMINE IF CONFLICT EXISTS AT ALL PROPOSED UTILITY CROSSINGS PRIOR TO STARTING CONSTRUCTION & REPORT ANY CONFLICT TO ENGINEER IMMEDIATELY.
 - CLEAN-OUTS, MANHOLES, OR VALVES IN PAVEMENT OR SIDEWALK SHALL HAVE TRAFFIC BEARING LIDS OR GRATES.
 - CONTRACTOR TO REPLACE ANY PUBLIC & PRIVATE UTILITIES DAMAGED DURING CONSTRUCTION INCLUDING: SPRINKLER SYSTEMS, ELECTRICAL WIRING, GAS LINES, WATER MAINS OR ANY OTHER DAMAGED UTILITIES.
 - CONTRACTOR TO COORDINATE WITH THE AUTHORITY HAVING JURISDICTION (AHJ) FOR ALL SANITARY SEWER & WATER TAP REQUIREMENTS, INSPECTIONS, TAP FEES, ETC., INCLUDING 811 OR ONE-CALL TO LOCATE EXISTING UNDERGROUND UTILITIES TO PREVENT ANY DAMAGE.
 - ALL WATER & SANITARY SEWER CONNECTIONS TO THE DISTRICT'S/CITY'S FACILITIES SHALL BE IN ACCORDANCE WITH THE DISTRICT'S/CITY'S RATE ORDER.
 - ALL PRIVATE AND PUBLIC WATER LINE AND SEWER LINES TO MEET AT MINIMUM, TCEQ REQUIREMENTS.
 - DOMESTIC WATER LINES TO MEET AT MINIMUM 3' OF COVER, FIRE WATER LINES TO MEET AT LEAST 4' OF COVER.
 - CONTRACTOR TO OBTAIN ALL NECESSARY AHJ INSPECTIONS PRIOR TO BACKFILLING UTILITIES.
 - CONTRACTOR TO COORDINATE WITH CENTERPOINT ENERGY FOR POWER SERVICE & GAS LINE SERVICE.

REV.	NO.	REVISIONS	DATE



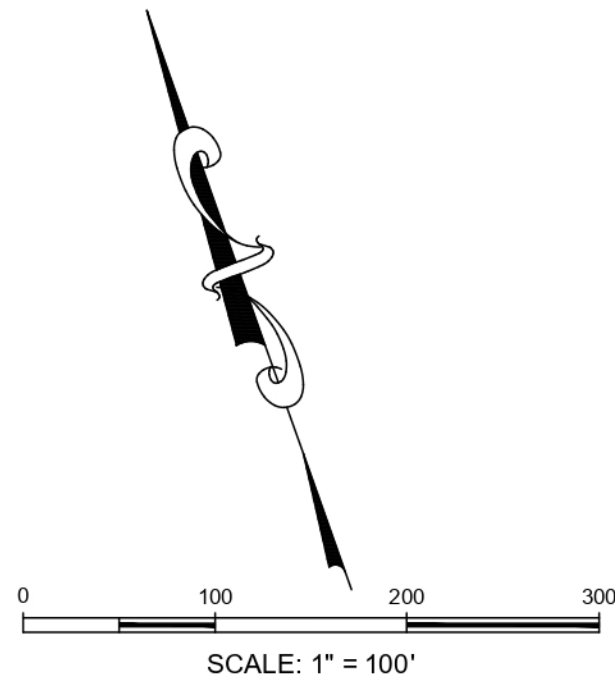
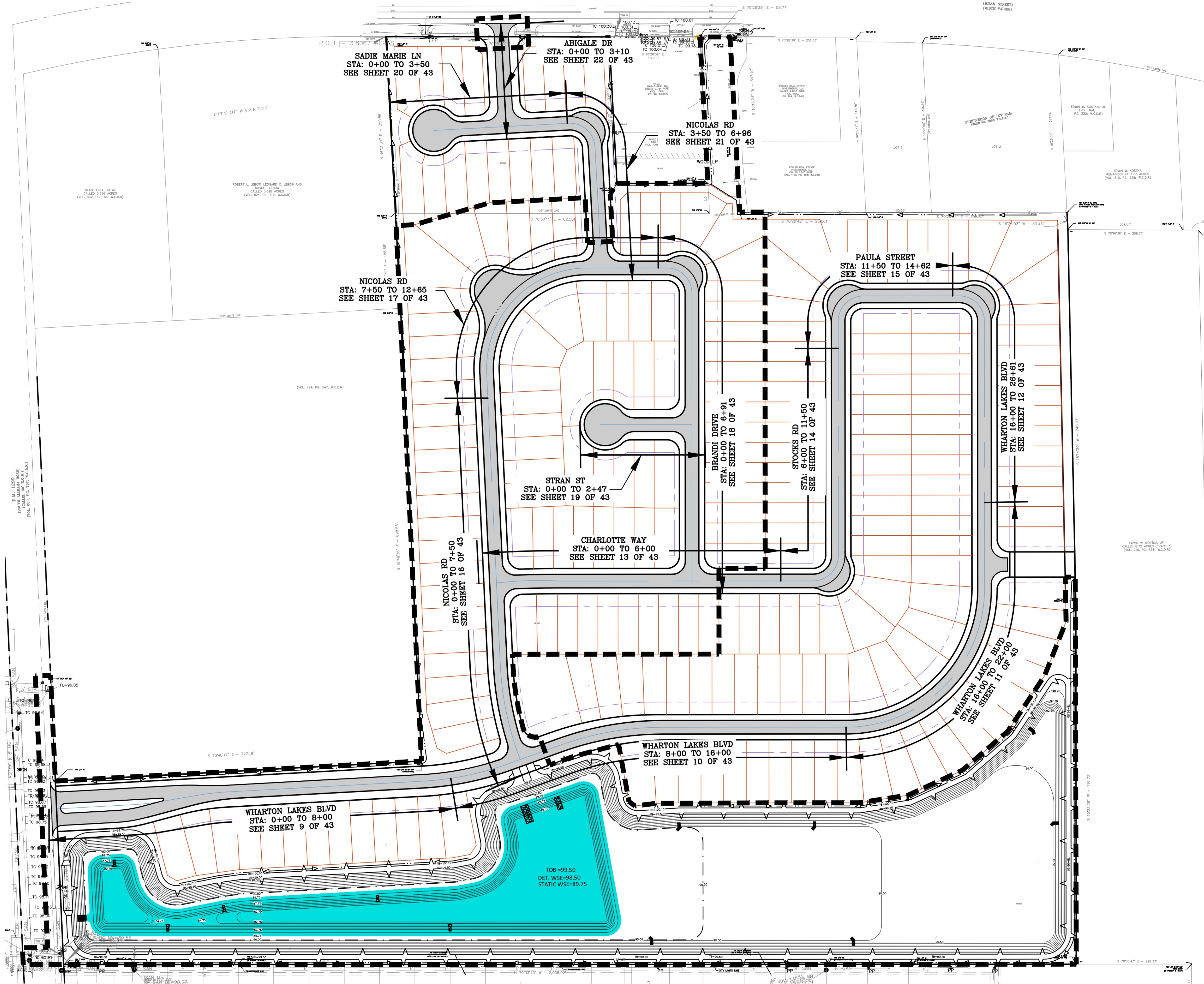
**McKIM & CREED**
12718 CENTURY DRIVE
STAFFORD, TEXAS 77477
PHONE: 281.491.2525 FAX: 281.491.2535
SURVEYING FIRM NO. 10177600
ENGINEERING FIRM NO. F-14777
www.mckimcreed.com

WHARTON LAKES
SUBDIVISION

OVERALL
WATER & SANITARY
LAYOUT

DATE: 7/21/2023	SCALE: 1"=100'	DRAWING NUMBER C2.00 7 OF 43
MCE PROJ. #09208-0001	HORIZONTAL: 1"=100'	
DRAWN: DL	VERTICAL: N/A	
DESIGNED: OP		
CHECKED: SS		
PROJ. MGR. SS		
STATUS: FOR REVIEW/PERMIT		

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LEGEND
--- LIMITS OF PHASE 1

REVISIONS		
REV. NO.	DESCRIPTIONS	DATE

APPROVAL



MCKIM & CREED
12718 CENTURY DRIVE
STAFFORD, TEXAS 77477
PHONE: 281.491.2525 FAX: 281.491.2535
SURVEYING FIRM NO. 10177600
ENGINEERING FIRM NO. F-14777
www.mckimcreed.com

WHARTON LAKES
SUBDIVISION

PROFILE STATION
LAYOUT

DATE: 7/21/2023	SCALE	DRAWING NUMBER C3.00 8 OF 43
MCE PROJ. #09208-0001	HORIZONTAL: 1"=100'	
DRAWN: DL	VERTICAL: N/A	
DESIGNED: OP		
CHECKED: SS		
PROJ. MGR. SS		
STATUS: FOR REVIEW/PERMIT		

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

Appendix D

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

“Lot Type 1” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 45 feet.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet.

A) Proposed Development

Table D-1 below shows the original proposed residential units to be developed within the PID.

Table D-1
Proposed Development within the PID - Original

Description	Proposed Development	
Lot Type 1 (45 Ft)	95	Units
Lot Type 2 (40 Ft)	138	Units
Total	233	Units

Table D-2 below shows the revised proposed residential units to be developed within the PID.

Table D-2
Proposed Development within the PID – Revised

Description	Proposed Development	
Lot Type 1 (45 Ft)	90	Units
Lot Type 2 (40 Ft)	133	Units
Total	223	Units

Table D-3 below shows the proposed residential units within Phase #1.

Table D-3
Proposed Development – Phase #1

Description	Proposed Development	
Lot Type 1 (45 Ft)	51	Units
Lot Type 2 (40 Ft)	48	Units
Total	99	Units

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Table D-4 below shows the proposed residential units within Phase #2.

Table D-4
Proposed Development – Phase #2

Description	Proposed Development	
Lot Type 1 (45 ft)	39	Units
Lot Type 1 (40 ft)	85	Units
Total	124	Units

B) Calculation of Equivalent Units

As explained under Section V, for purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Authorized Improvements to be financed with the Phase #1 and Phase #2 Bonds shall be allocated to the Phase #1 Assessed Property and Phase #2 Assessed Property by spreading the entire applicable Assessment across the Parcels of such Assessed Property based on the estimated Equivalent Units.

For purposes of this Plan, the City Council has determined that the Assessments shall be allocated to the Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 45 Ft lots, 40 Ft lots, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications from Lot Type 1 (45 Ft Lots) representing the highest value to Lot Type 2 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table D-1. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (45 Ft Lots) to 1.0.

Table D-5
Equivalent Unit Factors

Lot Type	Estimated Average Value	Equivalent Unit Factor	
Lot Type 1 (45 Ft)	\$250,000	1.00	per dwelling unit
Lot Type 2 (40 Ft)	\$240,000	0.96	per dwelling unit

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The original total Equivalent Units for the PID are shown in Table D-6 as calculated based on the Equivalent Unit factors shown in Table D-5, estimated Lot Types and the original number of units estimated to be built within the PID.

Table D-6
Equivalent Units - PID - Original

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (45 Ft)	95	1.00	95.00
Lot Type 2 (40 Ft)	138	0.96	132.48
Total	233		227.48

The revised total Equivalent Units for the PID are shown in Table D-7 as calculated based on the Equivalent Unit factors shown in Table D-5, estimated Lot Types and currently proposed number of units estimated to be built within the PID.

Table D-7
Equivalent Units - PID – Revised

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (45 Ft)	90	1.00	90.00
Lot Type 2 (40 Ft)	133	0.96	127.68
Total	223		217.68

The total Equivalent Units for Phase #1 are shown in Table D-8 as calculated based on the Equivalent Unit factors shown in Table D-5, estimated Lot Types and number of units estimated to be built in Phase #1 in the PID.

Table D-8
Equivalent Units – Phase #1

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (45 Ft)	51	1.00	51.00
Lot Type 2 (40 Ft)	48	0.96	46.08
Total	99		97.08

The total Equivalent Units for Phase #2 are shown in Table D-9 as calculated based on the Equivalent Unit factors shown in Table D-5, estimated Lot Types and number of units estimated to be built in Phase #2 in the PID.

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Table D-9
Equivalent Units – Phase #2

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (45 Ft)	39	1.00	39.00
Lot Type 2 (40 Ft)	85	0.96	81.60
Total	124		120.60

C) Allocation of Assessments to Lots within Phase #1

The original total amount of the Assessment to be allocated on all Parcels within Phase #1, was \$4,333,000. As shown above, there are a total of 97.08 Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$44,633.29 (i.e. $\$4,333,000 \div 97.08 = \$44,633.29$).

Table D-10 sets forth the Assessment per dwelling unit within Phase #1.

Table D-10
Assessment Per Unit – Phase #1 - Original

Description	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (45 Ft)	51	\$44,633.29	1.00	\$44,633.29 per dwelling unit	\$2,276,298
Lot Type 2 (40 Ft)	48	\$44,633.29	0.96	\$42,847.96 per dwelling unit	\$2,056,702
Total	99				\$4,333,000

The total amount of Phase #1's allocable share of Phase #1 and Phase #2 Bonds, which represents the updated total Assessment to be allocated on all Parcels within Phase #1, is \$4,283,000. As shown in Table D-11, there are a total of 97.08 Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$44,118.25 (i.e. $\$4,283,000 \div 97.08 = \$44,118.25$).

Table D-11 sets forth the revised Assessment per dwelling unit within Phase #1.

Table D-11
Assessment Per Unit – Phase #1 – Updated

Description	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (45 ft)	51	\$44,489.08	1.00	\$44,489.08 per dwelling unit	\$2,268,943
Lot Type 1 (40 ft)	48	\$44,489.08	0.96	\$42,709.52 per dwelling unit	\$2,050,057
Total	99				\$4,319,000

The original projected leverage calculated based on the original estimated finished lot values and home values for each unit is shown in Table D-12 below.

Table D-12
Projected Leverage – Phase #1 - Original

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (45 Ft)	51	\$54,000	\$250,000	\$44,633.29	1.21	5.60
Lot Type 2 (40 Ft)	48	\$48,000	\$240,000	\$42,847.96	1.12	5.60

The updated projected leverage calculated based on the estimated finished lot values and home values for each unit is shown in Table D-13 below.

Table D-13
Projected Leverage – Phase #1 - Updated

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (45 Ft)	51	\$54,000	\$250,000	\$44,489.08	1.21	5.62
Lot Type 2 (40 Ft)	48	\$48,000	\$240,000	\$42,709.52	1.12	5.62

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

Table D-14
Estimated Tax Rate Equivalent per unit – Phase #1 - Original

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (45 Ft)	51	\$54,000	\$250,000	\$3,693.63	\$6.84	\$1.48
Lot Type 2 (40 Ft)	48	\$48,000	\$240,000	\$3,545.89	\$7.39	\$1.48

The updated projected tax rate equivalent per unit based on the estimated finished lot values and home values for each unit is shown in Table D-15.

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Table D-15
Estimated Tax Rate Equivalent per unit – Phase #1 - Updated

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (45 Ft)	51	\$54,000	\$250,000	\$3,666.04	\$6.79	\$1.47
Lot Type 2 (40 Ft)	48	\$48,000	\$240,000	\$3,519.39	\$7.33	\$1.47

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

D) Allocation of Assessments to Lots within Phase #2

The total amount of the Phase #2's allocable share of Phase #1 and Phase #2 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #2, is \$5,305,000. As shown in Table D-9, there are a total of 120.6 Equivalent Units in Phase #2, resulting in an Assessment per Equivalent Unit of \$43,988.39 (i.e. $\$5,305,000 \div 120.6 = \$43,988.39$).

Table D-16 sets forth the Assessment per dwelling unit within Phase #2.

Table D-16
Assessment Per Unit – Phase #2

Description	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1 (45 Ft)	39	\$44,535.66	1.00	\$44,535.66 per dwelling unit	\$1,736,891
Lot Type 2 (40 Ft)	85	\$44,535.66	0.96	\$42,754.23 per dwelling unit	\$3,634,109
Total	124				\$5,371,000

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within Phase #2 is shown in Table D-17 following.

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Table D-17
Projected Leverage – Phase #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (45 Ft)	39	\$58,320	\$250,000	\$44,535.66	1.31	5.61
Lot Type 2 (40 Ft)	85	\$51,480	\$240,000	\$42,754.23	1.20	5.61

The projected tax rate equivalent per unit based on the estimated finished lot values and home values for each unit is shown in Table D-18.

Table D-18
Estimated Tax Rate Equivalent per unit – Phase #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (45 Ft)	39	\$58,320	\$250,000	\$3,665.77	\$6.29	\$1.47
Lot Type 2 (40 Ft)	85	\$51,480	\$240,000	\$3,519.14	\$6.84	\$1.47

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

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APPENDIX E
PID ASSESSMENT NOTICE

AFTER RECORDING RETURN TO:

_____]¹

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

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$ _____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Wharton, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Wharton Public Improvement District No. 2*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

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

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

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

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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

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

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

STATE OF TEXAS §
 §
COUNTY OF WHARTON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Wharton County.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF WHARTON

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Wharton County.

APPENDIX F
PHASE #1 ASSESSMENT ROLL

Appendix F-1 Phase #1 Assessment Roll

**Parcel
Equivalent Units
Assessment**

**See Assessment Roll Summary
97.08
\$4,319,000**

Year¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$35,660	\$0	\$0	(\$35,660)	\$0
9/30/26	\$83,000	\$246,880	\$25,500	\$0	\$0	\$355,380
9/30/27	\$65,000	\$243,249	\$26,010	\$21,180	\$0	\$355,439
9/30/28	\$68,000	\$240,405	\$26,530	\$20,855	\$0	\$355,790
9/30/29	\$71,000	\$237,430	\$27,061	\$20,515	\$0	\$356,006
9/30/30	\$74,000	\$234,324	\$27,602	\$20,160	\$0	\$356,086
9/30/31	\$77,000	\$231,086	\$28,154	\$19,790	\$0	\$356,030
9/30/32	\$80,000	\$227,718	\$28,717	\$19,405	\$0	\$355,840
9/30/33	\$83,000	\$224,218	\$29,291	\$19,005	\$0	\$355,514
9/30/34	\$88,000	\$219,445	\$29,877	\$18,590	\$0	\$355,912
9/30/35	\$93,000	\$214,385	\$30,475	\$18,150	\$0	\$356,010
9/30/36	\$98,000	\$209,038	\$31,084	\$17,685	\$0	\$355,807
9/30/37	\$104,000	\$203,403	\$31,706	\$17,195	\$0	\$356,304
9/30/38	\$109,000	\$197,423	\$32,340	\$16,675	\$0	\$355,438
9/30/39	\$116,000	\$191,155	\$32,987	\$16,130	\$0	\$356,272
9/30/40	\$122,000	\$184,485	\$33,647	\$15,550	\$0	\$355,682
9/30/41	\$129,000	\$177,470	\$34,320	\$14,940	\$0	\$355,730
9/30/42	\$137,000	\$170,053	\$35,006	\$14,295	\$0	\$356,354
9/30/43	\$144,000	\$162,175	\$35,706	\$13,610	\$0	\$355,491
9/30/44	\$153,000	\$153,895	\$36,420	\$12,890	\$0	\$356,205
9/30/45	\$161,000	\$145,098	\$37,149	\$12,125	\$0	\$355,371
9/30/46	\$171,000	\$135,840	\$37,892	\$11,320	\$0	\$356,052
9/30/47	\$181,000	\$125,580	\$38,649	\$10,465	\$0	\$355,694
9/30/48	\$192,000	\$114,720	\$39,422	\$9,560	\$0	\$355,702
9/30/49	\$204,000	\$103,200	\$40,211	\$8,600	\$0	\$356,011
9/30/50	\$216,000	\$90,960	\$41,015	\$7,580	\$0	\$355,555
9/30/51	\$230,000	\$78,000	\$41,835	\$6,500	\$0	\$356,335
9/30/52	\$244,000	\$64,200	\$42,672	\$5,350	\$0	\$356,222
9/30/53	\$259,000	\$49,560	\$43,526	\$4,130	\$0	\$356,216
9/30/54	\$275,000	\$34,020	\$44,396	\$2,835	\$0	\$356,251
9/30/55	\$292,000	\$17,520	\$45,284	\$1,460	\$0	\$356,264
Total	\$4,319,000	\$4,962,592	\$1,034,486	\$396,545	(\$35,660)	\$10,676,962

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #1 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

Appendix F-2
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 1 (45 Ft)
1.00
\$44,489.08

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$367	\$0	\$0	(\$367)	\$0
9/30/26	\$855	\$2,543	\$263	\$0	\$0	\$3,661
9/30/27	\$670	\$2,506	\$268	\$218	\$0	\$3,661
9/30/28	\$700	\$2,476	\$273	\$215	\$0	\$3,665
9/30/29	\$731	\$2,446	\$279	\$211	\$0	\$3,667
9/30/30	\$762	\$2,414	\$284	\$208	\$0	\$3,668
9/30/31	\$793	\$2,380	\$290	\$204	\$0	\$3,667
9/30/32	\$824	\$2,346	\$296	\$200	\$0	\$3,665
9/30/33	\$855	\$2,310	\$302	\$196	\$0	\$3,662
9/30/34	\$906	\$2,260	\$308	\$191	\$0	\$3,666
9/30/35	\$958	\$2,208	\$314	\$187	\$0	\$3,667
9/30/36	\$1,009	\$2,153	\$320	\$182	\$0	\$3,665
9/30/37	\$1,071	\$2,095	\$327	\$177	\$0	\$3,670
9/30/38	\$1,123	\$2,034	\$333	\$172	\$0	\$3,661
9/30/39	\$1,195	\$1,969	\$340	\$166	\$0	\$3,670
9/30/40	\$1,257	\$1,900	\$347	\$160	\$0	\$3,664
9/30/41	\$1,329	\$1,828	\$354	\$154	\$0	\$3,664
9/30/42	\$1,411	\$1,752	\$361	\$147	\$0	\$3,671
9/30/43	\$1,483	\$1,671	\$368	\$140	\$0	\$3,662
9/30/44	\$1,576	\$1,585	\$375	\$133	\$0	\$3,669
9/30/45	\$1,658	\$1,495	\$383	\$125	\$0	\$3,661
9/30/46	\$1,761	\$1,399	\$390	\$117	\$0	\$3,668
9/30/47	\$1,864	\$1,294	\$398	\$108	\$0	\$3,664
9/30/48	\$1,978	\$1,182	\$406	\$98	\$0	\$3,664
9/30/49	\$2,101	\$1,063	\$414	\$89	\$0	\$3,667
9/30/50	\$2,225	\$937	\$422	\$78	\$0	\$3,662
9/30/51	\$2,369	\$803	\$431	\$67	\$0	\$3,671
9/30/52	\$2,513	\$661	\$440	\$55	\$0	\$3,669
9/30/53	\$2,668	\$511	\$448	\$43	\$0	\$3,669
9/30/54	\$2,833	\$350	\$457	\$29	\$0	\$3,670
9/30/55	\$3,008	\$180	\$466	\$15	\$0	\$3,670
Total	\$44,489	\$51,119	\$10,656	\$4,085	(\$367)	\$109,981

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #1 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

Appendix F-2
Phase #1 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 2 (40 Ft)
0.96
\$42,709.52

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$353	\$0	\$0	(\$353)	\$0
9/30/26	\$821	\$2,441	\$252	\$0	\$0	\$3,514
9/30/27	\$643	\$2,405	\$257	\$209	\$0	\$3,515
9/30/28	\$672	\$2,377	\$262	\$206	\$0	\$3,518
9/30/29	\$702	\$2,348	\$268	\$203	\$0	\$3,520
9/30/30	\$732	\$2,317	\$273	\$199	\$0	\$3,521
9/30/31	\$761	\$2,285	\$278	\$196	\$0	\$3,521
9/30/32	\$791	\$2,252	\$284	\$192	\$0	\$3,519
9/30/33	\$821	\$2,217	\$290	\$188	\$0	\$3,516
9/30/34	\$870	\$2,170	\$295	\$184	\$0	\$3,520
9/30/35	\$920	\$2,120	\$301	\$179	\$0	\$3,520
9/30/36	\$969	\$2,067	\$307	\$175	\$0	\$3,518
9/30/37	\$1,028	\$2,011	\$314	\$170	\$0	\$3,523
9/30/38	\$1,078	\$1,952	\$320	\$165	\$0	\$3,515
9/30/39	\$1,147	\$1,890	\$326	\$160	\$0	\$3,523
9/30/40	\$1,206	\$1,824	\$333	\$154	\$0	\$3,517
9/30/41	\$1,276	\$1,755	\$339	\$148	\$0	\$3,518
9/30/42	\$1,355	\$1,682	\$346	\$141	\$0	\$3,524
9/30/43	\$1,424	\$1,604	\$353	\$135	\$0	\$3,515
9/30/44	\$1,513	\$1,522	\$360	\$127	\$0	\$3,522
9/30/45	\$1,592	\$1,435	\$367	\$120	\$0	\$3,514
9/30/46	\$1,691	\$1,343	\$375	\$112	\$0	\$3,521
9/30/47	\$1,790	\$1,242	\$382	\$103	\$0	\$3,517
9/30/48	\$1,899	\$1,134	\$390	\$95	\$0	\$3,517
9/30/49	\$2,017	\$1,021	\$398	\$85	\$0	\$3,521
9/30/50	\$2,136	\$899	\$406	\$75	\$0	\$3,516
9/30/51	\$2,274	\$771	\$414	\$64	\$0	\$3,524
9/30/52	\$2,413	\$635	\$422	\$53	\$0	\$3,523
9/30/53	\$2,561	\$490	\$430	\$41	\$0	\$3,523
9/30/54	\$2,719	\$336	\$439	\$28	\$0	\$3,523
9/30/55	\$2,888	\$173	\$448	\$14	\$0	\$3,523
Total	\$42,710	\$49,074	\$10,230	\$3,921	(\$353)	\$105,582

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #1 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

Appendix F-4
Phase #1 2025-26 Budget

Description	Amount
Phase #1 Bonds (Original)	\$4,319,000
<i>Principal Redemptions</i>	\$0
<i>Prepayments (Redeemed)</i>	\$0
<i>Prepayments (Non-Redeemed)</i>	\$0
Phase #1 Bonds (Outstanding)	\$4,319,000
Phase #1 Assessments (Outstanding)	\$4,319,000
Effective Interest Rate	5.72%
Phase #1 Bonds	
Interest payment on March 1, 2026	\$123,440
Interest payment on September 1, 2026	\$123,440
Principal payment on September 1, 2026	\$83,000
<i>Subtotal debt service on bonds</i>	<i>\$329,880</i>
Excess Interest for Additional Interest Reserves	\$0
Administrative Expenses	\$25,500
<i>Subtotal Expenses</i>	<i>\$355,380</i>
Available TIRZ Credit	\$0
Available Reserve Fund Income	\$0
Available Administrative Expense Account	\$0
Available Capitalized Interest	\$0
<i>Subtotal funds available</i>	<i>\$0</i>
Annual Installments	\$355,380
Phase #1 Bonds	
Original Equivalent Units	97.08
Partially prepaid Equivalent Units	0.00
Fully prepaid Equivalent Units	0.00
Outstanding Equivalent Units	97.08
Principal per Equivalent Unit	\$854.96
Interest per Equivalent Unit	\$2,543.06
Additional interest per Equivalent Unit	\$0.00
Administrative Expenses per Equivalent Unit	\$262.67
Total Annual Installment per Equivalent Unit	\$3,660.69

Appendix F-5
Assessment Roll Summary - Phase #
2025-26

Parcel	Estimated No. of units	Lot Size	Equivalent Units	Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
86599	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86600	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86601	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86602	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86603	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86604	0	Open Space	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
86500	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86501	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86502	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86503	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86504	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86505	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86506	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86507	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86508	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86509	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86510	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86511	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86512	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86513	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86514	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86515	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86516	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86517	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86518	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86519	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86520	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86521	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86522	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86523	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86524	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86525	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86526	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86527	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86528	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86529	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86530	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86531	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86532	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86533	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86534	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86535	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86536	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86537	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86538	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86539	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86540	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86541	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86542	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86543	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86544	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86545	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86546	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86547	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86548	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86549	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86550	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86551	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86552	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86553	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86554	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86555	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86556	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86557	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86558	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86559	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86560	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86561	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86562	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86563	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86564	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86565	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26

Assessment Roll Summary - Phase #1
2025-26

Parcel	Estimated No. of units	Lot Size	Equivalent Units	Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
86566	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86567	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86568	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86569	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86570	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86571	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86572	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86573	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86574	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86575	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86576	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86577	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86578	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86579	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86580	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86581	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86582	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86583	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86584	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86585	1	40 Ft Lot	0.96	\$42,710	\$820.77	\$2,441.33	\$0.00	\$252.16	\$0.00	\$3,514.26
86586	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86587	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86588	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86589	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86590	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86591	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86592	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86593	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86594	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86595	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86596	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86597	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
86598	1	45 Ft Lot	1.00	\$44,489	\$854.96	\$2,543.06	\$0.00	\$262.67	\$0.00	\$3,660.69
Total	99		97.08	\$4,319,000	\$83,000.00	\$246,880.00	\$0.00	\$25,500.00	\$0.00	\$355,380.00

APPENDIX G
PHASE #2 ASSESSMENT ROLL

Appendix G-1
Phase #2 Assessment Roll

Parcel	55729 and 31753
Equivalent Units	120.60
Assessment	\$5,371,000

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$44,576	\$0	\$0	(\$44,576)	\$0
9/30/26	\$0	\$308,603	\$0	\$0	(\$308,603)	\$0
9/30/27	\$81,000	\$308,603	\$25,500	\$26,855	\$0	\$441,958
9/30/28	\$85,000	\$305,059	\$26,010	\$26,450	\$0	\$442,519
9/30/29	\$88,000	\$301,340	\$26,530	\$26,025	\$0	\$441,895
9/30/30	\$92,000	\$297,490	\$27,061	\$25,585	\$0	\$442,136
9/30/31	\$96,000	\$293,465	\$27,602	\$25,125	\$0	\$442,192
9/30/32	\$100,000	\$289,265	\$28,154	\$24,645	\$0	\$442,064
9/30/33	\$104,000	\$284,890	\$28,717	\$24,145	\$0	\$441,752
9/30/34	\$110,000	\$278,910	\$29,291	\$23,625	\$0	\$441,826
9/30/35	\$117,000	\$272,585	\$29,877	\$23,075	\$0	\$442,537
9/30/36	\$123,000	\$265,858	\$30,475	\$22,490	\$0	\$441,822
9/30/37	\$130,000	\$258,785	\$31,084	\$21,875	\$0	\$441,744
9/30/38	\$138,000	\$251,310	\$31,706	\$21,225	\$0	\$442,241
9/30/39	\$146,000	\$243,375	\$32,340	\$20,535	\$0	\$442,250
9/30/40	\$154,000	\$234,980	\$32,987	\$19,805	\$0	\$441,772
9/30/41	\$163,000	\$226,125	\$33,647	\$19,035	\$0	\$441,807
9/30/42	\$173,000	\$216,753	\$34,320	\$18,220	\$0	\$442,292
9/30/43	\$183,000	\$206,805	\$35,006	\$17,355	\$0	\$442,166
9/30/44	\$194,000	\$196,283	\$35,706	\$16,440	\$0	\$442,429
9/30/45	\$205,000	\$185,128	\$36,420	\$15,470	\$0	\$442,018
9/30/46	\$217,000	\$173,340	\$37,149	\$14,445	\$0	\$441,934
9/30/47	\$231,000	\$160,320	\$37,892	\$13,360	\$0	\$442,572
9/30/48	\$245,000	\$146,460	\$38,649	\$12,205	\$0	\$442,314
9/30/49	\$260,000	\$131,760	\$39,422	\$10,980	\$0	\$442,162
9/30/50	\$276,000	\$116,160	\$40,211	\$9,680	\$0	\$442,051
9/30/51	\$293,000	\$99,600	\$41,015	\$8,300	\$0	\$441,915
9/30/52	\$311,000	\$82,020	\$41,835	\$6,835	\$0	\$441,690
9/30/53	\$331,000	\$63,360	\$42,672	\$5,280	\$0	\$442,312
9/30/54	\$352,000	\$43,500	\$43,526	\$3,625	\$0	\$442,651
9/30/55	\$373,000	\$22,380	\$44,396	\$1,865	\$0	\$441,641
Total	\$5,371,000	\$6,309,085	\$989,202	\$504,555	(\$353,178)	\$12,820,663

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #2 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

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

Lot Type
Equivalent Units
Assessment

Lot Type 1 (45 Ft)
1.00
\$44,535.66

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$370	\$0	\$0	(\$370)	\$0
9/30/26	\$0	\$2,559	\$0	\$0	(\$2,559)	\$0
9/30/27	\$672	\$2,559	\$211	\$223	\$0	\$3,665
9/30/28	\$705	\$2,530	\$216	\$219	\$0	\$3,669
9/30/29	\$730	\$2,499	\$220	\$216	\$0	\$3,664
9/30/30	\$763	\$2,467	\$224	\$212	\$0	\$3,666
9/30/31	\$796	\$2,433	\$229	\$208	\$0	\$3,667
9/30/32	\$829	\$2,399	\$233	\$204	\$0	\$3,666
9/30/33	\$862	\$2,362	\$238	\$200	\$0	\$3,663
9/30/34	\$912	\$2,313	\$243	\$196	\$0	\$3,664
9/30/35	\$970	\$2,260	\$248	\$191	\$0	\$3,669
9/30/36	\$1,020	\$2,204	\$253	\$186	\$0	\$3,664
9/30/37	\$1,078	\$2,146	\$258	\$181	\$0	\$3,663
9/30/38	\$1,144	\$2,084	\$263	\$176	\$0	\$3,667
9/30/39	\$1,211	\$2,018	\$268	\$170	\$0	\$3,667
9/30/40	\$1,277	\$1,948	\$274	\$164	\$0	\$3,663
9/30/41	\$1,352	\$1,875	\$279	\$158	\$0	\$3,663
9/30/42	\$1,434	\$1,797	\$285	\$151	\$0	\$3,667
9/30/43	\$1,517	\$1,715	\$290	\$144	\$0	\$3,666
9/30/44	\$1,609	\$1,628	\$296	\$136	\$0	\$3,669
9/30/45	\$1,700	\$1,535	\$302	\$128	\$0	\$3,665
9/30/46	\$1,799	\$1,437	\$308	\$120	\$0	\$3,664
9/30/47	\$1,915	\$1,329	\$314	\$111	\$0	\$3,670
9/30/48	\$2,032	\$1,214	\$320	\$101	\$0	\$3,668
9/30/49	\$2,156	\$1,093	\$327	\$91	\$0	\$3,666
9/30/50	\$2,289	\$963	\$333	\$80	\$0	\$3,665
9/30/51	\$2,430	\$826	\$340	\$69	\$0	\$3,664
9/30/52	\$2,579	\$680	\$347	\$57	\$0	\$3,662
9/30/53	\$2,745	\$525	\$354	\$44	\$0	\$3,668
9/30/54	\$2,919	\$361	\$361	\$30	\$0	\$3,670
9/30/55	\$3,093	\$186	\$368	\$15	\$0	\$3,662
Total	\$44,536	\$52,314	\$8,202	\$4,184	(\$2,929)	\$106,307

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #2 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

Appendix G-3
Phase #2 Assessment Roll by Lot Type

Lot Type
Equivalent Units
Assessment

Lot Type 2 (40 Ft)
0.96
\$42,754.23

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$355	\$0	\$0	(\$355)	\$0
9/30/26	\$0	\$2,457	\$0	\$0	(\$2,457)	\$0
9/30/27	\$645	\$2,457	\$203	\$214	\$0	\$3,518
9/30/28	\$677	\$2,428	\$207	\$211	\$0	\$3,523
9/30/29	\$700	\$2,399	\$211	\$207	\$0	\$3,518
9/30/30	\$732	\$2,368	\$215	\$204	\$0	\$3,519
9/30/31	\$764	\$2,336	\$220	\$200	\$0	\$3,520
9/30/32	\$796	\$2,303	\$224	\$196	\$0	\$3,519
9/30/33	\$828	\$2,268	\$229	\$192	\$0	\$3,516
9/30/34	\$876	\$2,220	\$233	\$188	\$0	\$3,517
9/30/35	\$931	\$2,170	\$238	\$184	\$0	\$3,523
9/30/36	\$979	\$2,116	\$243	\$179	\$0	\$3,517
9/30/37	\$1,035	\$2,060	\$247	\$174	\$0	\$3,516
9/30/38	\$1,099	\$2,000	\$252	\$169	\$0	\$3,520
9/30/39	\$1,162	\$1,937	\$257	\$163	\$0	\$3,520
9/30/40	\$1,226	\$1,870	\$263	\$158	\$0	\$3,517
9/30/41	\$1,298	\$1,800	\$268	\$152	\$0	\$3,517
9/30/42	\$1,377	\$1,725	\$273	\$145	\$0	\$3,521
9/30/43	\$1,457	\$1,646	\$279	\$138	\$0	\$3,520
9/30/44	\$1,544	\$1,562	\$284	\$131	\$0	\$3,522
9/30/45	\$1,632	\$1,474	\$290	\$123	\$0	\$3,519
9/30/46	\$1,727	\$1,380	\$296	\$115	\$0	\$3,518
9/30/47	\$1,839	\$1,276	\$302	\$106	\$0	\$3,523
9/30/48	\$1,950	\$1,166	\$308	\$97	\$0	\$3,521
9/30/49	\$2,070	\$1,049	\$314	\$87	\$0	\$3,520
9/30/50	\$2,197	\$925	\$320	\$77	\$0	\$3,519
9/30/51	\$2,332	\$793	\$326	\$66	\$0	\$3,518
9/30/52	\$2,476	\$653	\$333	\$54	\$0	\$3,516
9/30/53	\$2,635	\$504	\$340	\$42	\$0	\$3,521
9/30/54	\$2,802	\$346	\$346	\$29	\$0	\$3,524
9/30/55	\$2,969	\$178	\$353	\$15	\$0	\$3,516
Total	\$42,754	\$50,222	\$7,874	\$4,016	(\$2,811)	\$102,055

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #2 portion of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.

Appendix G
Assessment Roll Summary - Phase #2
2025-26

Parcel	Estimated No. of units	Lot Size	Equivalent Units	Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
55729 and 31753	124	Various	120.60	\$5,371,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	124		120.60	\$5,371,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

EXHIBIT 1
PHASE #1 AND PHASE #2 ASSESSMENT ROLL

Exhibit 1
Phase #1 and Phase #2 Assessment Roll

Equivalent Units
Assessment

217.68
\$9,690,000

Year ¹	Principal²	Interest²	Administrative Expenses³	Additional Interest Reserve	Capitalized Interest	Total Annual Installment⁴
9/30/25	\$0	\$80,236	\$0	\$0	(\$80,236)	\$0
9/30/26	\$83,000	\$555,483	\$25,500	\$0	(\$308,603)	\$355,380
9/30/27	\$146,000	\$551,851	\$51,510	\$48,035	\$0	\$797,396
9/30/28	\$153,000	\$545,464	\$52,540	\$47,305	\$0	\$798,309
9/30/29	\$159,000	\$538,770	\$53,591	\$46,540	\$0	\$797,901
9/30/30	\$166,000	\$531,814	\$54,663	\$45,745	\$0	\$798,222
9/30/31	\$173,000	\$524,551	\$55,756	\$44,915	\$0	\$798,222
9/30/32	\$180,000	\$516,983	\$56,871	\$44,050	\$0	\$797,904
9/30/33	\$187,000	\$509,108	\$58,009	\$43,150	\$0	\$797,266
9/30/34	\$198,000	\$498,355	\$59,169	\$42,215	\$0	\$797,739
9/30/35	\$210,000	\$486,970	\$60,352	\$41,225	\$0	\$798,547
9/30/36	\$221,000	\$474,895	\$61,559	\$40,175	\$0	\$797,629
9/30/37	\$234,000	\$462,188	\$62,790	\$39,070	\$0	\$798,048
9/30/38	\$247,000	\$448,733	\$64,046	\$37,900	\$0	\$797,679
9/30/39	\$262,000	\$434,530	\$65,327	\$36,665	\$0	\$798,522
9/30/40	\$276,000	\$419,465	\$66,634	\$35,355	\$0	\$797,454
9/30/41	\$292,000	\$403,595	\$67,966	\$33,975	\$0	\$797,536
9/30/42	\$310,000	\$386,805	\$69,326	\$32,515	\$0	\$798,646
9/30/43	\$327,000	\$368,980	\$70,712	\$30,965	\$0	\$797,657
9/30/44	\$347,000	\$350,178	\$72,126	\$29,330	\$0	\$798,634
9/30/45	\$366,000	\$330,225	\$73,569	\$27,595	\$0	\$797,389
9/30/46	\$388,000	\$309,180	\$75,040	\$25,765	\$0	\$797,985
9/30/47	\$412,000	\$285,900	\$76,541	\$23,825	\$0	\$798,266
9/30/48	\$437,000	\$261,180	\$78,072	\$21,765	\$0	\$798,017
9/30/49	\$464,000	\$234,960	\$79,633	\$19,580	\$0	\$798,173
9/30/50	\$492,000	\$207,120	\$81,226	\$17,260	\$0	\$797,606
9/30/51	\$523,000	\$177,600	\$82,851	\$14,800	\$0	\$798,251
9/30/52	\$555,000	\$146,220	\$84,508	\$12,185	\$0	\$797,913
9/30/53	\$590,000	\$112,920	\$86,198	\$9,410	\$0	\$798,528
9/30/54	\$627,000	\$77,520	\$87,922	\$6,460	\$0	\$798,902
9/30/55	\$665,000	\$39,900	\$89,680	\$3,325	\$0	\$797,905
Total	\$9,690,000	\$11,271,676	\$2,023,688	\$901,100	(\$388,839)	\$23,497,625

¹The 9/30/XX dates represent the fiscal year end for the Phase #1 and Phase #2 Bonds.

² The principal and interest amounts represent the debt service requirements of the Phase #1 and Phase #2 Bonds and is calculated using a 4.375% in years 1 through 8 (2025 – 2032), 5.75% in years 9 through 20 (2033 – 2045), and 6.00% in years 21 through 30 (2046 – 2055).

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

⁴Annual Installment does not include any credit from the TIRZ Annual Credit Amount.