

AGENDA
City Council Meeting



Monday, October 27, 2025 @ 6:00 PM

**Anna ISD - Board Room
151 W. Rosamond Pkwy
Anna, Texas 75409**

The City Council of the City of Anna will meet on Monday, October 27, 2025, at 6:00 PM, in the Anna ISD Board Room, located at 151 W Rosamond Pkwy, to consider the following items.

Welcome to the City Council meeting. If you wish to speak on an Open Session agenda item, please fill out the Opinion/Speaker Registration Form and turn it in to the City Secretary before the meeting starts.

1. Call to Order, Roll Call, and Establishment of Quorum.

2. Invocation and Pledge of Allegiance.

American Pledge: *I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible and justice for all.*

Texas Pledge: *Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.*

3. Neighbor Comments.

At this time, any person may address the City Council regarding an item on this meeting Agenda that is not scheduled for public hearing. Also, at this time, any person may address the City Council regarding an item that is not on this meeting Agenda. Each person will be allowed up to three (3) minutes to speak. No discussion or action may be taken at this meeting on items not listed on this Agenda, other than to make statements of specific information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.

4. Reports.

Receive reports from Staff or the City Council about items of community interest.

Items of community interest include: expression of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen (but not including a change in status of a person's public office or public employment); a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the Agenda.

- a. Arbor Day Proclamation November 7, 2025 (Acting Director of Community Services Jeff Freeth)

5. **Work Session.**

- a. Thompson Grove Work Session (Planning Manager Lauren Mecke)

6. **Consent Items.**

These items consist of non-controversial or "housekeeping" items required by law. Items may be considered individually by any Council Member making such request prior to a motion and vote on the Consent Items.

- a. Approve City Council Meeting Minutes for October 14, 2025. (City Secretary Carrie Land)
- b. Review Minutes of the September 3, 2025, Planning & Zoning Commission Meeting. (Planning Manager Lauren Mecke)
- c. Review minutes of the September 15, 2025, Parks and Recreation Advisory Board Meeting (Acting Director of Community Services Jeff Freeth)
- d. Review Monthly Financial Report for the Month Ending September 30, 2025. (Director of Finance Terri Doby)
- e. Approve an Ordinance approving the Tax Year 2025 Tax Roll. (Director of Finance Terri Doby)
- f. Approve an Ordinance amending the budget for the 2025-2026 Fiscal Year. (Director of Finance Terri Doby)
- g. Approve a Resolution of the City of Anna, Texas determining the costs of certain authorized improvements to be financed by The Woods at Lindsey Place Public Improvement District; approving a Preliminary 2025 Amended and Restated Service Plan and Assessment Plan, including Proposed Assessment Rolls for the District, including the Assessment roll for Improvement Area #3 of said District; calling a regular meeting and noticing a public hearing for November 17, 2025 to consider an Ordinance levying assessments on property located within Improvement area #3 of The Woods at Lindsey Place Public Improvement District; directing the filing of the proposed Assessment Rolls with the City Secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto. (Director of Economic Development Joey Grisham)
- h. Approve a Resolution approving a Preliminary Limited Offering Memorandum for the sale of "City of Anna, Texas Special Assessment Revenue Bonds, Series 2025" (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects). (Director of Economic Development Joey Grisham)
- i. Approve a Resolution of the City of Anna, Texas determining the costs of certain authorized improvements to be financed by the Crystal Park Public Improvement District No. 2 for Improvement Area #1 thereof; approving a Preliminary Service Plan and Assessment Plan, including the proposed Assessment Roll for Improvement Area #1; calling a regular meeting and noticing a public hearing for November 17, 2025 to consider an Ordinance levying Assessments on property located within Improvement Area #1 of said District; directing the filing of the proposed Assessment Roll with the City Secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto. (Director of Economic Development Joey Grisham)

- j. Approve a Resolution approving a Preliminary Limited Offering Memorandum for the sale of "City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project). (Director of Economic Development Joey Grisham)
- k. Approve a Resolution for Cedar Ridge Phase I Subdivision Improvement Agreement (SIA) (Director of Public Works Joseph Cotton P.E.)
- l. Approve a Resolution awarding the Pavement Improvements for the 4th Street project to Pace Construction Services. (CIP Manager Muhamad Madhat)
- m. Approve a Resolution regarding a Joinder to Development Agreement adding a new party to an existing Development Agreement with Foursquare Healthcare, LTD (Res. No. 2025-09-1834). (Planning Manager Lauren Mecke)
- n. Approve a Resolution entering into a Development Agreement with Grayson-Collin Recreational Association, Inc. regarding the Hurricane Creek Country Club. (Planning Manager Lauren Mecke)
- o. Approve a Resolution approving and authorizing the Acting City Manager to execute an extension to the Agreement between Grace Place Community Garden and the City of Anna. (Acting Director of Community Services Jeffrey Freeth)

7. Items For Individual Consideration and Public Hearings.

At the time and place of any public hearing held during this meeting, all persons who desire will have an opportunity to be heard in opposition to or in favor of the ordinance, application, or other proposed item.

- a. Consider/Discuss/Action on naming purple as the official city color. (Mayor Cain)

8. Closed Session (Exceptions).

Under Tex. Gov't Code Chapter 551, the City Council may enter into Closed Session to discuss any items listed or referenced on this Agenda under the following exceptions:

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). Texas Fifteenth Court of Appeals Number: 15-25-00086-CV - case style: 2020 Long Tail Trail Investments, LLC, et al. v. State of Texas, Attorney General Kenneth Paxton, et. al; Emergency Service District; municipal facilities; public information requests; potential litigation; municipal ordinances and regulations; employment contract; personnel policies.
- b. Discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072).
- c. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (Tex. Gov't Code §551.087).

- d. Discuss or deliberate personnel matters (Tex. Gov't Code §551.074). City Attorney's Annual Review; City Manager

The Council further reserves the right to enter into Executive Session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

9. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.
10. **Adjourn.**

This is to certify that I, Carrie L Land, City Secretary, posted this Agenda on the City's website (www.annatexas.gov) and at the Anna Municipal Complex bulletin board at or before 5:00 p.m. on 10/22/2025.

Carrie L. Land, City Secretary

1. The Council may vote and/or act upon each of the items listed in this Agenda. Notwithstanding the foregoing or any other statement in this Agenda, the Council shall not take action on any item until after providing an opportunity for public testimony under the "Neighbor Comments" item or after any public hearing held under applicable law.
2. The Council reserves the right to retire into closed executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meeting Act.
3. In accordance with the Americans with Disabilities Act, it is the policy of the City of Anna to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format, or if you require any other accommodation, please contact the ADA Coordinator at least 48 working hours in advance of the event by emailing adacompliance@annatexas.gov. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.



Item No. 4.a.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Jeff Freeth

AGENDA ITEM:

Arbor Day Proclamation November 7, 2025 (Acting Director of Community Services Jeff Freeth)

SUMMARY:

Arbor Day is an official statewide observance celebrated on the first Friday in November each year.

Arbor day is a holiday to celebrate and plant trees. It is a day dedicated to planting and caring for trees to provide shade, shelter and beauty, and to support the environment. Arbor day promotes the value of trees for shade, fruit, fuel, and their positive impact on the environment and community.

The Arbor Day Foundation states, "Arbor Day represents a hope for the future. The simple act of planting a tree represents a belief that the tree will grow to provide us with clean air and water, cooling shade, habitat for wildlife, healthier communities, and endless natural beauty - all for a better tomorrow."

The observance of Arbor Day and proclamation are requirements for the City to maintain its Tree City USA community status. As part of the City's observance and celebration, the Community Services Department will be giving away 100 free saplings on Saturday, October 25, 2025, starting at 8am until supplies last at Slayter Creek Park. This will be a part of the Household Hazardous Waste event being held on the same day from 8am until 12pm.

FINANCIAL IMPACT:

BACKGROUND:

Historians trace Arbor Day's origins back to the fifth century when Swiss villagers gathered to plant groves of oak trees. Adults turned the event into a festival and children were given treats as a reward for their help planting trees.

Arbor Day first appeared in the U.S. in 1872. J. Sterling Morton is credited with guiding the country's first Arbor Day resolution through the Nebraska state legislature that year. Residents of the Great Plains recognized how much trees

could do for them and they enthusiastically embraced Morton's vision.

President Theodore Roosevelt was a strong supporter of Arbor Day. In the early 20th century, it was becoming clear that the nation's forests were being exhausted by cut-out-and-get-out timber harvesting. The science of forest management was emerging, and the government was moving to suppress wildfires and plant trees. President Roosevelt sent a letter to the children of the U.S. where he wrote, "a people without children would face a hopeless future; a country without trees is almost as hopeless."

In Texas, Arbor Day first appeared in Temple on February 22, 1889. W. Goodrich Jones led the citizens of Temple in a mass meeting to call for a tree planting campaign along the streets of the city. One year later, the first statewide observance of Arbor Day was held in Austin. Through the efforts of Senator George Tyler of Belton, February 22 was set aside by law as Arbor Day to encourage the planting of trees in the state.

After the original Texas Arbor Day law expired, the state continued to observe Arbor Day by proclamation of the governor, usually on George Washington's birthday. In 1949 the state legislature adopted a resolution designating the third Friday in January as Texas Arbor Day.

In 1989 the legislature passed a resolution moving Texas Arbor Day to the last Friday in April to align with the traditionally observed national Arbor Day. Today, the official Texas Arbor Day is held on the first Friday in November, but thanks to the diversity of this state, Arbor Day can be celebrated in Texas communities anytime throughout the fall and winter planting season.

Note: this information was sourced from the Texas A&M Forest website (<https://tfsweb.tamu.edu/about/news/texas-arbor-day/>)

STRATEGIC CONNECTIONS:

ATTACHMENTS:

1. 2025 Proclamation - Arbor Day



OFFICIAL PROCLAMATION

WHEREAS in 1872, the Nebraska Board of Agriculture established a special day to be set aside for the planting of trees, *and*

WHEREAS this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, *and*

WHEREAS Arbor Day is now observed throughout the nation and the world, *and*

WHEREAS trees can be a solution to combating climate change by reducing the erosion of our precious topsoil by wind and water, cutting heating and cooling costs, moderating the temperature, cleaning the air, producing life-giving oxygen, and providing habitat for wildlife, *and*

WHEREAS trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and countless other wood products, *and*

WHEREAS trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, *and*

WHEREAS trees — wherever they are planted — are a source of joy and spiritual renewal.

NOW, THEREFORE, I, Pete Cain, Mayor of the City of Anna, do hereby proclaim November 7, 2025 as **ARBOR DAY** In the City of Anna, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, *and*

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

DATED THIS 27 day of October, 2025

Mayor _____



Item No. 5.a.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Lauren Mecke

AGENDA ITEM:

Thompson Grove Work Session (Planning Manager Lauren Mecke)

SUMMARY:

No official city action will be taken on this item during this meeting. Staff recommends Council provide feedback.

FINANCIAL IMPACT:

This item has no financial impact.

BACKGROUND:

The property owner and potential developer are seeking feedback from the City Council on the attached Concept Plan for the property. The intent of this item is to provide interested parties with direction on the proposed project design and layout. There is a pending zoning petition and Preliminary Plat application that will go before the Planning and Zoning Commission.

As part of their request, the applicant would be annexing the property voluntarily, creating a Public Improvement District (PID), agree to limitation of lot sales to institutional investors, and proposing development standards similar to surrounding Neighbors.

Comprehensive Plan

The Future Land Use Plan identifies this area as Suburban Living.

Character & Intent:

Single-family homes on platted lots < 1 acre, served by utilities, streets, sidewalks, open space, parks and amenities. Near neighborhood/commercial hubs, these self-contained neighborhoods buffer non-residential uses with landscaping.

Land Use Considerations:

Primary Land Use: Single-family detached homes, parks and open space, neighborhood-serving amenities.

Secondary Land Use: Civic and institutional uses.

Identifying Features:

- Single-family mid-size lots. Lot size (range) 6,000 SF - 1 acre lots

- Platting and utilities required
- Subdivision orientation
- Parks and amenities
- Complements neighborhood commercial

The Master Thoroughfare Plan identifies Ferguson Parkway as a Major Arterial with a 120-foot wide right-of-way.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Unique.

ATTACHMENTS:

1. Concept Plan - Thompson Grove

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RIGHT OF WAY
TO BE DEDICATED BY PLAT

RIGHT OF WAY
TO BE DEDICATED BY PLAT

DETENTION
+/-1.0 ACRES

FERGUSON ROAD

TAYLOR BOULEVARD

QUAIL CREEK RUN

BLACK MAPLE DRIVE

PRELIMINARY LOT COUNT TABLE

RESIDENTIAL TYPE		SUBTOTAL
	50' x 120'	76 LOTS

LJA

Planning & Landscape Architecture

Land & Master Planning

Land Use Planning & Analysis

Site Design

Urban Design

Landscape Architecture

2150 South Central Expressway

Suite 300, McKinney, Texas 75069

P 214.420.2741

0

200'

City of Anna, Collin County, Texas

DRWN BY: AMR

CHKD BY: JP

DATE: 9/29/2025

PROJECT NUMBER: NT6738-0535

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This exhibit is an illustrative representation for presentation purposes only and should not be used for computation or construction purposes. The information provided within should be considered a graphic representation to aid in determining plan components and relationships and is subject to change without notice. All property boundaries, easements, road alignments, drainage, topography, environmental issues and other information shown is approximate and should not be relied upon for any purpose. No warranties, express or implied, concerning the actual design, accuracy, location, and character of the facilities shown on this exhibit are intended.



Item No. 6.a.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025

Staff Contact:

AGENDA ITEM:

Approve City Council Meeting Minutes for October 14, 2025. (City Secretary Carrie Land)

SUMMARY:

FINANCIAL IMPACT:

BACKGROUND:

STRATEGIC CONNECTIONS:

ATTACHMENTS:

1. 2025-10-14 Work Session Minutes
2. 2025-10-14 Regular Minutes

**City Council Work Session
Meeting Minutes**



Tuesday, October 14, 2025 @ 5:30 PM

**Anna Municipal Complex - Council Chambers
120 W. 7th Street, Anna, Texas 75409**

The City Council of the City of Anna met in a Closed Session on Tuesday, October 14, 2025, at 5:30 PM, in the Anna Municipal Complex – Council Chambers, located at 120 W. 7th Street, to consider the following items.

1. Call to Order, Roll Call, and Establishment of Quorum.

Mayor Cain called the meeting to order at 5:30 PM.

Members Present:

Mayor Pete Cain
Mayor Pro Tem Kevin Toten
Deputy Mayor Pro Tem Stan Carver II
Council Member Nathan Bryan
Council Member Kelly Herndon
Council Member Elden Baker
Council Member Manny Singh

Members Absent:

None

2. Closed Session (Exceptions).

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). "Charter, City regulations and policies".
- b. Discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072).
- c. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision

(1). (Tex. Gov't Code §551.087).

- d. Discuss or deliberate personnel matters (Tex. Gov't Code §551.074). City Attorney Annual Review

MOTION: Council Member Herndon moved to enter closed session. Council Member Baker seconded. Motion carried 7-0.

Mayor Cain recessed the meeting at 5:31 PM.

Mayor Cain reconvened the meeting at 6:00 PM.

- 3. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.

No action taken.

- 4. **Adjourn.**

Mayor Cain adjourned the meeting at 6:00 PM.

APPROVED this 27th day of October 2025.

Mayor Pete Cain

ATTEST:

City Secretary Carrie L. Land

**Regular City Council Meeting
Minutes**



Tuesday, October 14, 2025 @ 6:00 PM

**Anna Municipal Complex - Council Chambers
120 W. 7th Street, Anna, Texas 75409**

The City Council of the City of Anna met on Tuesday, October 14, 2025, at 6:00 PM, in the Anna Municipal Complex – Council Chambers, located at 120 W. 7th Street, to consider the following items.

1. Call to Order, Roll Call, and Establishment of Quorum.

Mayor Cain called the meeting to order at 6:00 PM.

Members Present:

Mayor Pete Cain
Mayor Pro Tem Kevin Toten
Deputy Mayor Pro Tem Stan Carver II
Council Member Nathan Bryan
Council Member Kelly Herndon
Council Member Elden Baker
Council Member Manny Singh

Members Absent:

None

2. Invocation and Pledge of Allegiance.

Deputy Mayor Pro Tem Carver led the Invocation and Pledge of Allegiance.

3. Neighbor Comments.

Kevin Dougherty thanked the Council, the police department, and the community for the overwhelming support following an incident at his coffee shop.

4. Reports.

- a. Unplug Texas Day Proclamation October 21, 2025 (Acting Director of Community Services Jeff Freeth)

Mayor Cain read a Proclamation declaring October 21, 2025, as Unplug Texas Day.

5. **Work Session.**

- a. Hager Ranch (Planning Manager Lauren Mecke)

Peter Lai of Impression Homes made a presentation on the proposed Hager Ranch Development.

Council Member Singh discussed lot sizes within the City and current building standards.

6. **Consent Items.**

Mayor Pro Tem Toten requested that item 6e be pulled from the Consent Agenda.

MOTION: Mayor Pro Tem Toten moved to approve Consent Items 6a-6d and 6f-6h. Council Member Herndon seconded. Motion carried 7 - 0.

- a. Approve City Council Meeting Minutes for September 23, 2025. (City Secretary Carrie Land)
- b. Review Minutes of the September 4, 2025, Joint Community Development Corporation and Economic Development Corporation Board Meeting. (Director of Economic Development Joey Grisham)
- c. Approve a Resolution authorizing the Acting City Manager to execute Purchase Orders to the Construction Manager at Risk contract for the construction of improvements at the Hurricane Wastewater Treatment Plant with Garney Construction. (CIP Manager Muhamad Madhat).

A RESOLUTION OF THE CITY OF ANNA, TEXAS, AUTHORIZING THE ACTING CITY MANAGER TO EXECUTE PURCHASE ORDERS IN THE AMOUNT NOT TO EXCEED ONE HUNDRED SEVENTY THOUSAND SEVEN HUNDRED FIFTY-FIVE AND ZERO CENTS (\$170,755.00) TO GARNEY COMPANIES, INCORPORATED FOR THE CONSTRUCTION OF WASTE ACTIVATED SLUDGE LINE FOR FUTURE EXPANSION, PERMEATE LINE MODIFICATION FOR FUTURE EXPANSION, AND ADDING ADDITIONAL RIP RAP FOR HEADWALL AT SITE ENTRANCE AT THE HURRICANE CREEK REGIONAL WASTEWATER TREATMENT PLANT; AND PROVIDING FOR AN EFFECTIVE DATE.

- d. Approve a Resolution authorizing the Acting City Manager to amend the current professional services agreement with Kimley-Horn and Associates, incorporated, for construction management services related to the Hurricane Creek Regional Wastewater Treatment Plant. (CIP Manager Muhamad Madhat).

A RESOLUTION OF THE CITY OF ANNA, TEXAS AUTHORIZING THE ACTING CITY MANAGER TO AMEND THE CURRENT PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INCORPORATED, FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE HURRICANE CREEK REGIONAL WASTEWATER TREATMENT PLANT.

- e. Approve a Resolution for the Acting City Manager to enter into a Contract with LT Sport Consulting to conduct a Facility Sports Feasibility Study. (Acting City Manager Marc Marchand)

Staff recommended that the City Council approve an agreement with LT Sports Consulting utilizing an existing contract between the City of Grand Prairie and LT Sports Consulting. This approach is in accordance with the Texas Local Government Code Chapter 791 (Interlocal Cooperation Act) and/or Chapter 271, Subchapter F (Cooperative Purchasing Program), which allow municipalities to procure goods and services through cooperative purchasing agreements to promote efficiency and cost savings.

LT Sports Consulting will conduct a feasibility study related to the potential development of a sports facility in the City of Anna.

MOTION: Council Member Baker moved to approve. Council Member Singh seconded. Motion carried 6 - 1. Mayor Pro Tem Toten opposed.

A RESOLUTION OF THE CITY OF ANNA, TEXAS, AUTHORIZING THE ACTING CITY MANAGER TO ENTER INTO A CONTRACT WITH LT SPORTS CONSULTING TO CONDUCT A FACILITY SPORTS FEASIBILITY STUDY IN THE AMOUNT NOT TO EXCEED NINETY THOUSAND DOLLARS AND ZERO CENTS (\$90,000).

- f. Approve a Resolution making revisions to the Investment Policy. (Director of Finance Terri Doby)

A RESOLUTION REVIEWING AND AMENDING THE INVESTMENT POLICY OF THE CITY OF ANNA.

- g. Approve a Resolution approving the funding of Fire Department equipment needs related to SCBA replacement airpaks, in an amount not to exceed \$117,410. (Fire Chief Ray Isom)

A RESOLUTION OF THE CITY OF ANNA, TEXAS AUTHORIZING THE ACTING CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE PURCHASE

OF FIREFIGHTING EQUIPMENT AS SHOWN IN EXHIBIT "A" ATTACHED HERETO, IN THE AMOUNT NOT TO EXCEED ONE HUNDRED SEVENTEEN THOUSAND FOUR HUNDRED TEN DOLLARS AND ZERO CENTS (\$117,410.00); AND PROVIDING FOR AN EFFECTIVE DATE.

- h. Approve a Resolution approving an Economic Development Incentive Agreement between Anna Economic Development Corporation and Foursquare Healthcare, LTD., for qualifying site improvements to a property for a skilled nursing facility up to \$800,000.00. (Director of Economic Development Joey Grisham)

A RESOLUTION OF THE CITY OF ANNA, TEXAS APPROVING AN INCENTIVE AGREEMENT FOR NEW ECONOMIC DEVELOPMENT BETWEEN ANNA ECONOMIC DEVELOPMENT CORPORATION AND FOURSQUARE HEALTHCARE, LTD.

7. Items For Individual Consideration and Public Hearings.

There were no items for individual consideration.

8. Future Agenda Items.

There were no Future Agenda items.

9. Closed Session (Exceptions).

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). Charter, City regulations and policies.
- b. Discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072).
- c. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (Tex. Gov't Code §551.087).

- d. Discuss or deliberate personnel matters (Tex. Gov't Code §551.074). City Attorney Annual Review

MOTION: Council Member Herndon moved to enter closed session. Council Member Baker seconded. Motion carried 7-0.

Mayor Cain recessed the meeting at 7:41 PM.

Mayor Cain reconvened the meeting at 9:07 PM.

10. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.

No action was taken.

11. **Adjourn.**

Mayor Cain adjourned the meeting at 9:07 PM.

APPROVED this 27th day of October 2025.

Mayor Pete Cain

ATTEST:

City Secretary Carrie L. Land



Item No. 6.b.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Lauren Mecke

AGENDA ITEM:

Review Minutes of the September 3, 2025, Planning & Zoning Commission Meeting.
(Planning Manager Lauren Mecke)

SUMMARY:

The Planning & Zoning Commission (P&Z) met on Wednesday, September 3, 2025.
Approved Minutes are attached for Council's review.

FINANCIAL IMPACT:

This item has no financial impact.

BACKGROUND:

The P&Z met on September 3, 2025, for their regular monthly meeting.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. Minutes 09-03-2025

MINUTES
PLANNING AND ZONING COMMISSION
Wednesday, September 3, 2025

The Planning and Zoning Commission of the City of Anna held a meeting at 6:00 p.m. on September 3, 2025, at the Municipal Complex located at 120 W. 7th Street, to consider the following items.

1. Call to Order, Roll Call, and Establishment of Quorum.

The meeting was called to order at 6:02 p.m.

Commissioners present were Staci Martin, Aquita DeJarnette, Jessica Walden, Josh Vollmer, and Gretchen Stewart. Staff present were Jayme Hawthorne, Everett Johnson, Lauren Mecke, David Overcash, and Nancy Reynolds.

2. Invocation and Pledge of Allegiance.

Commissioner Martin gave the invocation and led the Pledge of Allegiance.

3. Neighbor Comments: At this time, any person may address the Planning & Zoning Commission regarding an item on this meeting Agenda that is not scheduled for Public Hearing. Also, at this time, any person may address the Commission regarding an item that is not on this meeting's Agenda. Each person will be allowed up to three (3) minutes to speak. No discussion or action may be taken at this meeting on items not listed on this Agenda, other than to make statements of specific factual information in response to a neighbor's inquiry or to recite existing policy in response to the inquiry.

There were no Neighbor comments.

4. Planning Manager's Report.

Ms. Mecke informed the commissioners that they will have a zoning action about a historic district coming to the Commission based on the discussion with the City Council at the last meeting. City Council also approved the Coyote Meadows zoning case and the Trinity Creek pre-annexation development agreement. The Council did not move forward on housing tax credits from the state.

5. Overall Location Map.

6. Consent Items

- a. Approve Minutes of the August 4, 2025, Planning & Zoning Commission Meeting
- b. Approve a Resolution regarding Rosamond Crossing Southeast Corner, Block A, Lot 7, Site Plan (SP 25-0014) Owner: SGI Anna SEC-I, LLC
- c. Approve a Resolution regarding Leonard Trails, Phase 1, Final Plat (FP 25- 0013) Owner: Qualico Developments (US) Inc.
- d. Approve a Resolution regarding Liberty Hills, Phase 5, Preliminary Plat (PP 25- 0017) Owner: Kevin Lazares.
- e. Approve a Resolution regarding Shadowbend Commercial, Block A, Lot 3, Site Plan (SP 25-0015) Owner: Lou Olerio.

- f. Approve a Resolution regarding BG Downtown Anna, Block A, Lot 1, Preliminary Plat (PP 25-0018) Owner: Brown & Griffin Real Estate Advisors, LP.

Nothing was pulled, but both Commissioner Vollmer and Chairwoman Walden expressed a lack of need for two additional McDonald's within 2 miles of each other.

A motion was made by Commissioner Walden to approve all Items, seconded by Commissioner Vollmer to recommend approval. The vote was unanimous in favor.

7. Items for Individual Consideration.

- a. Consider/Discuss/Action on a Resolution regarding Bengal C Store, Block 1, Lot 1, Preliminary Plat (PP 25-0016) Owner: Faizur Rahman

Mr. Johnson explained that staff was recommending denial of the request because the applicant could not secure a "will serve" letter for water from engineering and that the plat states that there will be no well on the property.

The applicant was not present.

A motion was made by Commissioner Walden to deny Item 7a, seconded by Commissioner Vollmer to deny. The vote was unanimous in favor of denial.

- b. Conduct a Public Hearing/Consider/Discuss/Action on an Ordinance regarding a request for a Specific Use Permit for a Auto Repair, Light on Rosamond Crossing, Southeast Corner, Block A, Lot 2, Special Use Permit (SUP 25-0005) Owner: SGI Anna SEC-I, LLC

Mr. Johnson explained that the proposed Valvoline fits within the C2 zone of the area. Staff recommends approval with the stipulation that the site develops in accordance with Exhibit B of the Site Plan.

The public hearing was opened at 6:11 p.m.

The applicant gave a presentation about the proposed business.

The public hearing was closed at 6:14 p.m.

A motion was made by Commissioner Martin to approve all Items, seconded by Commissioner DeJarnette to recommend approval. The vote was unanimous in favor.

- c. Conduct a Public Hearing/Consider/Discuss/Action on an Ordinance regarding a request to zone 15.2± acres at the southeast corner of W. Foster Crossing Road & S. Powell Parkway. (DA 25-0001 / ANX 25-0005 / PD 25-0004) Owner: MEL-HWY5 LLC

Ms. Mecke described the master planned development for the skilled nursing facility in a 4.9-acre portion and other proposed medical-office/medical-related areas in the remaining 10.3 acres. The applicant would like to limit the use for the remaining areas.

The applicant explained why they wanted to limit the uses in the remaining 10.3 acres so as not to detract the purpose of the skilled nursing facility.

A motion was made by Commissioner Martin to approve, seconded by Commissioner Stewart to recommend approval. The vote was unanimous in favor.

- d. Conduct a Public Hearing/Consider/Discuss/Action on an Ordinance to amend Article 9.04 (Zoning Ordinance) of the City of Anna Code of Ordinances. (TA 25-0002)

Ms. Mecke explained that Staff was proposing some changes to the Zoning Ordinances to comply with the State as well as fix some issues that Staff has noticed over the last two years since the Zoning Ordinances were updated.

A motion was made by Commissioner Walden to approve all Items, seconded by Commissioner Vollmer to recommend approval with the condition that Section 3 of 9.04.074 for the Board of Adjustments be changed to reflect 7 members and not 5. The vote was unanimous in favor.

e. Provide feedback on the Concept Plan for the Anna 96 development.

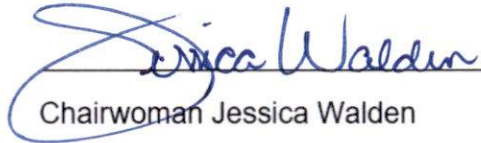
Tristan Poore with Spiars Engineering and John McKenzie with M&A Development presented a concept plan for the Anna 96 Development for the Commission's consideration. Commissioner Walden expressed her dislike of lift stations, her wish for more larger size lots, and a desire to see more open space and amenities so that Anna does not become a "concrete jungle."

8. Future Agenda Items: At this time, the Planning & Zoning Commission may identify issues or topics that they wish to schedule for discussion at a future meeting.

Commissioner Vollmer asked for Staff to create slides to inform the public the differences among a PID, a TRZ, and a MUD.

9. Adjourn.

A motion was made by Commissioner Walden and seconded by Commissioner Martin to adjourn the meeting. The meeting was adjourned at 6:59 p.m.


Chairwoman Jessica Walden

ATTEST:



Lauren Mecke, Planning Manager





Item No. 6.c.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Jeff Freeth

AGENDA ITEM:

Review minutes of the September 15, 2025, Parks and Recreation Advisory Board Meeting (Acting Director of Community Services Jeff Freeth)

SUMMARY:

This item is to provide the City Council with meeting minutes from the September 15, 2025, Parks and Recreation Advisory Board Meeting.

FINANCIAL IMPACT:

This item has no financial impact.

BACKGROUND:

The City of Anna Parks and Recreation Advisory Board is tasked with two primary objectives:

1. Provide recommendations to the City Council and City staff as requested from time to time on matters relating to the City's parks and recreation activities and facilities; and
2. Assist in the promotion of park-related programs and encourage donations of land, equipment, and resources in support of parks and recreation activities.

The board generally meets on a monthly basis, and is comprised of seven Anna neighbors appointed by the City Council.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Active.

ATTACHMENTS:

1. Parks and Recreation Advisory Board Minutes September 15, 2025



**MEETING MINUTES
ANNA PARKS ADVISORY BOARD MEETING
Monday, September 15, 2025 @ 6:00 PM**

**Anna Municipal Complex
120 W 7th Street
Anna, TX 75409**

The Parks Advisory Board of the City of Anna met at 6:00 PM, on September 15, 2025, at Anna Municipal Complex, located at 120 W. 7th Street, Anna TX 75409, to consider the following items.

1. Call to Order, Roll Call and Establishment of Quorum

Parks Advisory Board Member Susan Jones called the meeting to order at 6:00pm. Quorum was established. Following Parks advisory board members were in attendance Susan Jones, Nichole Hunt, Alastair Hunte, Choya Morrison, Kennon Weaver, David Colegrove and Rachel Sinagra. Staff present included Acting Director of Community Services Jeff Freeth, Council Member Kevin Toten and Council Member Kelly Patterson-Herndon.

2. Invocation and Pledge of Allegiance

a. Parks Advisory Board Member Alastair Hunte led the Pledge of Allegiance and Prayer.

3. Neighbor Comments – No comments

6. Items for Individual Consideration

a. Discuss. Freese and Nichols reps Wilson Kerr and Karen Chavez presented the Parks Master Plan Review and conducted the Open House. Time was given to neighbors to submit/and or discuss feedback to Freese and Nichols Staff.

4. Receive a Report

a. Received a report on parks maintenance and recreation programs and events. (memo)

5. Project Update

a. Received report on CIP Project Update. (memo)

6. Items for Individual Consideration

a. Discuss, Consider, Action on Parks Advisory Board Meeting Minutes for August 18, 2025.

MOTION: Park Advisory Board Member David Colegrove made a motion to approve the meeting minutes. Second by Alastair Hunte. Motion carried.

b. Discuss, Consider, Action on Keep Anna Beautiful Committee.

MOTION: Parks Advisory Board Member David Colegrove made a motion to recommend to City Council to appoint the Parks & Recreation Advisory Board as the Keep Anna Beautiful Committee as presented by staff. Second by Alastair Hunte. Motion carried.

7. Items for Future Consideration

a. Parks Advisory Board Member David Colegrove discussed adding a Spring Soccer League agenda item to the next Parks and Recreation Advisory Board meeting.

MOTION: Parks Advisory board Member Alastair Hunte made a motion to approve adding Spring Soccer League discussion to the next agenda. Second by Alastair Hunte. Motion carried.



8. Adjourn

Parks Advisory Board member Susan Jones adjourned the meeting at 7:11 PM.

ATTEST:

A handwritten signature in black ink, appearing to read "Susan Jones", written over a horizontal line.

A handwritten signature in black ink, appearing to read "Jeff Freeth", written over a horizontal line.

Jeff Freeth, Acting Director of Community Services



Item No. 6.d.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Terri Doby

AGENDA ITEM:

Review Monthly Financial Report for the Month Ending September 30, 2025. (Director of Finance Terri Doby)

SUMMARY:

This report covers the financial performance for Fiscal Year 2025 through September 30, 2025.

FINANCIAL IMPACT:

Information only.

BACKGROUND:

The City of Anna's financial policies require the publication of a monthly financial report. Enclosed in the report is an executive dashboard that provides a high-level look at major funds along with detailed reporting of sales tax collections. The financial condition of the City remains strong and the reported funds adhere to fund balance requirements.

The FY2025 Budget was adopted on September 10, 2024.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. FY2025 City Council Monthly Financial Report September

CITY OF ANNA
GENERAL & UTILITY FUNDS DASHBOARD
Through September 30, 2025

Positive Positive variance compared to historical trends
Warning Negative variance of 3%-5% compared to historical trends
Negative Negative variance of >5% compared to historical trends

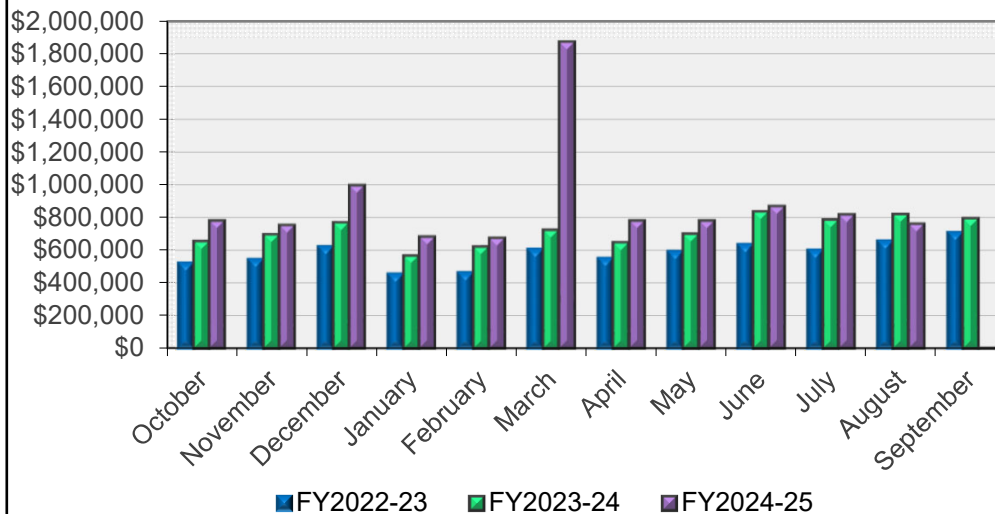
	FY2025 Budget	FY2025 YTD	%	Favorable / Unfavorable
REVENUES				
General Fund				
Property Taxes	\$ 13,093,602	\$ 12,941,655	99%	Property taxes are due January 31st.
Sales Tax	5,220,000	6,104,608	117%	Remitted from the Comptroller with lag time of 30 - 60 days; includes remittances thru August.
Franchise and Local Taxes	1,030,000	1,109,085	108%	
Charges for Services	1,000,000	1,418,039	142%	
Fines	400,000	566,224	142%	
Permits, Licenses and Fees	4,757,000	4,600,748	97%	
Investment Income	800,000	681,896	85%	
Other Revenues	-	288,655	100%	
Revenue Total	\$ 26,300,602	\$ 27,710,910	105%	With 100% of the year expired, revenues recorded are at 105% of budget.
EXPENDITURES				
General Fund				
Expense Total	\$ 26,257,276	\$ 26,736,439	102%	With 100% of the year expired, expenses are 102% of budget.
Utility Fund				
REVENUES				
Water Sales	\$ 11,125,000	\$ 12,748,193	115%	
Sewer Charges	8,525,000	9,508,641	112%	
Sanitation Revenue	3,730,000	3,530,127	95%	
Other Charges for Services	680,000	667,998	98%	
Permits, Licenses and Fees	2,083,000	2,121,223	102%	
Investment Income	502,000	904,799	180%	
Other Revenues	1,000	62,634	6263%	
Utility Fund Total	\$ 26,646,000	\$ 29,543,615	111%	With 100% of the year expired, revenues recorded in the General Ledger are at 111% of budget.
EXPENDITURES				
Administration	\$ 1,925,085	\$ 2,014,889	105%	Includes higher than expected expense for property and liability insurance, electricity, vehicle expenses and contract services.
Water	7,986,169	9,415,881	118%	Includes unbudgeted but necessary capital expenses for pump repairs and equipment expense; funding comes from excess fund balance.
Sewer	12,145,452	11,134,338	92%	
Sanitation	3,600,000	3,500,836	97%	
Utility Billing	1,167,911	1,744,239	149%	Includes higher than budgeted credit card fees.
Utility Fund Total	\$ 26,824,617	\$ 27,810,183	104%	With 100% of the year expired, expenses are 104% of budget. Overages will be covered by higher than expected revenues.

CITY OF ANNA
Schedule of Sales Tax Collections
For the month August 31, 2025

	2024-25 Collections Monthly	% Change from Prior Year	2023-24 Collections Monthly
October	\$ 780,090	19%	\$ 655,358
November	753,401	8%	695,026
December	995,930	30%	768,837
January	682,766	20%	566,981
February	675,214	9%	621,381
March	1,873,725	159%	723,838
April	779,340	20%	647,636
May	780,970	12%	699,251
June	867,435	4%	835,007
July	817,173	4%	785,388
August	761,329	-7%	818,441
September	-		794,437
	\$ 9,767,373		\$ 8,611,581

Budget: 6,753,000 145% 6,753,100

**Monthly Sales Tax Collections:
3 Year Comparison**

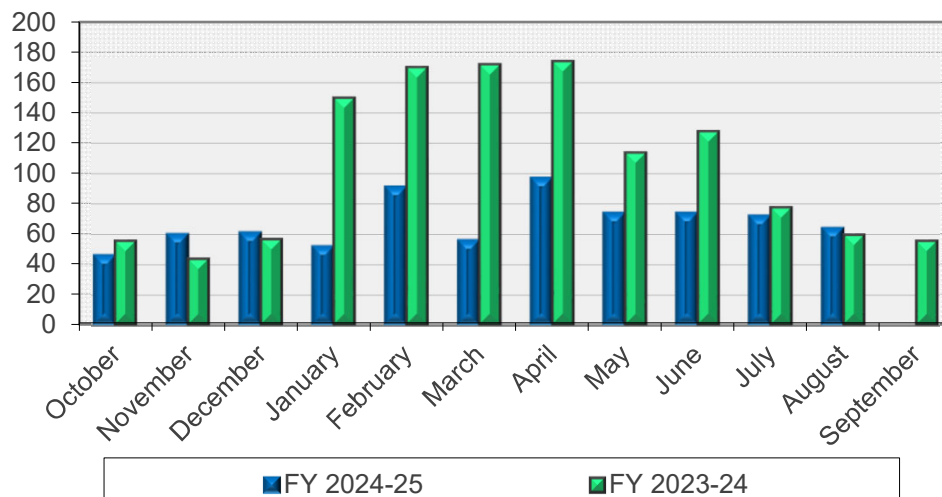


CITY OF ANNA
Building Permits Received
Thru the month August 31, 2025

	FY 2024-25 Monthly	FY 2023-24 Monthly
October	46	56
November	60	44
December	61	57
January	52	150
February	91	170
March	56	172
April	97	174
May	74	114
June	74	128
July	72	78
August	64	60
September		56
	747	1,259

		% Budget
FY2025 Budget:	800	93%

**Monthly Building Permits Received:
2 Year Comparison**





Item No. 6.e.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Terri Doby

AGENDA ITEM:

Approve an Ordinance approving the Tax Year 2025 Tax Roll. (Director of Finance Terri Doby)

SUMMARY:

The Collin County Tax Assessor Collector has submitted the Tax Roll Summary to the City of Anna for Tax Year 2025. The report is attached.

FINANCIAL IMPACT:

Process to adopt the Fiscal Year 2026 Budget.

BACKGROUND:

Texas Property Tax Code, Section 26.09 requires the City to pass an ordinance approving the yearly Tax Roll.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. FY2026 Tax Roll Ordinance
2. 2025 Tax Roll Summary

CITY OF ANNA, TEXAS

ORDINANCE NO. _____

AN ORDINANCE APPROVING THE 2025 TAX ROLL FOR THE CITY OF ANNA, TEXAS

WHEREAS, the Collin County Tax Assessor Collector has submitted the 2025 Tax Roll for the City of Anna, Texas (the “City”) to the City Council of the City of Anna, Texas (the “City Council”) for approval; and

WHEREAS, the City Council is required by statute (Texas Property Tax Code Section 26.09) to approve or disapprove said Tax Roll; and

WHEREAS, the City Council has reviewed the 2025 Tax Roll Summary as provided by the Collin County Tax Assessor Collector, now therefore;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS THAT:

SECTION 1. Recitals Incorporated.

The above-referenced recitals are incorporated herein as if set forth in full for all purposes.

SECTION 2. Tax Roll Approved.

The Council hereby approves the 2025 Tax Roll Summary attached hereto as Exhibit A.

PASSED AND APPROVED by the City Council of the City of Anna, Texas, this, the 27th day of October 2025.

ATTESTED:

APPROVED:

City Secretary Carrie L. Land

Mayor Pete Cain

2025 TAX ROLL SUMMARY

07 - ANNA CITY

	Amount	Count
NUMBER OF ACCOUNTS		14,338
MARKET VALUES		
ROLLCODE: MOBILE HOME		
Improvement	\$1,606,076	
Improvement Non-Home Site	\$44,530	
ROLLCODE: PERSONAL		
Personal	\$118,656,888	
ROLLCODE: REAL		
Agriculture	\$291,130,741	
Improvement	\$2,761,721,493	
Improvement Non-Home Site	\$829,961,402	
Land	\$1,132,304,720	
Land Ag Land	\$740,047	
Land Non-Home Site	\$324,282,223	
TOTAL MARKET VALUE	\$5,460,448,120	
DEFERRALS		
Ag	\$291,130,741	211
TOTAL DEFERRALS	\$291,130,741	
EXEMPTIONS		
23.231 Circuit Breaker Limitation	\$16,933,633	305
Autos , XO , PPV , XO , PPV	\$16,595,594	21
Cap Adjustment , XT , XT	\$16,215,240	583
Disabled	\$3,489,600	127
Disabled Veteran	\$78,334,980	455
Historic Site	\$0	1
Homestead	\$62,666,067	5,738
Miscellaneous , XV , XV	\$519,948,928	522
Nominal Value	\$71,513	79
Over 65	\$29,594,081	1,056
Pollution Control	\$451,515	4
Solar/Wind	\$460,041	16
Surviving Spouse Disabled Person	\$0	1
TOTAL EXEMPTIONS	\$744,761,192	
GRAND TOTAL FOR DEFERRALS AND EXEMPTIONS	\$1,035,891,933	
TOTAL MARKET VALUE	\$5,460,448,120	
TAXABLE VALUE	\$4,424,556,187	
TAX RATE	0.525073	
ROLLCODE: MOBILE HOME		
Levy	\$8,164.63	111
ROLLCODE: PERSONAL		
Levy	\$531,188.68	501
ROLLCODE: REAL		
Levy	\$22,692,795.25	13,726
TOTAL LEVY	\$23,232,148.56	
LEVY LOST DUE TO FROZEN	\$0.00	
OTHER LOST LEVY	\$0.00	

2025 TAX ROLL SUMMARY

07 - ANNA CITY

TOTAL LOST LEVY**\$0.00**

Calculation Analysis							
	Calc Levy	- Tax Amount	=	Diff.	Market Value	Exemption	Taxable Value
Frozen	0.00	0.00		0.00	0	0	0
DV100 (Excl. Frozen)	3,043.50	3,043.50		0.00	74,608,085	73,747,822	860,263
Prorated (Excl. Frozen	0.00	0.00		0.00	0	0	0
Other	23,229,105.06	23,229,105.06		0.00	5,385,840,035	962,144,111	4,423,695,924
Total	23,232,148.56	23,232,148.56		0.00	5,460,448,120	1,035,891,933	4,424,556,187
DV100 (Incl. Frozen)	0.00	0.00		0.00	0	0	0
Prorated (Incl. Frozen	0.00	0.00		0.00	0	0	0



Item No. 6.f.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Terri Doby

AGENDA ITEM:

Approve an Ordinance amending the budget for the 2025-2026 Fiscal Year. (Director of Finance Terri Doby)

SUMMARY:

Approve an Ordinance amending the budget for the 2025-2026 Fiscal Year.

FINANCIAL IMPACT:

To amend the Fiscal Year 2025 - 2026 Adopted Budget.

BACKGROUND:

The City's Charter (Section 7.09) addresses amending the adopted budget. Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the City Council may, by the affirmative vote of a majority of the full membership of the City Council, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments must be by ordinance and must become an attachment to the annual budget.

The Fiscal Year 2025–2026 Budget was adopted on September 9, 2025. Since that time, the City has experienced several personnel changes and organizational restructures. While these changes have no fiscal impact, a budget amendment is necessary to enable Directors to effectively manage their respective cost centers.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. FY2026 Budget Amendment Ordinance
2. FY2026 Budget Amendment Reorganization
3. FY2026 Revised Personnel Detail

CITY OF ANNA

ORDINANCE NO.

AN ORDINANCE AMENDING ORDINANCE NO. 1165-2025-09 ADOPTING THE BUDGET FOR THE 2025-2026 FISCAL YEAR; PROVIDING FOR SAVINGS, SEVERABILITY, AND REPEALING CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

WHEREAS, on September 9, 2025, the City Council of the City of Anna, Texas ("City Council"), after a duly noticed public hearing as required under Texas Local Gov't Code §102.106, and in accordance with applicable provisions of the City of Anna, Texas Home-Rule Charter ("Charter"), adopted a budget of all municipal appropriations and expenditures for the 2025-2026 fiscal year; and

WHEREAS, the City is authorized to make this budget amendment by majority vote of the City Council under Section 7.09 of the Charter;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS THAT:

SECTION 1. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council with respect to the budget amendments described herein.

SECTION 2. The City Council of the City officially finds, determines, and declares that the City of Anna 2025-2026 fiscal year budget is hereby amended with respect to its General Fund and Utility Fund as set forth in the original budget adopted under Ordinance No. 1165-2025-09 by replacing the information regarding said funds with the information relating to said funds set forth in the attached Exhibit A, incorporated herein for all purposes.

SECTION 4. Upon adoption and execution of this ordinance, the City Secretary is directed to attach same and its exhibits to the original City of Anna 2025-2026 fiscal year budget in all places where said budget is filed as of public record or posted for public inspection.

SECTION 5. If any provision of this ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this ordinance would have been enacted without such invalid provision.

SECTION 6. It is officially found, determined, and declared that the meeting at which this ordinance is adopted was open to the public and public notice of the time, place,

and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

PASSED, APPROVED, AND ADOPTED on first and final reading on this 27th day of October 2025.

ATTESTED:

APPROVED:

City Secretary Carrie Land

Mayor Pete Cain

Exhibit A

CITY OF ANNA DETAIL OF RECOMMENDED FY2025-2026 BUDGET AMENDMENTS

GENERAL FUND

Expense:

Account Number	Org Name	Description	FY2026 ADOPTED	CHANGE	FY2026 REVISED
100-406-61010	City Manager	Salaries	776,656	(295,473)	481,183
100-406-61110	City Manager	Payroll Taxes-City Part FICA	59,414	(22,604)	36,810
100-406-61210	City Manager	Health Insurance	55,000	(22,000)	33,000
100-406-61220	City Manager	TMRS Retirement	114,247	(43,464)	70,783
100-406-61230	City Manager	Unemployment	932	(355)	577
100-406-67130	City Manager	Professional Services (Non-contract)	-	(82,526)	86,202
				(466,422)	
100-416-61010	Public Affairs	Salaries	155,155	(55,311)	99,844
100-416-61110	Public Affairs	Payroll Taxes-City Part FICA	11,869	(4,231)	7,638
100-416-61220	Public Affairs	TMRS Retirement	22,824	(8,137)	14,687
100-416-61230	Public Affairs	Unemployment	186	(67)	119
				(67,746)	
100-410-61010	Information Technology	Salaries	210,482	22,071	232,553
100-410-61110	Information Technology	Payroll Taxes-City Part FICA	16,102	1,688	17,790
100-410-61220	Information Technology	TMRS Retirement	30,962	3,246	34,208
100-410-61230	Information Technology	Unemployment	252	27	279
				27,032	
100-414-61010	Finance	Salaries	442,518	97,326	539,844
100-414-61110	Finance	Payroll Taxes-City Part FICA	33,852	7,445	41,297
100-414-61210	Finance	Health Insurance	55,000	11,000	66,000
100-414-61220	Finance	TMRS Retirement	65,094	14,316	79,410
100-414-61230	Finance	Unemployment	531	118	649
				130,205	
100-530-61010	Police	Salaries	4,776,079	(151,842)	4,624,237
100-530-61012	Police	Salaries - Overtime	613,956	(21,902)	592,054
100-530-61110	Police	Payroll Taxes-City Part FICA	412,337	(13,289)	399,048
100-530-61220	Police	TMRS Retirement	792,877	(25,556)	767,321
100-530-61230	Police	Unemployment	5,729	(183)	5,546
				(212,772)	
100-543-61010	Fire	Salaries	4,068,206	218,000	4,286,206
100-543-61110	Fire	Payroll Taxes-City Part FICA	359,806	16,678	376,484
100-543-61210	Fire	Health Insurance	495,000	22,000	517,000
100-543-61220	Fire	TMRS Retirement	691,867	32,068	723,935
100-543-61230	Fire	Unemployment	4,882	262	5,144
				289,008	
100-551-61010	Neighborhood Services	Salaries	389,091	53,260	442,351
100-551-61012	Neighborhood Services	Salaries - Overtime	4,678	2,157	6,835
100-551-61110	Neighborhood Services	Payroll Taxes-City Part FICA	30,125	4,239	34,364
100-551-61220	Neighborhood Services	TMRS Retirement	57,923	8,152	66,075
100-551-61230	Neighborhood Services	Unemployment	467	64	531
100-551-67501	Neighborhood Services	City of Anna Community Enhancement	3,000	(3,000)	-
100-551-67502	Neighborhood Services	Keep Anna Beautiful	3,000	(3,000)	-
100-551-67503	Neighborhood Services	Earth Day	4,500	(4,500)	-
100-551-67504	Neighborhood Services	Arbor Day	1,500	(1,500)	-
				55,872	
100-553-61010	Library Services	Salaries	394,214	(24,717)	369,497
100-553-61110	Library Services	Payroll Taxes-City Part FICA	30,156	(1,891)	28,265
100-553-61220	Library Services	TMRS Retirement	57,989	(3,636)	54,353
100-553-61230	Library Services	Unemployment	473	(30)	443
				(30,274)	
100-557-61010	Recreation Services	Salaries	279,583	71,068	350,651
100-557-61110	Recreation Services	Payroll Taxes-City Part FICA	21,388	5,437	26,825
100-557-61210	Recreation Services	Health Insurance	44,000	11,000	55,000
100-557-61220	Recreation Services	TMRS Retirement	41,127	10,454	51,581
100-557-61230	Recreation Services	Unemployment	336	86	422
100-557-67130	Recreation Services	Professional Services (Non-contract)	51,100	12,000	63,100
				110,045	
GRAND TOTAL				(165,052)	

Justification:

Change in City leadership leading to reorganization of City Departments.

CITY OF ANNA
DETAIL OF RECOMMENDED FY2025-2026 BUDGET AMENDMENTS

UTILITY FUND

REVENUE:					
Account Number	Org Name	Description	FY2026 ADOPTED	CHANGE	FY2026 REVISED
600-701-51110	Revenues	Water Sales	14,000,000	112,700	14,112,700
Expense:					
Account Number	Org Name	Description	FY2026 ADOPTED	CHANGE	FY2026 REVISED
600-715-61010	Engineering	Salaries	699,058	92,016	791,073
600-715-61110	Engineering	Payroll Taxes-City Part FICA	54,808	7,039	61,847
600-715-61220	Engineering	TMRS Retirement	105,388	13,535	118,923
600-715-61230	Engineering	Unemployment	840	110	950
				<u>112,700</u>	
GRAND TOTAL				-	
Justification:					
Change in City leadership leading to reorganization of City Departments.					

CITY OF ANNA
PERSONNEL SUMMARY

	Actual 2023-24	Budget 2024-25	Rev. Budget 2025-26	Increase (Decrease)
GENERAL FUND				
City Manager's Office				
City Manager	1.0	1.0	1.0	-
Assistant City Manager	2.0	2.0	1.0	(1.0)
Assistant to the City Manager	1.0	1.0	1.0	-
Budget Manager	1.0	1.0	-	(1.0)
Public Affairs Manager	1.0	1.0	-	(1.0)
Communications Coordinator	-	1.0	-	(1.0)
	6.0	7.0	3.0	(4.0)
Public Affairs				
Communications Specialist	-	-	1.0	1.0
Human Resources Coordinator	-	-	1.0	1.0
	-	-	2.0	2.0
City Secretary				
City Secretary	1.0	1.0	1.0	-
Deputy City Secretary	1.0	1.0	1.0	-
Support Specialist	-	-	1.0	1.0
Admin. Assistant / Records Clerk	1.0	1.0	-	(1.0)
	3.0	3.0	3.0	-
Information Technology				
IT Director	-	-	1.0	1.0
IT Manager	1.0	1.0	-	(1.0)
Systems Administrator	1.0	1.0	-	(1.0)
IT Help Desk Support	1.0	1.0	-	(1.0)
Support Specialist	-	-	2.0	2.0
	3.0	3.0	3.0	-
Finance				
Director of Finance	1.0	1.0	1.0	-
Assistant Director of Finance	1.0	1.0	-	(1.0)
Controller	-	-	1.0	1.0
Purchasing Manager	-	-	1.0	1.0
Senior Accountant	1.0	1.0	1.0	-
Accountant	2.0	2.0	2.0	-
	5.0	5.0	6.0	1.0
Human Resources				
Director of Human Resources	1.0	1.0	1.0	-
Human Resources Manager	-	-	1.0	1.0
Senior Human Resources Analyst	1.0	1.0	-	(1.0)
Human Resources Analyst	1.0	1.0	1.0	-
	3.0	3.0	3.0	-
Fleet and Facilities				
Mechanic	1.0	1.0	1.0	-
Fleet Maintenance Technician	1.0	1.0	1.0	-
Facilities Maintenance Technician	-	-	2.0	2.0
Facilities Specialist	1.0	1.0	-	(1.0)
Custodian	2.0	2.0	3.0	1.0
	5.0	5.0	7.0	2.0

CITY OF ANNA
PERSONNEL SUMMARY

	Actual 2023-24	Budget 2024-25	Rev. Budget 2025-26	Increase (Decrease)
Municipal Court				
Municipal Court Administrator	1.0	1.0	1.0	-
Deputy Court Clerk	1.0	1.0	1.0	-
Bailliff Officer	-	0.5	0.5	-
	2.0	2.5	2.5	-
Development Services				
Director of Development Services	1.0	1.0	1.0	-
Assistant Director of Develop. Services	1.0	1.0	1.0	-
Planning Manager	1.0	1.0	1.0	-
Planner II	1.0	1.0	1.0	-
Planner I	1.0	1.0	1.0	-
Plans Examiner	1.0	1.0	1.0	-
Planning Technician	1.0	1.0	-	(1.0)
Senior Building Inspector	1.0	1.0	1.0	-
Building Inspector	2.0	2.0	2.0	-
Permit Technician	1.0	1.0	1.0	-
Senior GIS Analyst	-	-	1.0	1.0
Support Specialist	-	-	1.0	1.0
	11.0	11.0	12.0	1.0
Police				
Police Chief	1.0	1.0	1.0	-
Assistant Police Chief	1.0	1.0	1.0	-
Records Clerk	1.0	1.0	1.0	-
Police Records Coordinator	-	1.0	1.0	-
Property and Evidence Tech	1.0	1.0	1.0	-
Lieutenant	2.0	2.0	3.0	1.0
Sergeant	5.0	5.0	5.0	-
Corporal	4.0	4.0	4.0	-
Police Officer	21.0	23.0	28.0	5.0
Detective	4.0	4.0	5.0	1.0
	40.0	43.0	50.0	7.0
Fire				
Fire Chief	1.0	1.0	1.0	-
Assistant Fire Chief	2.0	2.0	2.0	-
Emergency Management	-	-	1.0	1.0
Fire Marshal	-	-	1.0	1.0
Battalion Chief	3.0	3.0	3.0	-
Fire Captain	5.0	5.0	8.0	3.0
Fire Driver / Engineer	3.0	3.0	6.0	3.0
Fire Lieutenant	-	3.0	-	(3.0)
Fire Fighter	28.5	27.0	24.0	(3.0)
Executive Assistant	-	-	1.0	1.0
Fire Services Coordinator	1.0	1.0	-	(1.0)
	43.5	45.0	47.0	2.0

CITY OF ANNA
PERSONNEL SUMMARY

	Actual 2023-24	Budget 2024-25	Rev. Budget 2025-26	Increase (Decrease)
Neighborhood Services				
Director of Neighborhood Services	-	-	1.0	1.0
Asst. Director of Neighborhood Services	-	-	1.0	1.0
Neighborhood Services Manager	1.0	1.0	-	(1.0)
Neighborhood Services Coordinator	1.0	1.0	1.0	-
Support Specialist	1.0	1.0	-	(1.0)
Senior Code Compliance Officer	1.0	1.0	1.0	-
Code Compliance Officer	2.0	2.0	2.0	-
	6.0	6.0	6.0	-
Library Services				
Director of Neighborhood Services	1.0	1.0	-	-
Asst Director of Neighborhood Services	1.0	1.0	-	-
Recreation Coordinator	3.5	3.5	-	-
Library Manager	-	1.0	1.0	-
Librarian	-	1.0	1.0	-
Circulation Supervisor	-	1.0	1.0	-
Library Assistant	-	1.0	1.0	-
	5.5	9.5	4.0	(5.5)
Parks				
Parks Superintendent	1.0	1.0	1.0	-
Parks Supervisor	1.0	1.0	1.0	-
Irrigation Tech	-	-	1.0	1.0
Maintenance Worker	7.0	9.0	8.0	(1.0)
	9.0	11.0	11.0	-
Recreation Services				
Director of Community Services	-	-	1.0	1.0
Asst. Director of Community Services	-	-	1.0	1.0
Community Services Specialist	-	-	1.0	1.0
Recreation and Event Supervisor	-	-	1.0	1.0
Recreation Coordinator	-	-	1.5	1.5
Support Specialist	-	-	1.0	1.0
	-	-	6.5	6.5
Streets				
Public Works Operations Manager	1.0	1.0	1.0	-
Crew Leader	2.0	2.0	2.0	-
Traffic Safety Technician	1.0	1.0	1.0	-
CIP Inspector	1.0	1.0	1.0	-
Maintenance Worker	5.0	5.0	5.0	-
	10.0	10.0	10.0	-
GENERAL FUND TOTAL	152.0	164.0	176.0	12.0

CITY OF ANNA
PERSONNEL SUMMARY

	Actual 2023-24	Budget 2024-25	Rev. Budget 2025-26	Increase (Decrease)
UTILITY FUND				
Public Works Administration				
Director of Public Works	1.0	1.0	-	(1.0)
Assistant Director of Public Works	-	-	1.0	1.0
City Engineer	1.0	1.0	-	(1.0)
Engineer in Training	1.0	1.0	-	(1.0)
CIP Manager	1.0	1.0	-	(1.0)
Construction Inspector	3.0	3.0	-	(3.0)
Construction Supervisor	1.0	1.0	-	(1.0)
Fleet and Facilities Superintendent	1.0	1.0	1.0	-
GIS Manager	1.0	1.0	-	(1.0)
CIP Analyst	1.0	1.0	-	(1.0)
Receptionist	1.0	1.0	-	(1.0)
Administrative Coordinator	-	-	1.0	1.0
	12.0	12.0	3.0	(9.0)
Engineering				
Director of Public Works	-	-	1.0	1.0
City Engineer	-	-	1.0	1.0
Engineer in Training	-	-	1.0	1.0
CIP Manager	-	-	1.0	1.0
Construction Inspector	-	-	3.0	3.0
Construction Supervisor	-	-	1.0	1.0
	-	-	8.0	8.0
Water				
Utility Operations Supervisor	1.0	1.0	1.0	-
Utility Maintenance Field Supervisor	1.0	1.0	1.0	-
Maintenance Worker	5.0	5.0	3.0	(2.0)
Water Operator	2.0	2.0	3.0	1.0
Utility Crew Leader	1.0	1.0	1.0	-
	10.0	10.0	9.0	(1.0)
Wastewater				
Senior Wastewater Plant Operator	1.0	1.0	1.0	-
Wastewater Plant Operator	1.0	1.0	1.0	-
Utility Maintenance Crew Leader	-	-	1.0	1.0
Maintenance Worker	5.0	5.0	5.0	-
	7.0	7.0	8.0	1.0
Utility Billing				
Utility Billing Supervisor	1.0	1.0	1.0	-
Senior Utility Billing Clerk	1.0	1.0	1.0	-
Utility Billing Clerk	2.0	2.0	2.0	-
	4.0	4.0	4.0	-
UTILITY FUND TOTAL	33.0	33.0	32.0	(1.0)
STORMWATER FUND				
Maintenance Worker	2.0	2.0	2.0	-
	2.0	2.0	2.0	-
STORMWATER TOTAL	2.0	2.0	2.0	-

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Rev. Budget 2025-26	Increase (Decrease)
PARK DEVELOPMENT FUND				
Parks Planning Manager	1.0	1.0	1.0	-
	1.0	1.0	1.0	-
PARK DEVELOPMENT FUND TOTAL	1.0	1.0	1.0	-
COMMUNITY DEVELOPMENT CORPORATION				
Director of Economic Development	1.0	1.0	1.0	-
Assistant Director of Economic Develop.	1.0	1.0	1.0	-
Economic Development Manager	-	-	1.0	1.0
Economic Development Analyst	1.0	1.0	-	(1.0)
Economic Development Coordinator	-	-	1.0	1.0
	3.0	3.0	4.0	1.0
COMMUNITY DEVELOP. TOTAL	3.0	3.0	4.0	1.0
TOTAL EMPLOYEES, ALL FUNDS	191.0	203.0	215.0	12.0



Item No. 6.g.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Joey Grisham

AGENDA ITEM:

Approve a Resolution of the City of Anna, Texas determining the costs of certain authorized improvements to be financed by The Woods at Lindsey Place Public Improvement District; approving a Preliminary 2025 Amended and Restated Service Plan and Assessment Plan, including Proposed Assessment Rolls for the District, including the Assessment roll for Improvement Area #3 of said District; calling a regular meeting and noticing a public hearing for November 17, 2025 to consider an Ordinance levying assessments on property located within Improvement area #3 of The Woods at Lindsey Place Public Improvement District; directing the filing of the proposed Assessment Rolls with the City Secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto. (Director of Economic Development Joey Grisham)

SUMMARY:

This item is related to The Woods at Lindsey Place Public Improvement District Improvement Area #3 and outlines costs of the improvements to be financed and sets the public hearing for November 17, 2025.

FINANCIAL IMPACT:

N/A

BACKGROUND:

The PID was created in February 2023.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Vibrant.

ATTACHMENTS:

1. 01 - Resolution Determining Costs (The Woods at Lindsey Place PID) v1

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS
COLLIN COUNTY
CITY OF ANNA

We, the undersigned officers of the City of Anna, Texas (the “City”), hereby certify as follows:

1. The City Council (the “Council”) of the City convened in a regular meeting on October 27, 2025, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the Council, to wit:

Pete Cain, Mayor	Kelly Patterson-Herndon, Council Member
Kevin Toten, Mayor Pro Tem	Elden Baker, Council Member
Stan Carver II, Deputy Mayor Pro-Tem	Manny Singh, Council Member
Nathan Bryan, Council Member	

Marc Marchand, Acting City Manager
Carrie Land, City Secretary

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business the following was transacted at said meeting: a written

A RESOLUTION OF THE CITY OF ANNA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY 2025 AMENDED AND RESTATED SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED ASSESSMENT ROLLS FOR THE DISTRICT, INCLUDING THE ASSESSMENT ROLL FOR IMPROVEMENT AREA #3 OF SAID DISTRICT; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR NOVEMBER 17, 2025 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN IMPROVEMENT AREA #3 OF THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLLS WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO

was duly introduced for the consideration of the Council. It was then duly moved and seconded that said Resolution be passed; and, after due discussion, said motion, carrying with it the passage of said Resolution, prevailed and carried, with all members of the Council shown present above voting “Aye,” except as noted below:

NAYS: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the aforesaid Resolution passed at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in the Council's minutes of said meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Council's minutes of said meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Council as indicated therein; that each of the officers and members of the Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for passage at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given all as required by the Texas Government Code, Chapter 551.

3. The Council has approved and hereby approves the Resolution; and the Mayor (or Mayor Pro Tem) and City Secretary hereby declare that their signing of this certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

SIGNED AND SEALED ON OCTOBER 27, 2025.

ATTEST:

Pete Cain, Mayor

Carrie L. Land, City Secretary

(SEAL)

CITY OF ANNA, TEXAS

RESOLUTION NO. 2025-10-____

A RESOLUTION OF THE CITY OF ANNA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY 2025 AMENDED AND RESTATED SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED ASSESSMENT ROLLS FOR THE DISTRICT, INCLUDING THE ASSESSMENT ROLL FOR IMPROVEMENT AREA #3 OF SAID DISTRICT; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR NOVEMBER 17, 2025 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN IMPROVEMENT AREA #3 OF THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLLS WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”) authorizes the governing body (the “City Council”) of the City of Anna, Texas (the “City”) to create a public improvement district within the City; and

WHEREAS, on February 14, 2023, the City Council conducted a public hearing to consider a petition received by the City on January 17, 2023 titled “Petition for the Creation of a Public Improvement District Within the City of Anna, Texas” requesting the creation of a public improvement district; and

WHEREAS, on February 14, 2023, the City Council approved Resolution No. 2023-02-1378 (the “Authorization Resolution”), authorizing, establishing and creating The Woods at Lindsey Place Public Improvement District (the “District”), which Authorization Resolution has been recorded as Document No. 2023000015008 in the Land Records of Collin County, Texas (the “County”); and

WHEREAS, the City authorized the creation of the District and funding up to \$55,000,000.00 in costs for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the “Authorized Improvements”); and

WHEREAS, on March 14, 2023, after proper notice and hearing in accordance with the Act, the City Council adopted Ordinance No. 1036-2023-03 (the “2023 Assessment Ordinance”) levying Assessments against the Improvement Area #1 Assessed Property within the District pursuant to a Service and Assessment Plan (the “Original Service and Assessment Plan”), which ordinance was recorded as Document No. 2023000070650 in the Land Records of the County; and

WHEREAS, on September 12, 2023, after proper notice and hearing in accordance with the Act, the City Council adopted Ordinance No. 1073-2023 (the “2023 Bond Ordinance”) adopting a “2023 Amended & Restated Service and Assessment Plan”, which replaced in its entirety the Original Service and Assessment Plan, which 2023 Bond Ordinance was recorded as Document No. 2023000107559 in the Land Records of the County; and

WHEREAS, on August 27, 2024, after proper notice and hearing in accordance with the Act, the City Council adopted Ordinance No. 1118-2024-08 (the “2024 Assessment Ordinance”), which 2024 Assessment Ordinance approved the Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, and levied the Improvement Area #2-A Assessments and Improvement Area #2-B Assessments, and approved a “2024 Amended & Restated Service and Assessment Plan”, which replaced all prior service and assessment plans for the District and which 2024 Assessment Ordinance was recorded in the real property records of Collin County, Texas as Document No. 2024000106083; and

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

WHEREAS, the City Council and the City staff have been presented a “The Woods at Lindsey Place Public Improvement District 2025 Preliminary Amended & Restated Service and Assessment Plan” (the “Preliminary SAP”), including the proposed assessment rolls attached thereto, including without limitation the Improvement Area #3 Assessment Roll (collectively, the “Proposed Assessment Rolls”), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District for Improvement Area #3 and the Proposed Assessment Rolls state the assessments proposed to be levied against each parcel of land within Improvement Area #3 of the District as determined by the method of assessment chosen by the City; and

WHEREAS, the Act requires that the Proposed Assessment Rolls be filed with the City Secretary of the City (the “City Secretary”) and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the “Assessment Hearing”) be called to consider proposed assessments and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City and in the part of the extraterritorial jurisdiction in which the district is to be located or in which the improvements are to be undertaken before the tenth (10th) day before the date of the Assessment Hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS AS FOLLOWS:

SECTION 1. THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. THAT the City Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Rolls, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. THAT the City Council hereby determines that the total costs of the Improvement Area #3 Projects (as defined in the Preliminary SAP) to be financed by the District are as set forth in Exhibit B of the Preliminary SAP, which costs do include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

SECTION 4. THAT the City Council's final determination and approval of the costs of the Improvement Area #3 Projects, or any portion thereof, shall be subject to and contingent upon City Council approval of a final 2025 Amended & Restated Service and Assessment Plan which will include final Assessment Rolls, after the properly noticed and held Assessment Hearing.

SECTION 5. THAT the Proposed Assessment Rolls state the assessment proposed to be levied against each parcel of land in the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. THAT the City Council hereby authorizes and directs the filing of the Proposed Assessment Rolls with the City Secretary and the same shall be available for public inspection.

SECTION 7. THAT the City Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *November 17, 2025 at 6:00 p.m. at Anna City Hall, Council Chambers, 120 W. 7th Street., Anna, Texas 75409*, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within the District (which ordinance shall specify the method of payment of the assessments).

SECTION 8. THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *November 17, 2025*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, on or before November 6, 2025, which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

SECTION 9. THAT when the Proposed Assessment Rolls are filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *November 17, 2025*, on or before November 6, 2025, as required by Section 372.016(c) of the Act.

SECTION 10. THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *November 17, 2025* meeting of the City Council.

SECTION 11. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED on this the 27th day of October, 2025.

ATTEST:

Pete Cain, Mayor

Carrie L. Land, City Secretary

EXHIBIT A

2025 PRELIMINARY AMENDED & RESTATED SERVICE AND ASSESSMENT PLAN

The Woods at Lindsey Place Public Improvement District

2025 PRELIMINARY AMENDED & RESTATED SERVICE AND AS-
SESSMENT PLAN

OCTOBER 27TH, 2025



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

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INTRODUCTION

Capitalized terms used in this 2025 Amended and Restated Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 2025 Amended and Restated Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section”, “Exhibit”, or an “Appendix” shall be a reference to a Section of this 2025 Amended and Restated Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes.

On February 14, 2023, the City Council passed and approved Resolution No. 2023-02-1378 authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon adoption as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 198.006 acres located within the corporate limits of the City, as described by the legal description on **Exhibit M-1** and depicted on **Exhibit A-1**.

On March 14, 2023, the City Council approved the Original Service and Assessment Plan and levied the Improvement Area #1 Assessments to finance the Improvement Area #1 Projects to be constructed for the benefit of the Improvement Area #1 Assessed Property within the District by approving Ordinance No. 1036-2023-03. The Original Service and Assessment Plan identified the Improvement Area #1 Authorized Improvements to be provided by the District, the costs of the Improvement Area #1 Authorized Improvements, the indebtedness to be incurred for the Improvement Area #1 Authorized Improvements, and the manner of assessing the property in the District for the costs of the Improvement Area #1 Authorized Improvements. The City also adopted an Assessment Roll for Improvement Area #1, identifying the Assessment on each Lot Type within Improvement Area #1, based on the method of assessment identified in the Original Service and Assessment Plan.

On September 12, 2023, the City Council approved the 2023 Amended and Restated Service and Assessment Plan by approving Ordinance No. 1073-2023 which served to amend and restate the Original Service and Assessment Plan in its entirety for the purposes of (1) issuing the Improvement Area #1 Bonds; and (2) updating the Improvement Area #1 Assessment Roll.

On August 27, 2024, the City Council approved the 2024 Amended and Restated Service and Assessment Plan by approving Ordinance No. 1118-2024-08 which served to amend and restate the 2023 Amended and Restated Service and Assessment Plan in its entirety for the purposes of (1) identifying the Improvement Area #2 Improvements, the Improvement Area #2-A Authorized Improvements, and the Improvement Area #2-B Authorized Improvements to be provided by the District; (2) identifying the costs of the Improvement Area #2 Improvements, the Improvement

Area #2-A Authorized Improvements, and the Improvement Area #2-B Authorized Improvements (3) identifying the indebtedness to be incurred for the Improvement Area #2-A Authorized Improvements, and the manner of assessing the Improvement Area #2-A Assessed Property for the costs of the Improvement Area #2-A Authorized Improvements; (4) identifying the indebtedness to be incurred for the Improvement Area #2-B Authorized Improvements, and the manner of assessing the Improvement Area #2-B Assessed Property for the costs of the Improvement Area #2-B Authorized Improvements; (5) levying the Improvement Area #2-A Assessment for Improvement Area #2-A Assessed Property; (6) levying the Improvement Area #2-B Assessment for Improvement Area #2-B Assessed Property; (7) updating the Improvement Area #1 Assessment Roll; (8) approving the Improvement Area #2-A Assessment Roll; and (9) approving the Improvement Area #2-B Assessment Roll.

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

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel as determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Improvement Area #1 Assessment Roll is included as **Exhibit F-1**. The Improvement Area #2-A Assessment Roll is included as **Exhibit G-1**. The Improvement Area #2-B Assessment Roll is included as **Exhibit G-3**. The Improvement Area #3 Assessment Roll is included as **Exhibit H-1**.

SECTION I: DEFINITIONS

“2023 Amended and Restated Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District Amended and Restated Service and Assessment Plan approved by the 2023 Assessment Ordinance which replaced the Original Service and Assessment Plan in its entirety.

“2023 Assessment Ordinance” means Ordinance No. 1036-2023-03 approved and adopted by the City Council on March 14, 2023, which levied the Improvement Area #1 Assessment against Improvement Area #1 Assessed Property, and approved the Original Service and Assessment Plan, as updated by Ordinance No. Ordinance No. 1073-2023 approved and adopted by the City Council on September 12, 2023, which approved the 2023 Amended and Restated Service and Assessment Plan.

“2024 Amended and Restated Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District 2025 Amended and Restated Service and Assessment Plan approved by the 2024 Assessment Ordinance which replaced the 2023 Amended and Restated Service and Assessment Plan in its entirety.

“2024 Assessment Ordinance” means Ordinance No. 1118-2024-08 approved and adopted by the City Council on August 28, 2024, as amended by Ordinance No. 1139-2025-02 on February 25, 2025, which levied the Improvement Area #2-A Assessment against Improvement Area #2-A Assessed Property, levied the Improvement Area #2-B Assessment against Improvement Area #2-B Assessed Property, and approved the 2024 Amended and Restated Service and Assessment Plan.

“2025 Amended and Restated Service and Assessment Plan” means this The Woods at Lindsey Place Public Improvement District 2025 Amended and Restated Service and Assessment Plan approved by the 2025 Assessment Ordinance which shall replace the 2024 Amended and Restated Service and Assessment Plan in its entirety.

“Actual Costs” mean with respect to Authorized Improvements, the actual costs of constructing or acquiring such Authorized Improvements, paid by or on behalf of the Developer (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5)

all related permitting and public approval expenses, architectural, engineering, consulting, and governmental fees and charges and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

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

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

“Administrator” means the City or independent firm designated by the City who shall have the responsibilities provided in this 2025 Amended and Restated Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this 2025 Amended and Restated Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

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

“Annual Service Plan Update” means an update to this 2025 Amended and Restated Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

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

“Assessment” means an assessment levied against Assessed Property, other than Non-Benefited Property and Non-Assessed Property, to pay the costs of certain Authorized Improvements as

specified herein, which Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, and is subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

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

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

“Assessment Roll” means any assessment roll for the Assessed Property, including the Improvement Area #1 Assessment Roll, the Improvement Area #2-A Assessment Roll, the Improvement Area #2-B Assessment Roll, and the Improvement Area #3 Assessment Roll, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds, if issued, or any Annual Service Plan Update.

“Authorized Improvements” means the improvements authorized by Section 372.003 of the PID Act, as depicted on **Exhibit I-1**, **Exhibit I-2**, **Exhibit I-3**, and **Exhibit I-4**, and described in **Section III**.

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

“City” means the City of Anna, Texas.

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

“County” means Collin County, Texas.

“Delinquent Collection Costs” mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this 2025 Amended and Restated Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Developer” means D.R. Horton – Texas, LTD., a Texas limited partnership, and any successors or assignees thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end-users.

“District” means The Woods at Lindsey Place Public Improvement District containing approximately 198.006 acres located within the corporate limits of the City, and more specifically described in **Exhibit M-1** and depicted on **Exhibit A-1**.

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

“Engineer’s Report” means a report provided by a licensed professional engineer that identifies the Authorized Improvements, including their costs, location, and benefit. The Engineer’s Report for the Improvement Area #3 Authorized Improvements is attached hereto as **Appendix A**.

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

“Improvement Area #1” means approximately 57.444 acres located within the District, more specifically described in **Exhibit M-2**, and depicted on **Exhibit A-2**.

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

“Improvement Area #1 Assessed Property” means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

“Improvement Area #1 Assessment” means an Assessment levied against Improvement Area #1 Assessed Property to pay the Actual Costs of the Improvement Area #1 Authorized Improvements, which Improvement Area #1 Assessment is imposed pursuant to the 2023 Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

“Improvement Area #1 Assessment Roll” means the Assessment Roll for the Improvement Area #1 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit F-1**.

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

“Improvement Area #1 Bonds” means those certain “City of Anna, Texas Special Assessment Revenue Bonds, Series 2023 (The Woods at Lindsey Place Public Improvement District Improvement Area #1 Project)” that are secured by Improvement Area #1 Assessments.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.B** and depicted on **Exhibit I-2**.

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

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

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

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

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

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

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

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

“Improvement Area #2-A Assessment Roll” means the Assessment Roll for the Improvement Area #2-A Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #2-A Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit G-1**.

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

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

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

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

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

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

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

“Improvement Area #2-B Assessment Roll” means the Assessment Roll for the Improvement Area #2-B Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #2-B Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit G-3**.

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

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

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

“Improvement Area #2-3 Bonds” means those certain “City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects)” that are secured by Improvement Area #2-A Assessments, Improvement Area #2-B Assessments, and Improvement Area #3 Assessments.

“Improvement Area #3” means approximately **86.940** acres located within the District, more specifically described in **Exhibit M-5**, and depicted on **Exhibit A-2**.

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

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

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

“Improvement Area #3 Assessment Roll” means the Assessment Roll for the Improvement Area #3 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #3 Assessment Roll is included in this 2025 Amended and Restated Service and Assessment Plan as **Exhibit H-1**.

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

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

“Improvement Area #3 Initial Parcel” means all of the Improvement Area #3 Assessed Property against which the entire Improvement Area #3 Assessment was levied at the time of the City Council approved this 2025 Amended and Restated Service and Assessment Plan.

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

“Indenture” means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended or supplemented from time to time, between the City and the Trustee setting forth the terms and conditions related to a series of PID Bonds.

“Lot” means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or official public records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or official public records of the County, a tract of land anticipated to be

described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a preliminary plat. A “lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded subdivision plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g., lot size, home product, Estimated Buildout Value, etc.), as determined at the time of the applicable levy of Assessments and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Developer, and confirmed by the City Council, as shown on **Exhibit E**, and the anticipated Lot Type classification map is identified on **Exhibit A-3**. The buyer disclosure for each Lot Type is attached in **Appendix B**.

“Lot Type 1” means a Lot within Improvement Area #1 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 1 is attached in **Appendix B**.

“Lot Type 2” means a Lot within Improvement Area #1 marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 2 is attached in **Appendix B**.

“Lot Type 3” means a Lot within Improvement Area #2 marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 3 is attached in **Appendix B**.

“Lot Type 4” means a Lot within Improvement Area #2 marketed to homebuilders as a 40’ Lot. The buyer disclosure for Lot Type 4 is attached in **Appendix B**.

“Lot Type 5” means a Lot within Improvement Area #2 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 5 is attached in **Appendix B**.

“Lot Type 6” means a Lot within Improvement Area #3 marketed to homebuilders as a townhome Lot. The buyer disclosure for Lot Type 6 is attached in **Appendix B**.

“Lot Type 7” means a Lot within Improvement Area #3 marketed to homebuilders as a 40’ Lot. The buyer disclosure for Lot Type 7 is attached in **Appendix B**.

“Lot Type 8” means a Lot within Improvement Area #3 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 8 is attached in **Appendix B**.

“Major Improvements” mean those Authorized Improvements that confer a special benefit to all of the Assessed Property, Apportioned Property, and Non-Assessed Property, as further described in **Section III.A** and depicted on **Exhibit I-1**.

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

“Non-Assessed Property” means Parcels located outside the boundary of the District that accrue special benefit from the Authorized Improvements, as determined by the City Council, but are not assessed. The Non-Assessed Property consists of multifamily area of approximately 36.5 acres and commercial area of approximately 4.3 acres. The Developer has agreed to pay for the portion of the Actual Costs of the Authorized Improvements that benefit the Non-Assessed Property.

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

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

“Original Service and Assessment Plan” means The Woods at Lindsey Place Public Improvement District Service and Assessment Plan that was approved by the 2023 Assessment Ordinance.

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

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

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

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

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

“Private Improvements” means improvements required to be constructed, or caused to be constructed, by the Developer to deliver final Lots and that are not Authorized Improvements. Costs of the Private Improvements will not be paid nor reimbursed from the proceeds of PID Bonds or otherwise from revenues received from the collection of Annual Installments.

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

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

SECTION II: THE DISTRICT

The District includes approximately 198.006 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described by the legal description on **Exhibit M-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 949 Lots developed with 858 Lots classified as single-family and 91 Lots classified as townhome.

Improvement Area #1 includes approximately 57.444 contiguous acres, the boundaries of which are more particularly described by the legal description on **Exhibit M-2** and depicted on **Exhibit A-2**. Development of Improvement Area #1 includes 218 Lots developed with single-family homes (188 single-family homes classified as Lot Type 1, and 30 single-family homes classified as Lot Type 2).

Improvement Area #2 includes approximately 56.703 acres, the boundaries of which are more particularly depicted on **Exhibit A-2**. Improvement Area #2 is comprised of (1) Improvement Area 2-A, as more particularly described by the legal description on **Exhibit M-3** and depicted on **Exhibit L-1**, consisting of approximately 29.229 contiguous acres; and (2) Improvement Area #2-B, as more particularly described by the legal description on **Exhibit M-4** and depicted on **Exhibit L-2**, consisting of approximately 27.474 contiguous acres. Development of Improvement Area #2-A is anticipated to include approximately 75 Lots developed with single-family homes (75 single-family homes classified as Lot Type 3) and Improvement Area #2-B is anticipated to include approximately 123 Lots developed with single-family homes (26 single-family homes classified as Lot Type 4, and 97 single-family homes classified as Lot Type 5).

Improvement Area #3 includes approximately 86.940 contiguous acres, the boundaries of which are more particularly described by the legal description on **Exhibit M-5** and depicted on **Exhibit A-2**. Development of Improvement Area #3 includes 533 Lots developed with single-family homes (91 single-family homes classified as Lot Type 6, 340 single-family homes classified as Lot Type 7, and 102 single-family homes classified as Lot Type 8).

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Authorized Improvements confer a special benefit on the Assessed Property, Apportioned Property, and Non-Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The budget for the Authorized Improvements, the allocation of the Major Improvements costs, and the allocation of the Improvement Area #2 costs is shown on **Exhibit B**.

A. Major Improvements

- *Excavation*

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

- *Sanitary Sewer*

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

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage to the entire District.

- *Water*

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

- *Paving*

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

- *Soft Costs*

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

B. Improvement Area #1 Improvements

- *Erosion Control*

Improvements including silt fences, inlet protection, rock check dams, drill seeding, soil retention blankets, biodegradable erosion control logs, and construction exit/entrances

necessary to provide erosion control for all Lots within Improvement Area #1.

- *Excavation*

Excavation improvements include related earthworks, excavation, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #1.

- *Sanitary Sewer*

Sanitary Sewer improvements include trench excavation and embedment, trench safety, PVC piping, manholes, concrete easement, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide sanitary sewer service for all Lots within Improvement Area #1.

- *Storm Sewer*

Storm Sewer improvements include earthen channels, swales, RCP piping and boxes, manholes, curb and drop inlets, headwalls, concrete flumes, rock rip rap, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

- *Water*

Water improvements include trench excavation and embedment, trench safety, PVC piping, stub outs to future developments, testing, related earthwork, erosion control, and all necessary appurtenances required to provide water service for all Lots within Improvement Area #1.

- *Paving*

Roadway improvements include subgrade stabilization, concrete and reinforcing steel for roadways, testing, and handicapped ramps, related earthworks, intersections, and re-vegetation of all disturbed areas within the right-of-way of Improvement Area #1.

- *Street Lights*

Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement Area #1.

- *Soft Costs*

Includes costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, contingency, legal costs, consultants, and costs

associated with financing the Improvement Area #1 Improvements.

C. Improvement Area #2 Improvements

- *Excavation*

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

- *Sanitary Sewer*

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

- *Storm Sewer*

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

- *Water*

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

- *Paving*

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

- *Soft Costs*

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

D. Improvement Area #2-A Improvements

- *Erosion Control*

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

- *Excavation*

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

- *Sanitary Sewer*

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

- *Storm Sewer*

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

- *Water*

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

- *Paving*

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

- *Street Lights*

Improvements including traffic signage, streetlights, and stop lights are included. These traffic and lighting improvements will provide a benefit to all Lots within Improvement

Area #2-A.

- *Soft Costs*

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

E. Improvement Area #2-B Improvements

- *Erosion Control*

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

- *Excavation*

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

- *Sanitary Sewer*

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

- *Storm Sewer*

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

- *Water*

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

- *Paving*

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

- *Street Lights*

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

- *Soft Costs*

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

F. Improvement Area #3 Improvements

- *Excavation*

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

- *Sanitary Sewer*

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

- *Storm Sewer*

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

- *Water*

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

Improvement Area #3.

- *Paving*

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

- *Soft Costs*

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

G. Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds.

- *Underwriter's Counsel Fee*

Equals a percentage of the par amount of a particular series of PID Bonds reserved for the underwriter's attorney fees.

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

H. Other Costs

- *Deposit to Administrative Fund*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for Improvement Area #1, Improvement Area #2 and Improvement Area #3. Pursuant to the PID Act and Section 5.014 of the Texas Property Code, as amended, this 2025 Amended and Restated Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in an Annual Service Plan Update to reflect any budget revisions and Actual Costs.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property and Apportioned Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this 2025 Amended and Restated Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the Assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs related to the Authorized Improvements were and shall be allocated as follows:

- The costs of the Major Improvements were allocated to the District and the Non-Assessed Property pro rata based upon acreage at the time of the Original Service and Assessment Plan. The District was allocated 84.68% of the Major Improvements and the Non-Assessed Property was allocated 15.32%. See **Exhibit B** for the allocation of the Major Improvements between the District and the Non-Assessed Property.
- The costs of the Major Improvements¹ allocated to the District, shall be allocated to each Assessed Property, as applicable, pro rata based on the Estimated Buildout Value of all Assessed Property at the time of the applicable Assessment Ordinance. At the time of the 2023 Amended and Restated Service and Assessment Plan, Improvement Area #1 Assessed Property was allocated 25.12% of the Major Improvements costs. At the time of the 2024 Amended and Restated Service and Assessment Plan, the Improvement Area #2-A Assessed Property¹ was allocated 8.02%, and the Improvement Area #2-B Assessed Property¹ was allocated 17.90% of the Major Improvement costs. At the time of this 2025 Amended and Restated Service and Assessment Plan, the Improvement Area #3 Assessed Property shall be allocated 54.70% of the Major Improvement costs. See **Exhibit B** for the allocation of the Major Improvements
- The costs of the Improvement Area #1 Improvements were allocated to each Improvement Area #1 Assessed Property based on the ratio of the Estimated Buildout Value of each Lot Type designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property at the time of the 2023 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #2 Improvements¹ were allocated to Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property pro rata based on the Estimated Buildout Value of all Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property. At the time of the 2024 Amended and Restated Service and Assessment Plan, Improvement Area #2-A Assessed Property¹ was allocated 30.93% of the Improvement Area #2 Improvements costs and Improvement

¹ These percentages have been updated to reflect recorded final plats, which increased Lot counts in Improvement Area #2-A, However, the cost of the Authorized Improvements did not change.

Area #2-B¹ was allocated 69.07% of the Improvement Area #2 Improvements costs. See **Exhibit B** for the allocation of the Improvement Area #2 Improvements between Improvement Area #2-A Assessed Property and Improvement Area #2-B Assessed Property.

- The costs of the Improvement Area #2-A Authorized Improvements were allocated to each Improvement Area #2-A Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #2-A Assessed Property to the Estimated Buildout Value of all Improvement Area #2-A Assessed Property at the time of the 2024 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #2-B Authorized Improvements were allocated to each Improvement Area #2-B Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #2-B Assessed Property to the Estimated Buildout Value of all Improvement Area #2-B Assessed Property at the time of the 2024 Amended and Restated Service and Assessment Plan.
- The costs of the Improvement Area #3 Authorized Improvements shall be allocated to each Improvement Area #3 Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #3 Assessed Property to the Estimated Buildout Value of all Improvement Area #3 Assessed Property. Currently, the Improvement Area #3 Initial Parcel is the only Parcel within Improvement Area #3, and as such, the Improvement Area #3 Initial Parcel is allocated 100% of the Improvement Area #3 Authorized Improvements.

B. Assessments

The Improvement Area #1 Assessment was levied on the Improvement Area #1 Assessed Property at the time the City Council approved the 2023 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #2-A Assessment was levied on the Improvement Area #2-A Assessed Property at the time the City Council approved the 2024 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #2-A Assessment Roll, attached hereto as **Exhibit G-1**. The projected Improvement Area #2-A Annual Installments are shown on **Exhibit G-2** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #2-B Assessment was levied on the Improvement Area #2-B Assessed Property at the time the City Council approved the 2024 Assessment Ordinance and is currently outstanding in the amount shown on the Improvement Area #2-B Assessment Roll, attached

hereto as **Exhibit G-3**. The projected Improvement Area #2-B Annual Installments are shown on **Exhibit G-4** and are subject to revisions made in any Annual Service Plan Update.

The Improvement Area #3 Assessments will be levied on the Improvement Area #3 Initial Parcel in the amount on the Improvement Area #3 Assessment Roll, attached hereto as **Exhibit H-1**. The projected Improvement Area #3 Annual Installments are shown on **Exhibit H-2**. Upon division or subdivision of the Improvement Area #3 Initial Parcel, the Improvement Area #3 Assessments will be reallocated pursuant to **Section VI**, and are subject to revisions made in any Annual Service Plan Update.

The Maximum Assessment for each current Lot Type within the District is shown on **Exhibit E**. In no case will the Assessment for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8, respectively, exceed the corresponding Maximum Assessment for each Lot classification.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has found and determined:

- *Improvement Area #1*
 - The costs of the Improvement Area #1 Authorized Improvements equal \$9,896,676 as shown on **Exhibit B**; and
 - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #1 Authorized Improvements; and
 - With the adoption of the 2023 Assessment Ordinance, the Improvement Area #1 Assessed Property was allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Authorized Improvements, which equaled \$7,419,000 as shown on the debt service schedule of the official statement for Improvement Area #1 Bonds attached hereto as **Exhibit K-1**, and outstanding in the amount of \$7,176,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**; and
 - The special benefit expected at the time the City Council approved the Original Service and Assessment Plan ($\geq \$9,896,676$) received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Authorized Improvements were equal to or greater than the amount of the Improvement Area #1

Assessment (\$7,419,000) levied on the Improvement Area #1 Assessed Property for the Improvement Area #1 Authorized Improvements; and

- At the time the City Council approved the 2023 Assessment Ordinance, the Developer owned 100% of the Improvement Area #1 Assessed Property. The Developer acknowledged that the Improvement Area #1 Authorized Improvements conferred a special benefit on the Improvement Area #1 Assessed Property and consented to the imposition of the Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2023 Assessment Ordinance; (2) the Original Service and Assessment Plan and the 2023 Assessment Ordinance; and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Assessed Property.
- *Improvement Area #2-A*
 - The costs of Improvement Area #2-A Authorized Improvements equal \$4,874,222, as shown on **Exhibit B**; and
 - Improvement Area #2-A Assessed Property receives special benefit from the Improvement Area #2-A Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #2-A Authorized Improvements; and
 - With the adoption of the 2024 Assessment Ordinance, the Improvement Area #2-A Assessed Property was allocated 100% of the Improvement Area #2-A Assessment levied for the Improvement Area #2-A Authorized Improvements, which equaled \$1,753,814 and is outstanding in the amount of \$1,731,000 as shown on the Improvement Area #2-A Assessment Roll attached hereto as **Exhibit G-1**; and
 - The special benefit ($\geq \$4,874,222$) received by the Improvement Area #2-A Assessed Property from the Improvement Area #2-A Authorized Improvements is equal to or greater than the amount of the Improvement Area #2-A Assessment (\$1,753,814) levied on the Improvement Area #2-A Assessed Property for the Improvement Area #2-A Authorized Improvements; and
 - At the time the City Council approved the 2024 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #2-A Assessed Property. The Developer acknowledged that the Improvement Area #2-A Authorized Improvements confer a special benefit on the Improvement Area #2-A Assessed Property and consented to the imposition of the Improvement Area #2-A Assessment to pay for the Actual Costs associated therewith. The Developer

ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2024 Assessment Ordinance; (2) the 2024 Amended and Restated Service and Assessment Plan and the 2024 Assessment Ordinance; and (3) the levying of the Improvement Area #2-A Assessment on the Improvement Area #2-A Assessed Property.

▪ *Improvement Area #2-B*

- The costs of Improvement Area #2-B Authorized Improvements equal \$7,694,769, as shown on **Exhibit B**; and
- Improvement Area #2-B Assessed Property receives special benefit from the Improvement Area #2-B Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #2-B Authorized Improvements; and
- With the adoption of the 2024 Assessment Ordinance, the Improvement Area #2-B Assessed Property was allocated 100% of the Improvement Area #2-B Assessment levied for the Improvement Area #2-B Authorized Improvements, which equaled \$3,916,186 and is outstanding in the amount of \$3,866,000 as shown on the Improvement Area #2-B Assessment Roll attached hereto as **Exhibit G-3**; and
- The special benefit ($\geq \$7,694,769$) received by the Improvement Area #2-B Assessed Property from the Improvement Area #2-B Authorized Improvements is equal to or greater than the amount of the Improvement Area #2-B Assessment (\$3,916,186) levied on the Improvement Area #2-B Assessed Property for the Improvement Area #2-B Authorized Improvements; and
- At the time the City Council approved the 2024 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #2-B Assessed Property. The Developer acknowledged that the Improvement Area #2-B Authorized Improvements confer a special benefit on the Improvement Area #2-B Assessed Property and consented to the imposition of the Improvement Area #2-B Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2024 Assessment Ordinance; (2) the 2024 Amended and Restated Service and Assessment Plan and the 2024 Assessment Ordinance; and (3) the levying of the Improvement Area #2-B Assessment on the Improvement Area #2-B Assessed Property.

▪ *Improvement Area #3*

- The costs of Improvement Area #3 Authorized Improvements equal \$21,691,210, as shown on **Exhibit B**; and
- Improvement Area #3 Assessed Property receives special benefit from the Improvement Area #3 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #3 Authorized Improvements; and
- With the adoption of the 2025 Assessment Ordinance, the Improvement Area #3 Assessed Property shall be allocated 100% of the Improvement Area #3 Assessment levied for the Improvement Area #3 Authorized Improvements, which equals \$18,380,000 as shown on the Improvement Area #3 Assessment Roll attached hereto as **Exhibit H-1**; and
- The special benefit ($\geq$ \$21,331,066) received by the Improvement Area #3 Assessed Property from the Improvement Area #3 Authorized Improvements is equal to or greater than the amount of the Improvement Area #3 Assessment (\$18,380,000) levied on the Improvement Area #3 Assessed Property for the Improvement Area #3 Authorized Improvements; and
- At the time the City Council approved this 2025 Amended and Restated Service and Assessment Plan, the Developer owned 100% of the Improvement Area #3 Assessed Property. The Developer acknowledged that the Improvement Area #3 Authorized Improvements confer a special benefit on the Improvement Area #3 Assessed Property and consented to the imposition of the Improvement Area #3 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described therein and the 2025 Assessment Ordinance; (2) this 2025 Amended and Restated Service and Assessment Plan and the 2025 Assessment Ordinance; and (3) the levying of the Improvement Area #3 Assessment on the Improvement Area #3 Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

The interest rate on Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual Installment related to a series of PID Bonds and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in this **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. *Upon Division Prior to Recording of Subdivision Plat*

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, relying on information from homebuilders, market studies, appraisals, Official Public Records of the County, and any other relevant information regarding the Assessed Property, as provided by the Developer. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment

for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

2. Upon Subdivision by a Recorded Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

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

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

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, Lot Type 4, Lot Type 5, Lot Type 6, Lot Type 7, and Lot Type 8 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates.

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

3. Upon Consolidation

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

B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefited Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable “Notice of Assessment Termination,” a form of which is attached hereto as **Exhibit J.**

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment for that Lot Type, then (1) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City, or cause to be paid to the City, the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City’s approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Assessments for any Lot exceed the Maximum Assessment.

D. Reduction of Assessments

If as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement, the Actual Costs of completed Authorized Improvements are less than the Assessments, then (i) in the event PID Bonds are not issued, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that a related series of PID Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds, that are not

expected to be used for the purposes of the project fund to redeem outstanding PID Bonds, unless otherwise directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of any Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

If an Assessment on an Assessed Property is prepaid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the projected Improvement Area #1 Annual Installments, **Exhibit G-2** shows the projected Improvement Area #2-A Annual Installments, **Exhibit G-4** shows the projected Improvement Area #2-B Annual Installments, and **Exhibit H-2** shows the projected Improvement Area #3 Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the property, not including any Non-Benefited Property or Non-Assessed Property, as shown by the Collin Central Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes due and owing to the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve said owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs. The City may provide for other means of collecting the Annual Installments to the extent permitted by the PID Act, or other applicable law.

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

Subject to applicable law, if any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a “**Taking**”), the portion of the Assessed Property that was taken or transferred (the “**Taken Property**”) shall be reclassified as Non-Benefited Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the “**Retained Property**”), following the reclassification of the Taken Property as Non-Benefited Property, subject to an adjustment of the Assessment applicable to the Retained Property after any required Prepayment as set forth below. The owner of the Retained Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2025 Amended and Restated Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Retained Property, subject to an adjustment in the Assessment applicable to the Retained Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Retained Property exceeds the applicable Maximum Assessment, the owner of the Retained Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Retained Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Retained Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of prepayment, with any remainder credited against the Assessment on the Retained Property.

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

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefited Property and the remaining 90 acres of Retained Property shall be subject to the \$100 Assessment (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Retained Property). If the Administrator determines that the \$100 Assessment reallocated to the Retained Property would exceed the Maximum Assessment, as applicable, on the Retained Property by \$10, then the owner shall be required to pay \$10 as a Prepayment of the Assessment against the Retained Property and the Assessment on the Retained Property shall be adjusted to be \$90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Retained Property notifies the City and the Administrator that the Taking prevents the Retained Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Retained Property to support the Estimated Buildout Value requirement. Said owner will remain liable to pay the Annual Installments on both the Taken Property and the Retained Property until such time that such Assessment has been prepaid in full.

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

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #2-A Assessment Roll is attached as **Exhibit G-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #2-A Assessment Roll and Improvement Area #2-A Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #2-B Assessment Roll is attached as **Exhibit G-3**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #2-B Assessment Roll and Improvement Area #2-B Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Improvement Area #3 Assessment Roll is attached as **Exhibit H-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #3 Assessment Roll and Improvement Area #3 Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this 2025 Amended and Restated Service and Assessment Plan, including, but not limited to, any

calculation made as part of any Annual Service Plan Update, said owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of the year following City Council's approval of the calculation. Otherwise, said owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days of such receipt of a written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this 2025 Amended and Restated Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this 2025 Amended and Restated Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this 2025 Amended and Restated Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this 2025 Amended and Restated Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2025 Amended and Restated Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this 2025 Amended and Restated Service and Assessment Plan. Interpretations of this 2025 Amended and Restated Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

D. Form of Buyer Disclosure; Filing Requirements

Per Section 5.014 of the Texas Property Code, as amended, this 2025 Amended and Restated Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto as **Appendix**

B. Within seven days of approval by the City Council, the City shall file and record in the real property records of the County the executed ordinance approving this 2025 Amended and Restated Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this Service an Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

E. Severability

If any provision of this 2025 Amended and Restated Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

EXHIBITS

The following Exhibits are attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes:

Exhibit A-1	Map of the District
Exhibit A-2	Map of Improvement Area #1, Improvement Area #2 & Improvement Area #3
Exhibit A-3	Lot Type Classification Maps
Exhibit B	Project Costs
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Improvement Area #1 Assessment Roll
Exhibit F-2	Improvement Area #1 Annual Installments
Exhibit G-1	Improvement Area #2-A Assessment Roll
Exhibit G-2	Improvement Area #2-A Annual Installments
Exhibit G-3	Improvement Area #2-B Assessment Roll
Exhibit G-4	Improvement Area #2-B Annual Installments
Exhibit H-1	Improvement Area #3 Assessment Roll
Exhibit H-2	Improvement Area #3 Annual Installments
Exhibit I-1	Maps of Major Improvements
Exhibit I-2	Maps of Improvement Area #1 Improvements
Exhibit I-3	Maps of Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements
Exhibit I-4	Maps of Improvement Area #3 Improvements
Exhibit J	Form of Notice of Assessment Termination
Exhibit K-1	Debt Service Schedule for Improvement Area #1 Bonds
Exhibit K-2	Debt Service Schedule for Improvement Area #2-3 Bonds
Exhibit L-1	Final Plat of Improvement Area #2-A
Exhibit L-2	Final Plat of Improvement Area #2-B
Exhibit L-3	Final Plats of Improvement Area #3
Exhibit M-1	District Legal Description
Exhibit M-2	Improvement Area #1 Legal Description
Exhibit M-3	Improvement Area #2-A Legal Description
Exhibit M-4	Improvement Area #2-B Legal Description
Exhibit M-5	Improvement Area #3 Area Legal Description

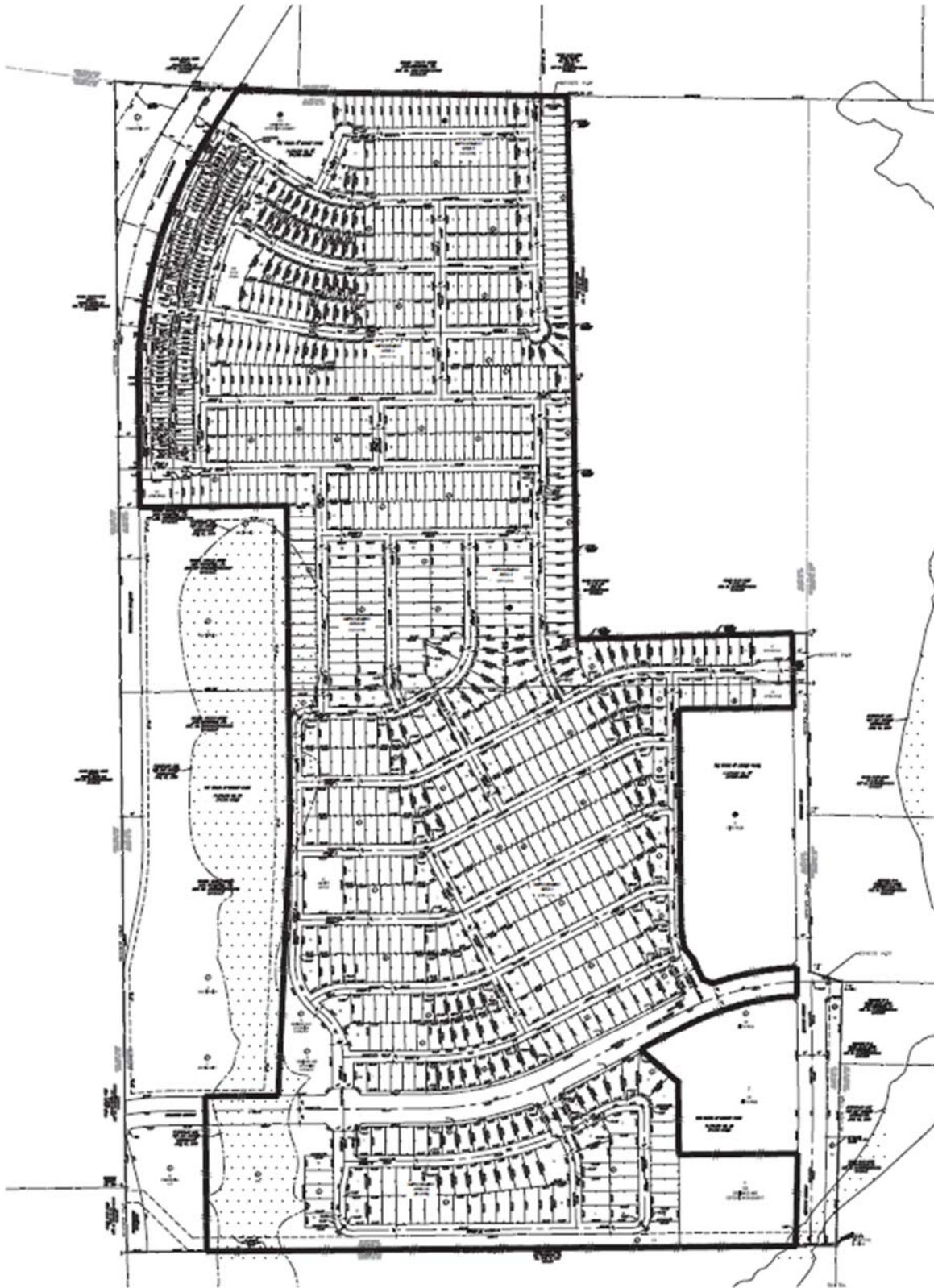
APPENDICES

The following Appendices are attached to and made a part of this 2025 Amended and Restated Service and Assessment Plan for all purposes:

Appendix A Improvement Area #2 Invoice Summary Table

Appendix B Buyer Disclosures

EXHIBIT A-1 – MAP OF THE DISTRICT



**EXHIBIT A-2 – MAP OF IMPROVEMENT AREA #1, IMPROVEMENT AREA #2 &
IMPROVEMENT AREA #3**

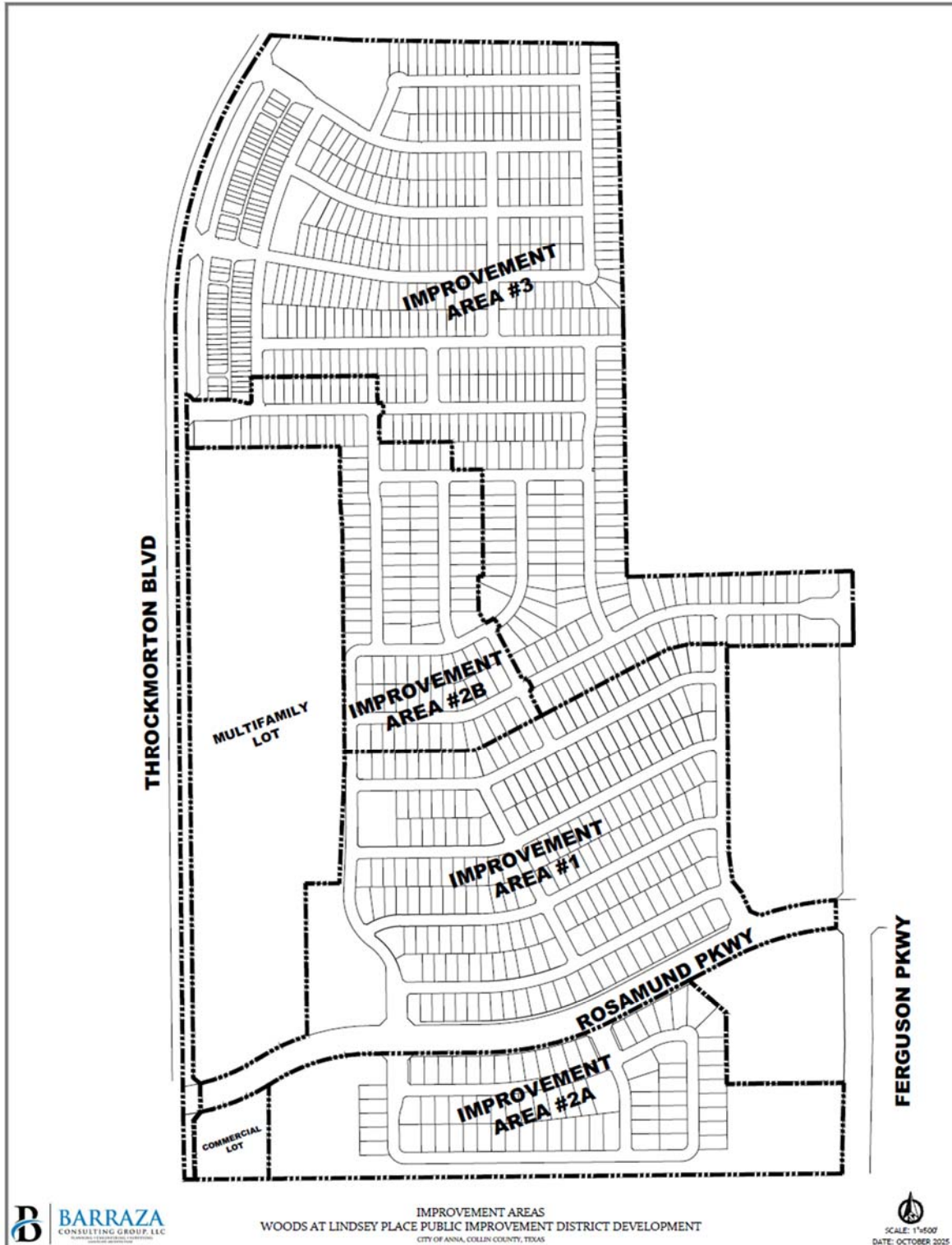
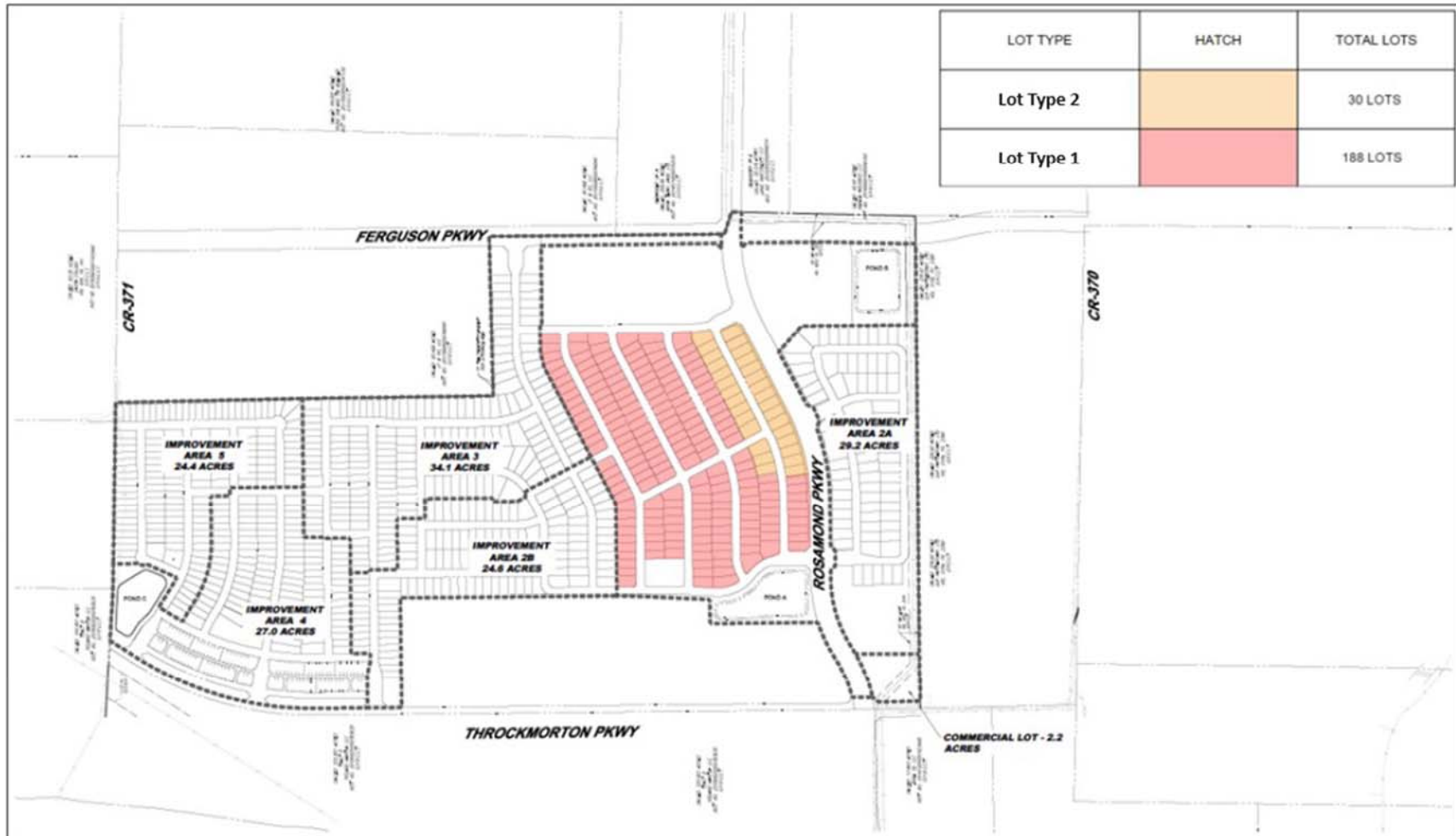
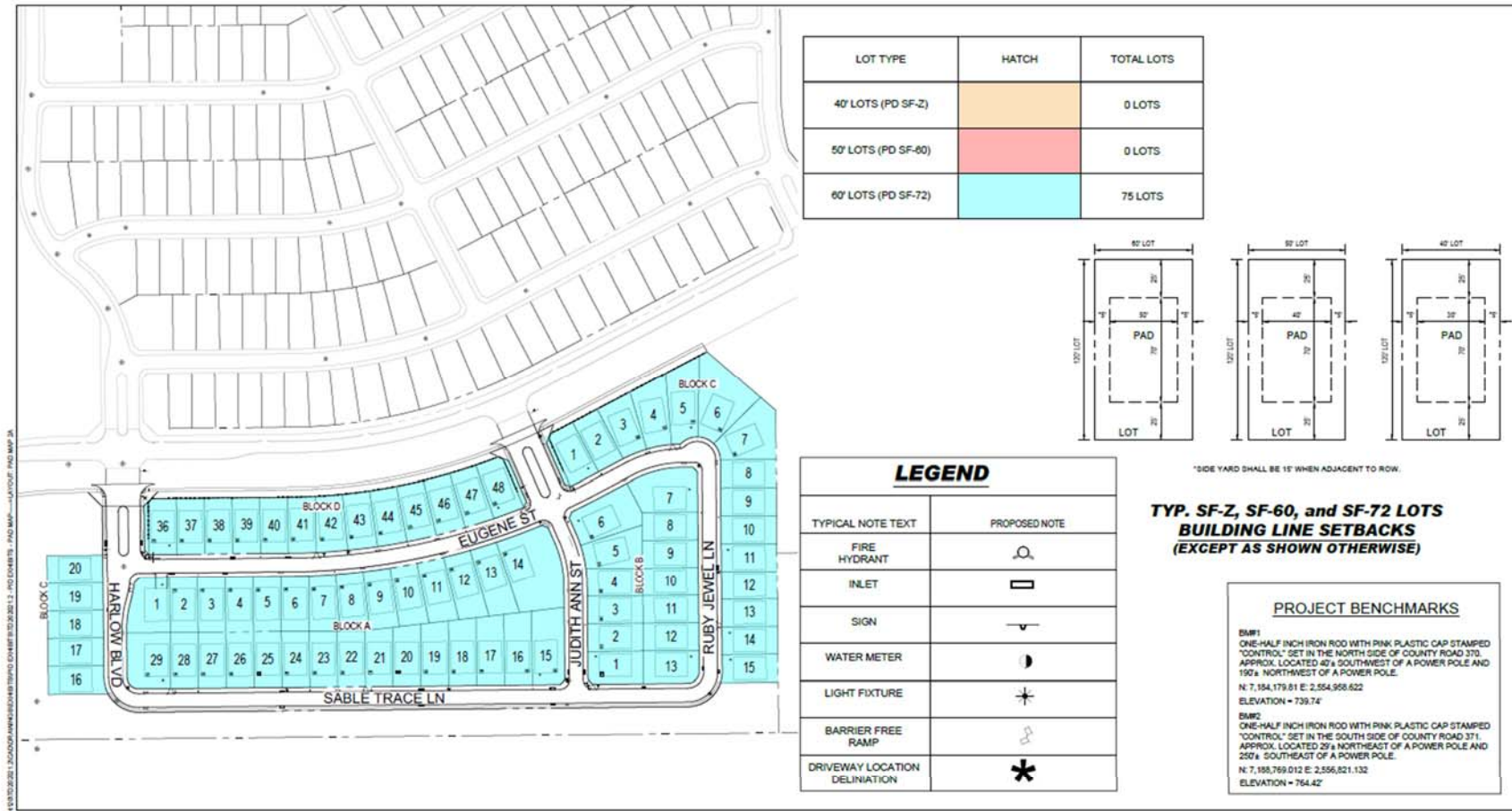
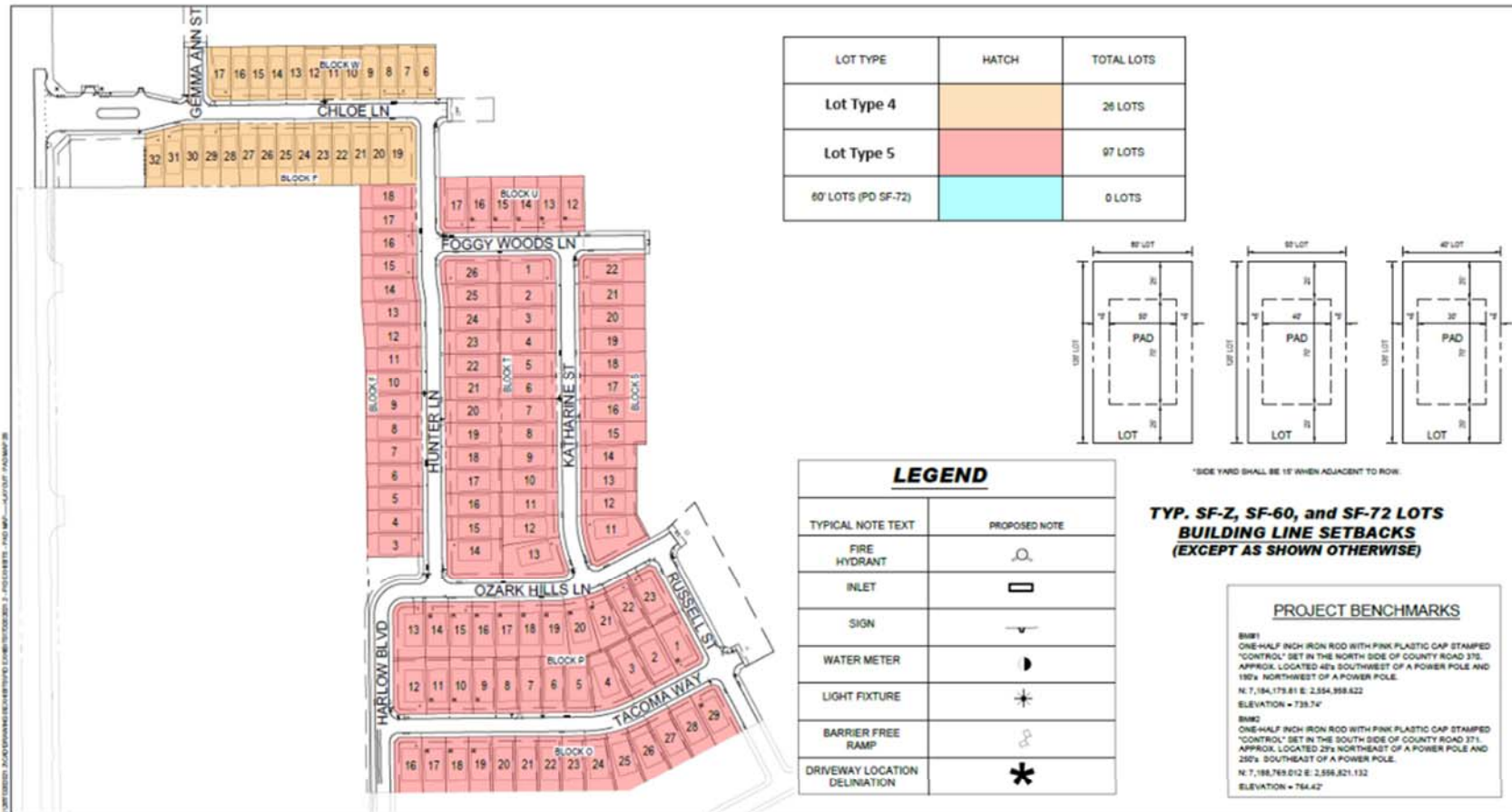


EXHIBIT A-3 – LOT TYPE CLASSIFICATION MAPS







BOHLER //

2000 NETWORK BLVD, SUITE 310
FRISCO, TX 75034
Phone: (469) 455-7300
TX@BohlerEng.com
TSPE No. 10265 | TSPUB No. 10194413

PHASE 2B PAD MAP THE WOODS AT LINDSEY PLACE

ANNA, TEXAS



06/26/2023 | CUC | T0303521.2

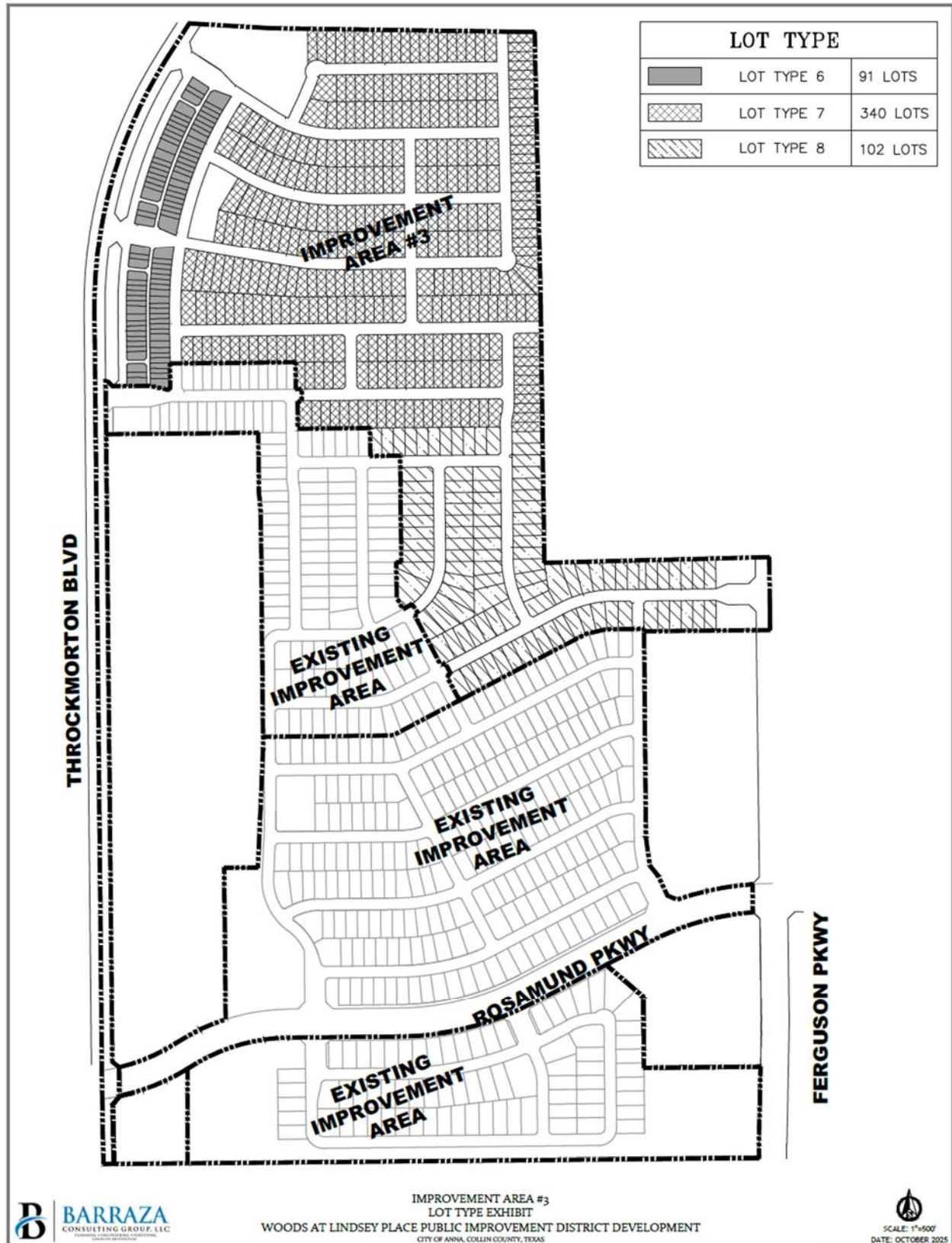


EXHIBIT B – PROJECT COSTS

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

Footnotes:

- [a] Major Improvements and Improvement Area #1 Improvements costs based on the Original Service and Assessment Plan. Improvement Area #2 Improvements, Improvement Area #2-A Improvements, and Improvement Area #2-B Improvements costs based on the 2024 Amended and Restated Service and Assessment Plan. Improvement Area #3 Improvements costs based on the Engineer's Report dated 8/28/2025, attached hereto as **Appendix A**, and subject to change. Authorized Improvement costs are estimates and will be updated with each Annual Service Plan Update, or Amended and Restated Service and Assessment Plan as appropriate. The Developer will be responsible for paying in the event of increase in costs, and the Assessments will not be increased to cover these additional costs.
- [b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvements that benefit the Non-Assessed Property and is shown as Developer Contribution - Non-Assessed Property on **Exhibit D**.
- [c] The Non-Assessed Property was allocated a portion of the Major Improvements pro rata based on acreage to the Non-Assessed Property and the District total acreage at the time of the Original Service and Assessment Plan as described therein.
- [d] The Major Improvement costs allocated to the District were allocated to each Improvement Area pro rata based on Estimated Buildout Value at the time of the applicable Assessment Ordinance.
- [e] Soft Costs includes engineering, surveying, testing, platting, inspection, construction management, and District Formation Costs.
- [f] The Improvement Area #2 Improvements are allocated to Improvement Area #2-A and Improvement Area #2-B pro rata based on Estimated Buildout Value of all the Improvement Area #2 as described in **Section V.A**.
- [g] Costs required to reach final Lot completion; non-reimbursable to the Developer from Assessments or PID Bonds.
- [h] Bond Issuance Costs associated with Improvement Area #1 Bonds have been updated to reflect the anticipated actual cost at the time of the Original Service and Assessment Plan. Bond Issuance Costs associated with the Improvement Area #2-3 Bonds are estimates only and will be determined at the time the Improvement Area #2-3 Bonds are issued.
- [i] Allocation of Authorized Improvement costs has been updated to reflect actual units platted in Improvement Area #2-A. Increased costs allocated to Improvement Area #2-A due to the increase in Lot count at the time of final plat shall be paid for by the Developer Contribution and shall not be eligible for reimbursement through Assessments or PID Bonds.
- [j] Includes the fee of counsel to the underwriter.

EXHIBIT C – SERVICE PLAN

		Improvement Area #1				
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ 115,000.00	\$ 121,000.00	\$ 126,000.00	\$ 132,000.00	\$ 138,000.00
Interest		408,615.00	403,008.76	397,110.00	390,967.50	384,532.50
(1)		\$ 523,615.00	\$ 524,008.76	\$ 523,110.00	\$ 522,967.50	\$ 522,532.50
Additional Interest (2)		\$ 35,880.00	\$ 35,305.00	\$ 34,700.00	\$ 34,070.00	\$ 33,410.00
Annual Collection Costs (3)		\$ 53,749.84	\$ 51,343.80	\$ 52,370.68	\$ 53,418.09	\$ 54,486.45
Total Annual Installment (4) = (1) + (2) + (3)		\$ 613,244.84	\$ 610,657.56	\$ 610,180.68	\$ 610,455.59	\$ 610,428.95

Improvement Area #2-A						
Annual Installments Due	1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030	
Principal	\$ 46,000.00	\$ 27,000.00	\$ 28,000.00	\$ 30,000.00	\$ 31,000.00	
Interest	72,279.35	94,865.50	93,345.40	91,769.00	90,080.00	
(1)	\$ 118,279.35	\$ 121,865.50	\$ 121,345.40	\$ 121,769.00	\$ 121,080.00	
Additional Interest	(2)	\$ 8,655.00	\$ 8,425.00	\$ 8,290.00	\$ 8,150.00	\$ 8,000.00
Annual Collection Costs	(3)	\$ 9,521.05	\$ 11,555.02	\$ 11,786.12	\$ 12,021.84	\$ 12,262.28
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 136,455.40	\$ 141,845.52	\$ 141,421.52	\$ 141,940.84	\$ 141,342.28

Improvement Area #2-B							
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030	
Principal		\$ 103,000.00	\$ 58,000.00	\$ 61,000.00	\$ 64,000.00	\$ 68,000.00	
Interest		161,428.05	211,856.90	208,591.50	205,157.20	201,554.00	
(1)		\$ 264,428.05	\$ 269,856.90	\$ 269,591.50	\$ 269,157.20	\$ 269,554.00	
Additional Interest		(2)	\$ 19,330.00	\$ 18,815.00	\$ 18,525.00	\$ 18,220.00	\$ 17,900.00
Annual Collection Costs		(3)	\$ 21,260.07	\$ 16,513.18	\$ 16,843.44	\$ 17,180.31	\$ 17,523.92
Total Annual Installment (4) = (1) + (2) + (3)		\$ 305,018.12	\$ 305,185.08	\$ 304,959.94	\$ 304,557.51	\$ 304,977.92	

Improvement Area #3						
Annual Installments Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ -	\$ 254,000.00	\$ 269,000.00	\$ 284,000.00	\$ 301,000.00
Interest		767,472.22	1,034,794.00	1,020,493.80	1,005,349.10	989,359.90
	(1)	\$ 767,472.22	\$ 1,288,794.00	\$ 1,289,493.80	\$ 1,289,349.10	\$ 1,290,359.90
Additional Interest	(2)	\$ 91,900.00	\$ 91,900.00	\$ 90,630.00	\$ 89,285.00	\$ 87,865.00
Annual Collection Costs	(3)	\$ 40,000.00	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 899,372.22	\$ 1,421,494.00	\$ 1,421,739.80	\$ 1,421,082.42	\$ 1,421,522.19

EXHIBIT D – SOURCES AND USES OF FUNDS

	Private	Improvement Area #1	Improvement Area #2		Improvement Area #3	Total
			Improvement Area #2-A	Improvement Area #2-B		
Improvement Area #1 Bonds	\$ -	\$ 7,176,000	\$ -	\$ -	\$ -	\$ 7,176,000
Improvement Area #2 Reimbursement Obligation	-	-	22,184	49,535	-	71,719
Improvement Area #2-3 Bonds	-	-	1,731,000	3,866,000	18,380,000	23,977,000
Developer Contribution - Improvement Area #1 ^[a]	-	2,720,676	-	-	-	2,720,676
Developer Contribution - Improvement Area #2 ^[a]	-	-	3,121,038	3,779,233	-	6,900,271
Developer Contribution - Improvement Area #2-A Allocation Update ^{[a],[d]}	347,484	-	-	-	-	347,484
Developer Contribution - Improvement Area #3 ^[a]	-	-	-	-	3,311,210	3,311,210
Developer Contribution - Non-Assessed Property ^{[a],[b]}	967,052	-	-	-	-	967,052
Developer Contribution - Private Improvements ^[a]	14,096,908	-	-	-	-	14,096,908
Total Sources	\$ 15,411,444	\$ 9,896,676	\$ 4,874,222	\$ 7,694,769	\$ 21,691,210	\$59,568,320
Uses of Funds						
Major Improvements ^[d]	\$ 1,125,970	\$ 1,343,359	\$ 320,997	\$ 685,843	\$ 2,838,109	\$ 6,314,279
Improvement Area #1 Improvements	-	7,335,748	-	-	-	7,335,748
Improvement Area #2 Improvements ^[d]	188,566	-	569,803	1,083,778	-	1,842,147
Improvement Area #2-A Improvements	-	-	3,687,441	-	-	3,687,441
Improvement Area #2-B Improvements	-	-	-	5,277,351	-	5,277,351
Improvement Area #3 Improvements	-	-	-	-	15,845,182	15,845,182
Private Improvements ^[a]	14,096,908	-	-	-	-	14,096,908
	\$ 15,411,444	\$ 8,679,108	\$ 4,578,241	\$ 7,046,972	\$ 18,683,291	\$54,399,056
<i>Bond Issuance Costs^[c]</i>						
Debt Service Reserve Fund	\$ -	\$ 527,258	\$ 125,278	\$ 279,794	\$ 1,330,215	\$ 2,262,544
Underwriter's Discount ^[e]	-	222,570	51,930	115,980	551,400	941,880
Cost of Issuance	-	427,740	102,306	228,490	1,086,303	1,844,840
	\$ -	\$ 1,177,568	\$ 279,514	\$ 624,264	\$ 2,967,918	\$ 5,049,264
<i>Other Costs</i>						
Deposit to Administrative Fund	\$ -	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000	\$ 120,000
	\$ -	\$ 40,000	\$ 16,467	\$ 23,533	\$ 40,000	\$ 120,000
Total Uses	\$ 15,411,444	\$ 9,896,676	\$ 4,874,222	\$ 7,694,769	\$ 21,691,210	\$59,568,320

Footnotes:

[a] Non-reimbursable to the Developer from Assessments or PID Bonds.

[b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvement that benefit the Non-Assessed Property. These costs are non-reimbursable to the Developer from Assessments or PID Bonds.

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

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

[e] Includes fee of counsel to the underwriter.

EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

		Estimated Buildout Value ^{[a], [b]}		Assessment ^[c]		Average Annual Installment		Tax Rate
Lot Type	Units ^[a]	Per Unit	Total	Per Unit	Total	Per Unit	Total	Equivalent
Improvement Area #1								
Lot Type 1	188	\$360,000	\$ 67,680,000	\$32,729.76	\$ 6,153,195	\$2,795.46	\$ 525,547	\$ 0.7765
Lot Type 2	30	\$375,000	\$ 11,250,000	\$34,093.50	\$ 1,022,805	\$2,911.94	\$ 87,358	\$ 0.7765
Improvement Area #1 Subtotal	218	\$ 78,930,000		\$ 7,176,000		\$ 612,905		
Improvement Area #2-A ^[d]								
Lot Type 3	75	\$385,000	\$ 28,875,000	\$23,080.00	\$ 1,731,000	\$1,885.08	\$ 141,381	\$ 0.4896
Improvement Area #2-A Subtotal	75	\$ 28,875,000		\$ 1,731,000		\$ 141,381		
Improvement Area #2-B								
Lot Type 4	26	\$300,000	\$ 7,800,000	\$28,106.14	\$ 730,760	\$2,214.86	\$ 57,586	\$ 0.7383
Lot Type 5	97	\$345,000	\$ 33,465,000	\$32,322.06	\$ 3,135,240	\$2,547.08	\$ 247,067	\$ 0.7383
Improvement Area #2-B Subtotal	123	\$ 41,265,000		\$ 3,866,000		\$ 304,653		
Improvement Area #3								
Lot Type 6	91	\$275,000	\$ 25,025,000	\$27,730.08	\$ 2,523,437	\$2,116.99	\$ 192,646	\$ 0.7698
Lot Type 7	340	\$350,000	\$ 119,000,000	\$35,292.83	\$11,999,561	\$2,694.35	\$ 916,079	\$ 0.7698
Lot Type 8	102	\$375,000	\$ 38,250,000	\$37,813.74	\$ 3,857,002	\$2,886.80	\$ 294,454	\$ 0.7698
Improvement Area #3 Subtotal	533	\$182,275,000		\$18,380,000		\$1,403,179		
Total	949	\$331,345,000		\$31,153,000				

Footnotes:

[a] Per information provided by the Developer.

[b] Improvement Area #1 Estimated Buildout Value at the time of the Original Service and Assessment Plan.

[c] The Improvement Area #1 Assessment reflects the outstanding Assessment for Improvement Area #1 Assessed Property prior to Prepayment of Assessment paid, but not yet redeemed, as further described in **Section IX.C**. Therefore, this amount does not match the Improvement Area #1 Assessment Roll.

[d] Unit counts have been updated based on the recorded final plat to reflect actual Lots.

EXHIBIT F-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878323	Lot Type 1	[c]	\$ 32,729.76	\$ 2,799.32
2878326	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878327	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878328	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878329	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878330	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878331	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878332	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878333	Lot Type 2		\$ -	\$ -
2878335	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878336	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878337	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878338	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878339	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878340	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878341	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878342	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878343	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878344	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878345	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878346	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878347	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878348	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878349	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878350	Non-Benefited Property		\$ -	\$ -
2878351	Non-Benefited Property		\$ -	\$ -
2878352	Non-Benefited Property		\$ -	\$ -
2878353	Non-Benefited Property		\$ -	\$ -
2878355	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878356	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878357	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878358	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878359	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878360	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878361	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878362	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878363	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878364	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878365	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878366	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878367	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878368	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878369	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878370	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878371	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878372	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878373	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878374	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878375	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878377	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878378	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878379	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878380	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878381	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878382	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878383	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878385	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878386	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878387	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878388	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878389	Lot Type 2	[d]	\$ 34,093.50	\$ 1,457.98
2878390	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878391	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878392	Lot Type 2		\$ 34,093.50	\$ 2,915.95
2878393	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878394	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878395	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878396	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878397	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878398	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878399	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878400	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878401	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878402	Lot Type 1	[e]	\$ 32,729.76	\$ 1,399.66
2878403	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878404	Lot Type 1	[f]	\$ 32,729.76	\$ 1,399.66
2878405	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878406	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878407	Lot Type 1	[g]	\$ 32,729.76	\$ 923.77
2878409	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878410	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878411	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878412	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878413	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878414	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878415	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878416	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878417	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878418	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878419	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878420	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878421	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878422	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878423	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878424	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878425	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878426	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878427	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878428	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878429	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878430	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878431	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878432	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878433	Lot Type 1	[c]	\$ -	\$ -
2878434	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878435	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878436	Lot Type 1	[h]	\$ 32,729.76	\$ 1,399.66
2878437	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878438	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878439	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878440	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878441	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878442	Lot Type 1	[i]	\$ 32,729.76	\$ 1,399.66
2878443	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878444	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878445	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878446	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878447	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878448	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878449	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878450	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878451	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878452	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878453	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878454	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878455	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878456	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878457	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878458	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878459	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878460	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878461	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878462	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878463	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878464	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878465	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878466	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878467	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878468	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878469	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878470	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878471	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878472	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878473	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878474	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878475	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878476	Non-Benefited Property		\$ -	\$ -
2878477	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878478	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878479	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878480	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878481	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878482	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878483	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878484	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878485	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878486	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878487	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878488	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878489	Lot Type 1		\$ 32,729.76	\$ 2,799.32

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878490	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878491	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878492	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878493	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878494	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878495	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878496	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878497	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878498	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878499	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878500	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878501	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878502	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878503	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878504	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878505	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878506	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878507	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878508	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878509	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878510	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878511	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878512	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878513	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878514	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878515	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878516	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878517	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878518	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878519	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878520	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878521	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878522	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878523	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878524	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878525	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878526	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878527	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878528	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878529	Lot Type 1	[j]	\$ 32,729.76	\$ 1,399.66

Property ID ^[a]	Lot Type	Notes	Improvement Area #1 ^[b]	
			Outstanding Assessment	Annual Installment Due 1/31/2026
2878530	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878531	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878532	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878533	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878534	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878535	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878536	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878537	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878538	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878539	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878540	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878541	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878542	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878543	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878544	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878547	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878548	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878549	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878550	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878551	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878552	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878553	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2878554	Lot Type 1		\$ 32,729.76	\$ 2,799.32
2902250	Lot Type 1	[g]	\$ 32,729.76	\$ 923.77
2902251	Lot Type 1	[g]	\$ 32,729.76	\$ 951.77
2902834	Lot Type 2	[d]	\$ 34,093.50	\$ 1,457.98
2919217	Lot Type 1	[f]	\$ 32,729.76	\$ 1,399.66
2921219	Lot Type 1	[h]	\$ 32,729.76	\$ 1,399.66
2928726	Lot Type 1	[e]	\$ 32,729.76	\$ 1,399.66
2930905	Lot Type 1	[j]	\$ 32,729.76	\$ 1,399.66
2941163	Lot Type 1	[i]	\$ 32,729.76	\$ 1,399.66
Total			\$ 7,109,176.74	\$ 608,035.39

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Totals may not sum or match the total outstanding Assessment or Annual Installment due to rounding and Prepayment of Assessment.

[c] Property ID prepaid Assessment in full.

[d] Undivided interest of property located at 2004 Hampton St. billed 50.00% to Property ID 2878389 and 50.00% to Property ID 2902834.

[e] Undivided interest of property located at 1925 Stinnet St. billed 50.00% to Property ID 2878402 and 50.00% to Property ID 2928726.

[f] Undivided interest of property located at 1917 Stinnet St. billed 50.00% to Property ID 2878404 and 50.00% to Property ID 2919217.

[g] Undivided interest of property located at 1900 Stinnet St. billed 33.00% to Property ID 2878407, 33.00% to Property ID 2902250, and 34.00% to Property ID 2902251.

[h] Undivided interest of property located at 1921 Sue Ellen St. billed 50.00% to Property ID 2878436 and 50.00% to Property ID 2921219.

[i] Undivided interest of property located at 2108 Stinnet St. billed 50.00% to Property ID 2878442 and 50.00% to Property ID 2941163.

[j] Undivided interest of property located at 1924 Willie Ray St. billed 50.00% to Property ID 2878529 and 50.00% to Property ID 2930905.

EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 115,000.00	\$ 408,615.00	\$ 35,880.00	\$ -	\$ 53,749.84	\$ 613,244.84
2027	\$ 121,000.00	\$ 403,008.76	\$ 35,305.00	\$ -	\$ 51,343.80	\$ 610,657.56
2028	\$ 126,000.00	\$ 397,110.00	\$ 34,700.00	\$ -	\$ 52,370.68	\$ 610,180.68
2029	\$ 132,000.00	\$ 390,967.50	\$ 34,070.00	\$ -	\$ 53,418.09	\$ 610,455.59
2030	\$ 138,000.00	\$ 384,532.50	\$ 33,410.00	\$ -	\$ 54,486.45	\$ 610,428.95
2031	\$ 145,000.00	\$ 377,805.00	\$ 32,720.00	\$ -	\$ 55,576.18	\$ 611,101.18
2032	\$ 153,000.00	\$ 369,648.76	\$ 31,995.00	\$ -	\$ 56,687.70	\$ 611,331.46
2033	\$ 161,000.00	\$ 361,042.50	\$ 31,230.00	\$ -	\$ 57,821.45	\$ 611,093.95
2034	\$ 170,000.00	\$ 351,986.26	\$ 30,425.00	\$ -	\$ 58,977.88	\$ 611,389.14
2035	\$ 180,000.00	\$ 342,423.76	\$ 29,575.00	\$ -	\$ 60,157.44	\$ 612,156.20
2036	\$ 190,000.00	\$ 332,298.76	\$ 28,675.00	\$ -	\$ 61,360.59	\$ 612,334.35
2037	\$ 200,000.00	\$ 321,611.26	\$ 27,725.00	\$ -	\$ 62,587.80	\$ 611,924.06
2038	\$ 212,000.00	\$ 310,361.26	\$ 26,725.00	\$ -	\$ 63,839.56	\$ 612,925.82
2039	\$ 223,000.00	\$ 298,436.26	\$ 25,665.00	\$ -	\$ 65,116.35	\$ 612,217.61
2040	\$ 236,000.00	\$ 285,892.50	\$ 24,550.00	\$ -	\$ 66,418.68	\$ 612,861.18
2041	\$ 249,000.00	\$ 272,617.50	\$ 23,370.00	\$ -	\$ 67,747.05	\$ 612,734.55
2042	\$ 264,000.00	\$ 258,611.26	\$ 22,125.00	\$ -	\$ 69,101.99	\$ 613,838.25
2043	\$ 279,000.00	\$ 243,761.26	\$ 20,805.00	\$ -	\$ 70,484.03	\$ 614,050.29
2044	\$ 294,000.00	\$ 228,067.50	\$ 19,410.00	\$ -	\$ 71,893.71	\$ 613,371.21
2045	\$ 312,000.00	\$ 210,795.00	\$ 17,940.00	\$ -	\$ 73,331.58	\$ 614,066.58
2046	\$ 331,000.00	\$ 192,465.00	\$ 16,380.00	\$ -	\$ 74,798.21	\$ 614,643.21
2047	\$ 350,000.00	\$ 173,018.76	\$ 14,725.00	\$ -	\$ 76,294.17	\$ 614,037.93
2048	\$ 372,000.00	\$ 152,456.26	\$ 12,975.00	\$ -	\$ 77,820.05	\$ 615,251.31
2049	\$ 394,000.00	\$ 130,601.26	\$ 11,115.00	\$ -	\$ 79,376.45	\$ 615,092.71
2050	\$ 418,000.00	\$ 107,453.76	\$ 9,145.00	\$ -	\$ 80,963.98	\$ 615,562.74
2051	\$ 443,000.00	\$ 82,896.26	\$ 7,055.00	\$ -	\$ 82,583.26	\$ 615,534.52
2052	\$ 470,000.00	\$ 56,870.00	\$ 4,840.00	\$ -	\$ 84,234.93	\$ 615,944.93
2053	\$ 498,000.00	\$ 29,257.50	\$ 2,490.00	\$ (527,257.50)	\$ 85,919.63	\$ 88,409.63
Total	\$ 7,176,000.00	\$ 7,474,611.40	\$ 645,025.00	\$ (527,257.50)	\$ 1,868,461.53	\$ 16,636,840.43

Footnotes:

[a] Interest rate on the Improvement Area #1 Bonds is 4.875% for bonds maturing 2030, 5.625% for bonds maturing 2043, and 5.875% for bonds maturing 2053.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #1 Annual Installments at maturity of the Improvement Area #1 Bonds.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-1 – IMPROVEMENT AREA #2-A ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Improvement Area #2-A	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936533	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936535	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936536	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936537	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936538	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936539	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936540	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936541	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936542	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936543	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936544	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936545	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936546	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936547	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936548	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936563	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936564	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936565	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936566	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936567	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936568	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936569	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936570	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936571	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936572	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936573	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936574	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936575	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936576	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936577	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936579	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936580	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936581	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936582	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936583	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936584	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936585	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936586	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936587	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936588	Lot Type 3	\$ 23,080.00	\$ 1,819.41

		Improvement Area #2-A	
Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936589	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936590	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936591	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936592	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936593	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936594	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936595	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936596	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936597	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936599	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936600	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936601	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936602	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936603	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936604	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936605	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936606	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936607	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936608	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936609	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936610	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936611	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936612	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936613	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936614	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936615	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936616	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936617	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936618	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936619	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936620	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936621	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936622	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936623	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936624	Lot Type 3	\$ 23,080.00	\$ 1,819.41
2936625	Non-Benefited Property	\$ -	\$ -
2936626	Non-Benefited Property	\$ -	\$ -
2936627	Non-Benefited Property	\$ -	\$ -
2936628	Non-Benefited Property	\$ -	\$ -
2936629	Non-Benefited Property	\$ -	\$ -
2936630	Non-Benefited Property	\$ -	\$ -
2936631	Non-Benefited Property	\$ -	\$ -
Total		\$ 1,731,000.00	\$ 136,455.75

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT G-2 –IMPROVEMENT AREA #2-A ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 46,000.00	\$ 72,279.35	\$ 8,655.00	\$ -	\$ 9,521.05	\$ 136,455.40
2027	\$ 27,000.00	\$ 94,865.50	\$ 8,425.00	\$ -	\$ 11,555.02	\$ 141,845.52
2028	\$ 28,000.00	\$ 93,345.40	\$ 8,290.00	\$ -	\$ 11,786.12	\$ 141,421.52
2029	\$ 30,000.00	\$ 91,769.00	\$ 8,150.00	\$ -	\$ 12,021.84	\$ 141,940.84
2030	\$ 31,000.00	\$ 90,080.00	\$ 8,000.00	\$ -	\$ 12,262.28	\$ 141,342.28
2031	\$ 33,000.00	\$ 88,334.70	\$ 7,845.00	\$ -	\$ 12,507.53	\$ 141,687.23
2032	\$ 35,000.00	\$ 86,476.80	\$ 7,680.00	\$ -	\$ 12,757.68	\$ 141,914.48
2033	\$ 36,000.00	\$ 84,506.30	\$ 7,505.00	\$ -	\$ 13,012.83	\$ 141,024.13
2034	\$ 38,000.00	\$ 82,479.50	\$ 7,325.00	\$ -	\$ 13,273.09	\$ 141,077.59
2035	\$ 40,000.00	\$ 80,340.10	\$ 7,135.00	\$ -	\$ 13,538.55	\$ 141,013.65
2036	\$ 43,000.00	\$ 78,088.10	\$ 6,935.00	\$ -	\$ 13,809.32	\$ 141,832.42
2037	\$ 45,000.00	\$ 75,667.20	\$ 6,720.00	\$ -	\$ 14,085.51	\$ 141,472.71
2038	\$ 48,000.00	\$ 73,133.70	\$ 6,495.00	\$ -	\$ 14,367.22	\$ 141,995.92
2039	\$ 50,000.00	\$ 70,431.30	\$ 6,255.00	\$ -	\$ 14,654.56	\$ 141,340.86
2040	\$ 53,000.00	\$ 67,616.30	\$ 6,005.00	\$ -	\$ 14,947.65	\$ 141,568.95
2041	\$ 56,000.00	\$ 64,632.40	\$ 5,740.00	\$ -	\$ 15,246.60	\$ 141,619.00
2042	\$ 59,000.00	\$ 61,479.60	\$ 5,460.00	\$ -	\$ 15,551.53	\$ 141,491.13
2043	\$ 62,000.00	\$ 58,157.90	\$ 5,165.00	\$ -	\$ 15,862.56	\$ 141,185.46
2044	\$ 66,000.00	\$ 54,667.30	\$ 4,855.00	\$ -	\$ 16,179.81	\$ 141,702.11
2045	\$ 70,000.00	\$ 50,951.50	\$ 4,525.00	\$ -	\$ 16,503.41	\$ 141,979.91
2046	\$ 73,000.00	\$ 47,010.50	\$ 4,175.00	\$ -	\$ 16,833.48	\$ 141,018.98
2047	\$ 78,000.00	\$ 42,900.60	\$ 3,810.00	\$ -	\$ 17,170.15	\$ 141,880.75
2048	\$ 82,000.00	\$ 38,509.20	\$ 3,420.00	\$ -	\$ 17,513.55	\$ 141,442.75
2049	\$ 87,000.00	\$ 33,892.60	\$ 3,010.00	\$ -	\$ 17,863.82	\$ 141,766.42
2050	\$ 92,000.00	\$ 28,994.50	\$ 2,575.00	\$ -	\$ 18,221.10	\$ 141,790.60
2051	\$ 97,000.00	\$ 23,814.90	\$ 2,115.00	\$ -	\$ 18,585.52	\$ 141,515.42
2052	\$ 103,000.00	\$ 18,353.80	\$ 1,630.00	\$ -	\$ 18,957.23	\$ 141,941.03
2053	\$ 108,000.00	\$ 12,554.90	\$ 1,115.00	\$ -	\$ 19,336.37	\$ 141,006.27
2054	\$ 115,000.00	\$ 6,474.50	\$ 575.00	\$ (125,277.57)	\$ 19,723.10	\$ 16,495.03
Total	\$ 1,731,000.00	\$ 1,771,807.45	\$ 159,590.00	\$ (125,277.57)	\$ 437,648.48	\$ 3,974,768.36

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #2-A Annual Installments at maturity of the Improvement Area #2-3 Bonds.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-3 – IMPROVEMENT AREA #2-B ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Improvement Area #2-B	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936639	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936647	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936648	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936649	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936650	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936651	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936652	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936653	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936654	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936655	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936656	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936657	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936658	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936659	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936660	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936661	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936662	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936663	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936664	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936665	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936666	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936667	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936668	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936669	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936670	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936671	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936672	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936673	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936674	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936675	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936676	Non-Benefited Property	\$ -	\$ -
2936678	Non-Benefited Property	\$ -	\$ -
2936679	Non-Benefited Property	\$ -	\$ -
2936688	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936689	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936690	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936691	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936692	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936693	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936694	Lot Type 5	\$ 32,322.06	\$ 2,550.13

Property ID ^[a]	Lot Type	Improvement Area #2-B	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936695	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936696	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936697	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936698	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936699	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936700	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936701	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936702	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936703	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936704	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936705	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936706	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936707	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936708	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936709	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936710	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936711	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936712	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936713	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936714	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936715	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936716	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936717	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936718	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936719	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936720	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936721	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936722	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936723	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936724	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936725	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936727	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936728	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936729	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936730	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936731	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936732	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936733	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936734	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936735	Lot Type 5	\$ 32,322.06	\$ 2,550.13

Property ID ^[a]	Lot Type	Improvement Area #2-B	
		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936736	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936737	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936738	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936739	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936740	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936741	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936742	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936743	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936744	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936745	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936746	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936747	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936748	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936749	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936750	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936751	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936752	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936753	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936754	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936755	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936756	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936757	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936758	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936759	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936760	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936761	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936762	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936763	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936766	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936767	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936768	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936769	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936770	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936771	Lot Type 5	\$ 32,322.06	\$ 2,550.13
2936772	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936773	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936774	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936775	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936776	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936777	Lot Type 4	\$ 28,106.14	\$ 2,217.51

		Improvement Area #2-B	
Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2936778	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936779	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936780	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936781	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936782	Lot Type 4	\$ 28,106.14	\$ 2,217.51
2936783	Lot Type 4	\$ 28,106.14	\$ 2,217.51
Total		\$ 3,866,000.00	\$ 305,017.87

Footnotes:

[a] The Property IDs shown in the Assessment Roll are subject to change based on the final certified rolls provided by the County prior billing.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT G-4 – IMPROVEMENT AREA #2-B ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ 103,000.00	\$ 161,428.05	\$ 19,330.00	\$ -	\$ 21,260.07	\$ 305,018.12
2027	\$ 58,000.00	\$ 211,856.90	\$ 18,815.00	\$ -	\$ 16,513.18	\$ 305,185.08
2028	\$ 61,000.00	\$ 208,591.50	\$ 18,525.00	\$ -	\$ 16,843.44	\$ 304,959.94
2029	\$ 64,000.00	\$ 205,157.20	\$ 18,220.00	\$ -	\$ 17,180.31	\$ 304,557.51
2030	\$ 68,000.00	\$ 201,554.00	\$ 17,900.00	\$ -	\$ 17,523.92	\$ 304,977.92
2031	\$ 72,000.00	\$ 197,725.60	\$ 17,560.00	\$ -	\$ 17,874.40	\$ 305,160.00
2032	\$ 76,000.00	\$ 193,672.00	\$ 17,200.00	\$ -	\$ 18,231.89	\$ 305,103.89
2033	\$ 80,000.00	\$ 189,393.20	\$ 16,820.00	\$ -	\$ 18,596.53	\$ 304,809.73
2034	\$ 84,000.00	\$ 184,889.20	\$ 16,420.00	\$ -	\$ 18,968.46	\$ 304,277.66
2035	\$ 89,000.00	\$ 180,160.00	\$ 16,000.00	\$ -	\$ 19,347.83	\$ 304,507.83
2036	\$ 94,000.00	\$ 175,149.30	\$ 15,555.00	\$ -	\$ 19,734.79	\$ 304,439.09
2037	\$ 100,000.00	\$ 169,857.10	\$ 15,085.00	\$ -	\$ 20,129.49	\$ 305,071.59
2038	\$ 105,000.00	\$ 164,227.10	\$ 14,585.00	\$ -	\$ 20,532.08	\$ 304,344.18
2039	\$ 111,000.00	\$ 158,315.60	\$ 14,060.00	\$ -	\$ 20,942.72	\$ 304,318.32
2040	\$ 118,000.00	\$ 152,066.30	\$ 13,505.00	\$ -	\$ 21,361.57	\$ 304,932.87
2041	\$ 124,000.00	\$ 145,422.90	\$ 12,915.00	\$ -	\$ 21,788.80	\$ 304,126.70
2042	\$ 132,000.00	\$ 138,441.70	\$ 12,295.00	\$ -	\$ 22,224.58	\$ 304,961.28
2043	\$ 139,000.00	\$ 131,010.10	\$ 11,635.00	\$ -	\$ 22,669.07	\$ 304,314.17
2044	\$ 147,000.00	\$ 123,184.40	\$ 10,940.00	\$ -	\$ 23,122.45	\$ 304,246.85
2045	\$ 156,000.00	\$ 114,908.30	\$ 10,205.00	\$ -	\$ 23,584.90	\$ 304,698.20
2046	\$ 165,000.00	\$ 106,125.50	\$ 9,425.00	\$ -	\$ 24,056.60	\$ 304,607.10
2047	\$ 175,000.00	\$ 96,836.00	\$ 8,600.00	\$ -	\$ 24,537.73	\$ 304,973.73
2048	\$ 185,000.00	\$ 86,983.50	\$ 7,725.00	\$ -	\$ 25,028.48	\$ 304,736.98
2049	\$ 196,000.00	\$ 76,568.00	\$ 6,800.00	\$ -	\$ 25,529.05	\$ 304,897.05
2050	\$ 207,000.00	\$ 65,533.20	\$ 5,820.00	\$ -	\$ 26,039.63	\$ 304,392.83
2051	\$ 219,000.00	\$ 53,879.10	\$ 4,785.00	\$ -	\$ 26,560.42	\$ 304,224.52
2052	\$ 232,000.00	\$ 41,549.40	\$ 3,690.00	\$ -	\$ 27,091.63	\$ 304,331.03
2053	\$ 246,000.00	\$ 28,487.80	\$ 2,530.00	\$ -	\$ 27,633.46	\$ 304,651.26
2054	\$ 260,000.00	\$ 14,638.00	\$ 1,300.00	\$ (279,793.81)	\$ 28,186.13	\$ 24,330.32
Total	\$ 3,866,000.00	\$ 3,977,610.95	\$ 358,245.00	\$ (279,793.81)	\$ 633,093.61	\$ 8,555,155.75

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #2-B Annual Installments at maturity of the Improvement Area #2-3 Bonds.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT H-1 – IMPROVEMENT AREA #3 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
2832376	Improvement Area #3 Initial Parcel	\$ 18,380,000.00	\$ 1,421,494.00
Total		\$ 18,380,000.00	\$ 1,421,494.00

Footnotes:

[a] The Assessment and Annual Installment have initially been allocated between all Property IDs within Improvement Area #3. Future allocation of the Assessment will be done in accordance with **Section VI** of this Service and Assessment Plan.

[b] Annual Installment due may not match Service Plan or Annual Installment schedule due to rounding.

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	I	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	I	1X	Non-Benefited Property	\$ -	\$ -
TBD	I	2X	Non-Benefited Property	\$ -	\$ -
TBD	N	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	29	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	30	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	N	31	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	Q	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	12	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	13	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	14	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	15	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	29	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	30	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	Q	31	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	R	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	12	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	13	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	14	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	15	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	16	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	17	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	18	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	19	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	20	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	21	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	22	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	23	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	24	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	25	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	26	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	27	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	28	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	R	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	R	1X	Non-Benefited Property	\$ -	\$ -
TBD	R	2X	Non-Benefited Property	\$ -	\$ -
TBD	S	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	S	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	U	1	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	2	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	3	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	4	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	5	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	6	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	7	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	8	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	9	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	10	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	11	Lot Type 8	\$ 37,813.74	\$ 1,850.31
TBD	U	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	U	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	V	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	V	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	W	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	W	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	X	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	39	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	40	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	41	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	42	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	43	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	44	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	45	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	X	46	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	Y	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	39	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	40	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	41	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	42	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	43	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	44	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	45	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	46	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	47	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Y	1X	Non-Benefited Property	\$ -	\$ -
TBD	Z	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	Z	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	AA	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	38	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	AA	1X	Non-Benefited Property	\$ -	\$ -
TBD	BB	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	BB	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	BB	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	CC	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	CC	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	21	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	22	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	23	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	24	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	25	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	26	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	27	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	28	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	29	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	30	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	31	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	32	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	33	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	34	Lot Type 7	\$ 35,292.83	\$ 1,726.95

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	DD	35	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	36	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	DD	37	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	1	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	2	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	3	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	4	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	5	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	6	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	7	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	8	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	9	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	10	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	11	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	12	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	13	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	14	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	15	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	16	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	17	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	18	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	19	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	20	Lot Type 7	\$ 35,292.83	\$ 1,726.95
TBD	EE	1X	Non-Benefited Property	\$ -	\$ -
TBD	FF	1	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	2	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	3	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	4	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	5	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	6	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	7	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	8	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	9	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	10	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	11	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	12	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	13	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	14	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	15	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	16	Lot Type 6	\$ 27,730.08	\$ 1,356.89

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	FF	17	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	18	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	19	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	20	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	21	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	22	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	23	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	24	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	25	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	26	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	27	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	28	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	29	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	30	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	31	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	32	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	33	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	34	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	35	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	36	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	37	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	38	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	39	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	40	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	41	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	42	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	43	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	44	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	45	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	46	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	FF	1X	Non-Benefited Property	\$ -	\$ -
TBD	FF	2X	Non-Benefited Property	\$ -	\$ -
TBD	GG	1X	Non-Benefited Property	\$ -	\$ -
TBD	HH	1X	Non-Benefited Property	\$ -	\$ -
TBD	II	1	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	2	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	3	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	4	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	5	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	6	Lot Type 6	\$ 27,730.08	\$ 1,356.89

Property ID ^[a]	Legal Description		Lot Type	Improvement Area #3	
	Block	Lot		Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
TBD	II	7	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	8	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	9	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	10	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	11	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	12	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	13	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	14	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	15	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	16	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	17	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	18	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	19	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	20	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	21	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	22	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	23	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	24	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	25	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	26	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	27	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	28	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	29	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	30	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	31	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	32	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	33	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	34	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	35	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	36	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	37	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	38	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	39	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	40	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	41	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	42	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	43	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	44	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	45	Lot Type 6	\$ 27,730.08	\$ 1,356.89
TBD	II	1X	Non-Benefited Property	\$ -	\$ -
Total				\$ 18,380,000.00	\$ 899,371.61

Footnotes:

[a] Per the Phase 3 Final Plat and Phase 4 Final Plat, attached hereto as **Exhibit L-3**. The Property IDs have not yet been assigned by the Collin County Appraisal District.

[b] Totals may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT H-2 - IMPROVEMENT AREA #3 ANNUAL INSTALLMENTS

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Reserve Fund ^[b]	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ -	\$ 767,472.22	\$ 91,900.00	\$ -	\$ 40,000.00	\$ 899,372.22
2027	\$ 254,000.00	\$ 1,034,794.00	\$ 91,900.00	\$ -	\$ 40,800.00	\$ 1,421,494.00
2028	\$ 269,000.00	\$ 1,020,493.80	\$ 90,630.00	\$ -	\$ 41,616.00	\$ 1,421,739.80
2029	\$ 284,000.00	\$ 1,005,349.10	\$ 89,285.00	\$ -	\$ 42,448.32	\$ 1,421,082.42
2030	\$ 301,000.00	\$ 989,359.90	\$ 87,865.00	\$ -	\$ 43,297.29	\$ 1,421,522.19
2031	\$ 318,000.00	\$ 972,413.60	\$ 86,360.00	\$ -	\$ 44,163.24	\$ 1,420,936.84
2032	\$ 337,000.00	\$ 954,510.20	\$ 84,770.00	\$ -	\$ 45,046.50	\$ 1,421,326.70
2033	\$ 357,000.00	\$ 935,537.10	\$ 83,085.00	\$ -	\$ 45,947.43	\$ 1,421,569.53
2034	\$ 378,000.00	\$ 915,438.00	\$ 81,300.00	\$ -	\$ 46,866.38	\$ 1,421,604.38
2035	\$ 400,000.00	\$ 894,156.60	\$ 79,410.00	\$ -	\$ 47,803.71	\$ 1,421,370.31
2036	\$ 423,000.00	\$ 871,636.60	\$ 77,410.00	\$ -	\$ 48,759.78	\$ 1,420,806.38
2037	\$ 448,000.00	\$ 847,821.70	\$ 75,295.00	\$ -	\$ 49,734.98	\$ 1,420,851.68
2038	\$ 475,000.00	\$ 822,599.30	\$ 73,055.00	\$ -	\$ 50,729.68	\$ 1,421,383.98
2039	\$ 503,000.00	\$ 795,856.80	\$ 70,680.00	\$ -	\$ 51,744.27	\$ 1,421,281.07
2040	\$ 533,000.00	\$ 767,537.90	\$ 68,165.00	\$ -	\$ 52,779.16	\$ 1,421,482.06
2041	\$ 564,000.00	\$ 737,530.00	\$ 65,500.00	\$ -	\$ 53,834.74	\$ 1,420,864.74
2042	\$ 598,000.00	\$ 705,776.80	\$ 62,680.00	\$ -	\$ 54,911.43	\$ 1,421,368.23
2043	\$ 633,000.00	\$ 672,109.40	\$ 59,690.00	\$ -	\$ 56,009.66	\$ 1,420,809.06
2044	\$ 671,000.00	\$ 636,471.50	\$ 56,525.00	\$ -	\$ 57,129.85	\$ 1,421,126.35
2045	\$ 711,000.00	\$ 598,694.20	\$ 53,170.00	\$ -	\$ 58,272.45	\$ 1,421,136.65
2046	\$ 753,000.00	\$ 558,664.90	\$ 49,615.00	\$ -	\$ 59,437.90	\$ 1,420,717.80
2047	\$ 798,000.00	\$ 516,271.00	\$ 45,850.00	\$ -	\$ 60,626.66	\$ 1,420,747.66
2048	\$ 846,000.00	\$ 471,343.60	\$ 41,860.00	\$ -	\$ 61,839.19	\$ 1,421,042.79
2049	\$ 897,000.00	\$ 423,713.80	\$ 37,630.00	\$ -	\$ 63,075.97	\$ 1,421,419.77
2050	\$ 950,000.00	\$ 373,212.70	\$ 33,145.00	\$ -	\$ 64,337.49	\$ 1,420,695.19
2051	\$ 1,007,000.00	\$ 319,727.70	\$ 28,395.00	\$ -	\$ 65,624.24	\$ 1,420,746.94
2052	\$ 1,068,000.00	\$ 263,033.60	\$ 23,360.00	\$ -	\$ 66,936.72	\$ 1,421,330.32
2053	\$ 1,132,000.00	\$ 202,905.20	\$ 18,020.00	\$ -	\$ 68,275.45	\$ 1,421,200.65
2054	\$ 1,200,000.00	\$ 139,173.60	\$ 12,360.00	\$ -	\$ 69,640.96	\$ 1,421,174.56
2055	\$ 1,272,000.00	\$ 71,613.60	\$ 6,360.00	\$ (1,330,214.72)	\$ 71,033.78	\$ 90,792.66
Total	\$ 18,380,000.00	\$ 20,285,218.42	\$ 1,825,270.00	\$ (1,330,214.72)	\$ 1,622,723.23	\$ 40,782,996.93

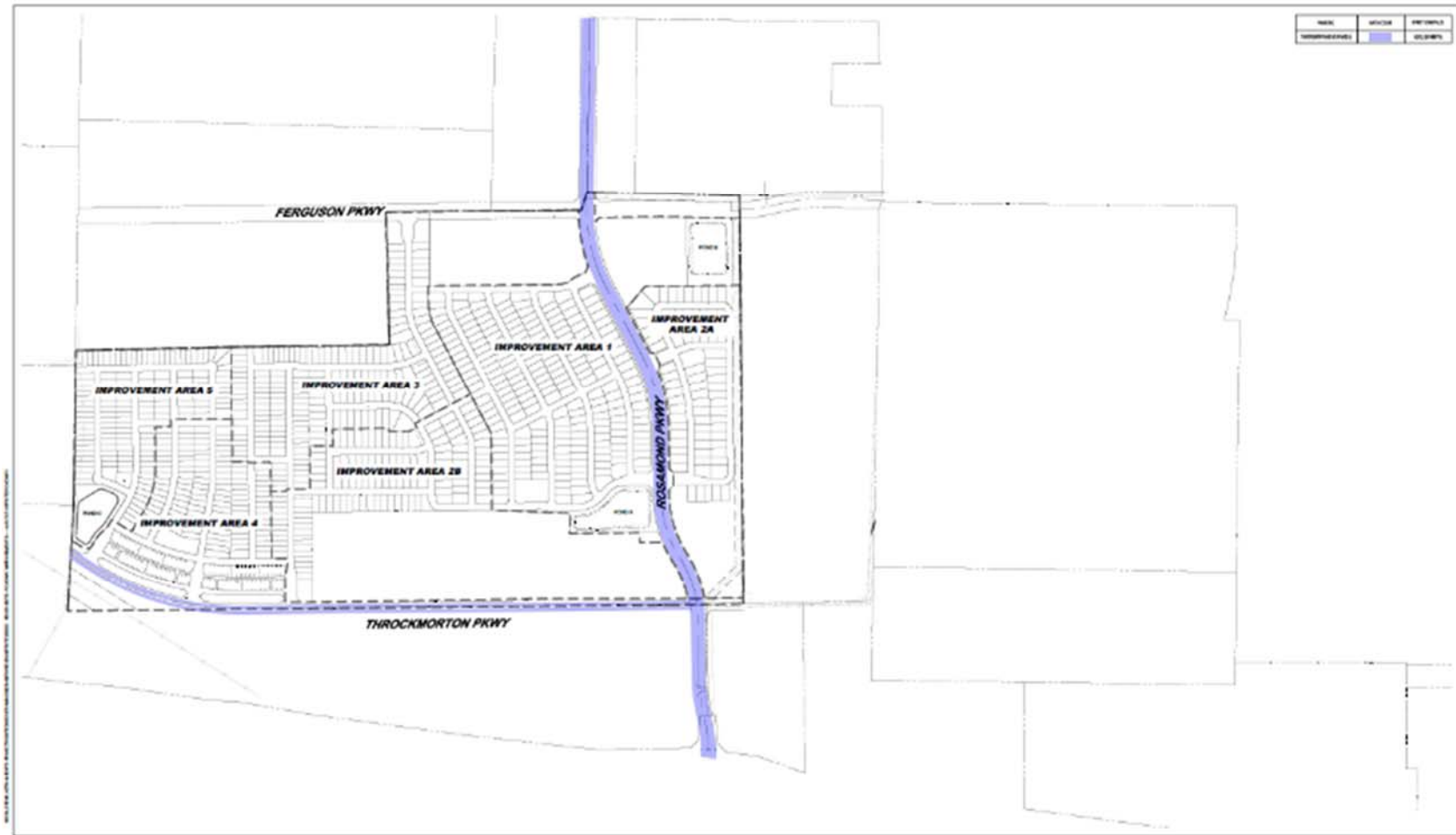
Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #3 Annual Installments at maturity of the Improvement Area #2-3 Bonds.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT I-1 – MAPS OF MAJOR IMPROVEMENTS

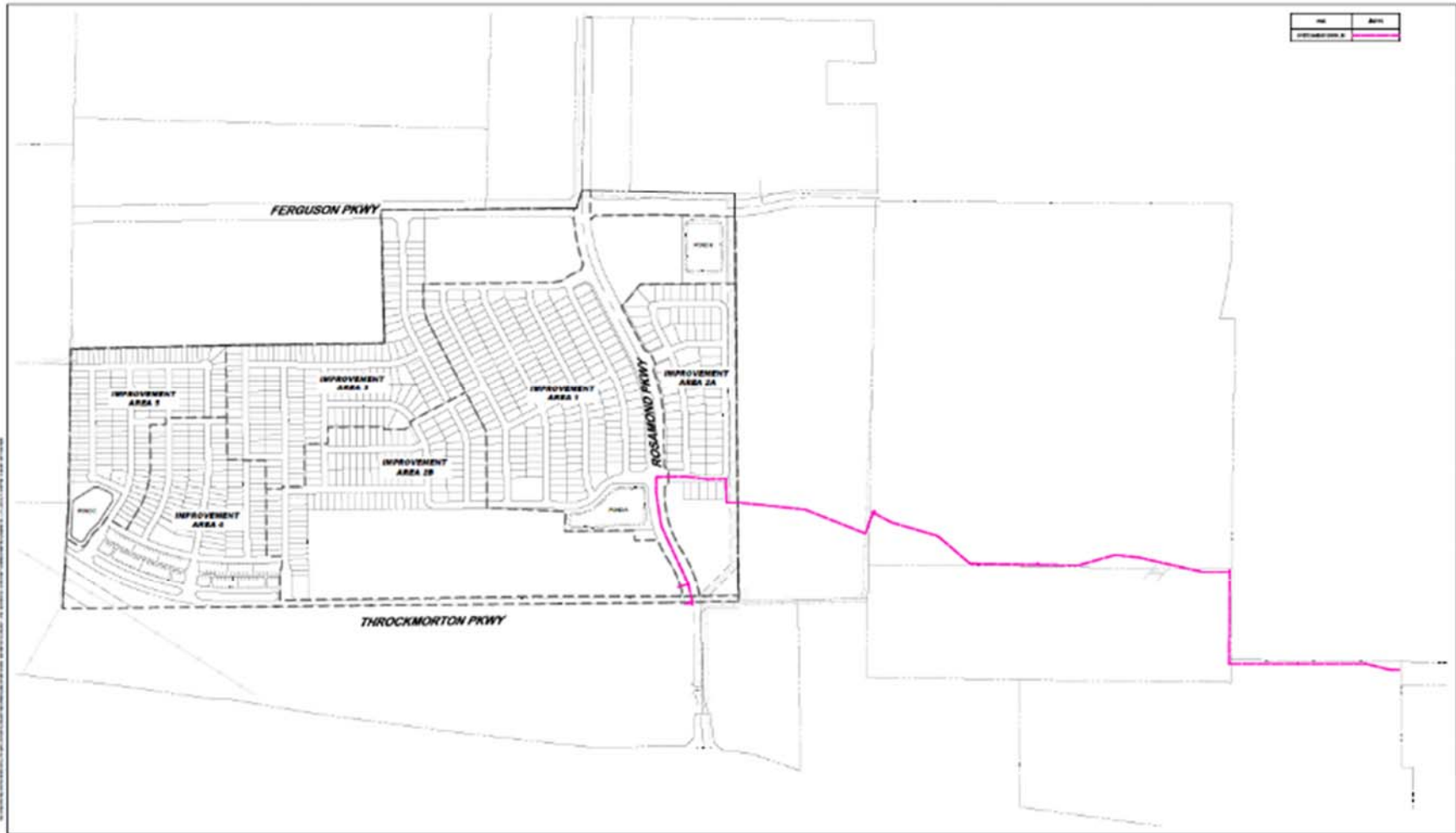


BOHLER //
2600 NETWORK BLVD, SUITE 310
FRIEDLAND, TX 75804
Phone: (409) 478-7300
TX@BohlerEng.com
TSP# 1010001 / TSP# 1010002

EXHIBIT H: PUBLIC ROADWAY MAJOR IMPROVEMENTS THE WOODS AT LINDSEY PLACE

ANNA, TEXAS



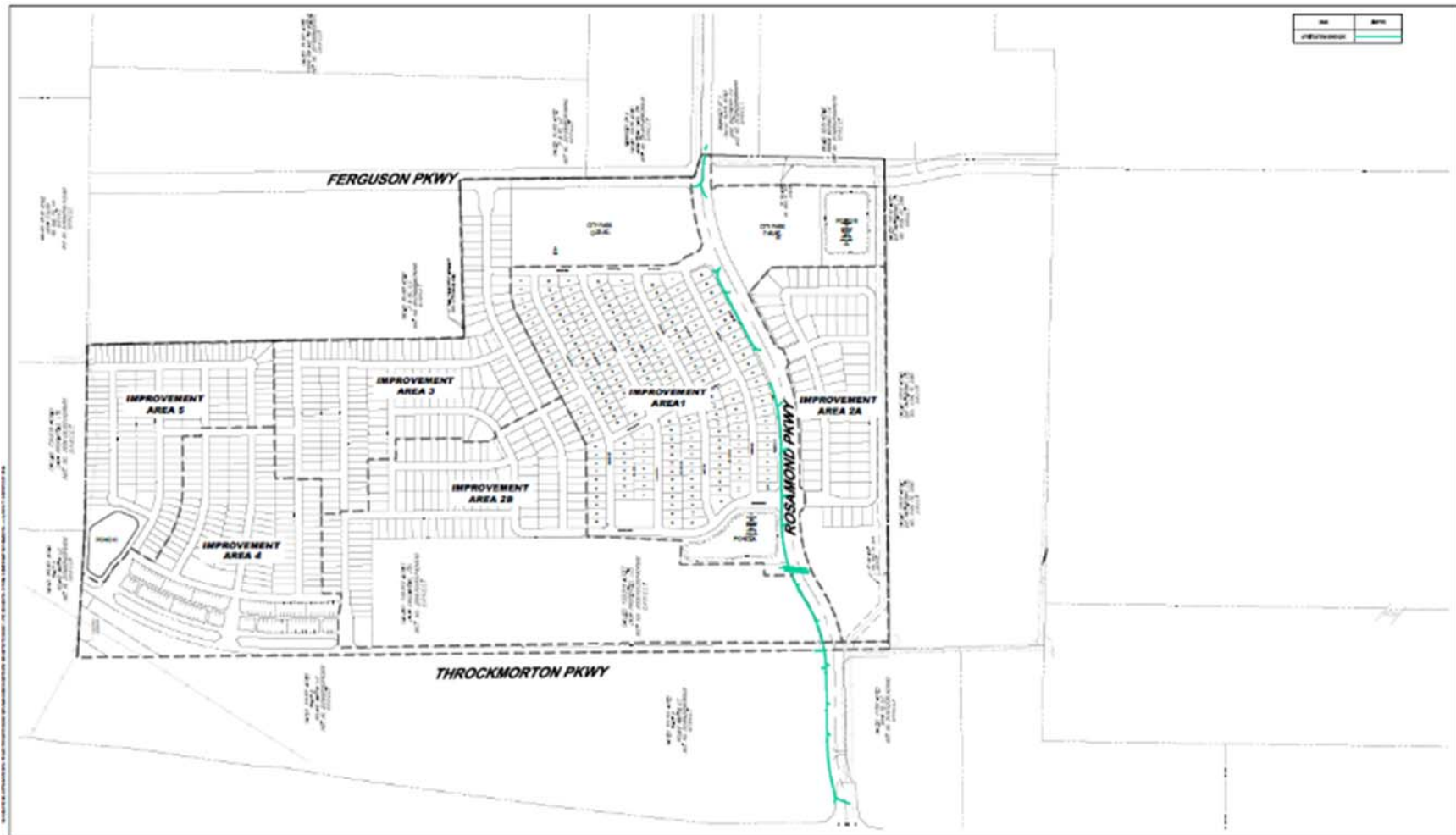


BOHLER //
 2600 NETWORK BLVD. SUITE 310
 FRODO, TX 75034
 Phone: (409) 470-7300
 TX@BohlerEng.com
 10/15/16 No. 10000 | 10/16/16 No. 1010012

EXHIBIT I: MAJOR IMPROVEMENT PUBLIC SANITARY SEWER IMPROVEMENTS THE WOODS AT LINDSEY PLACE

ANNA, TEXAS





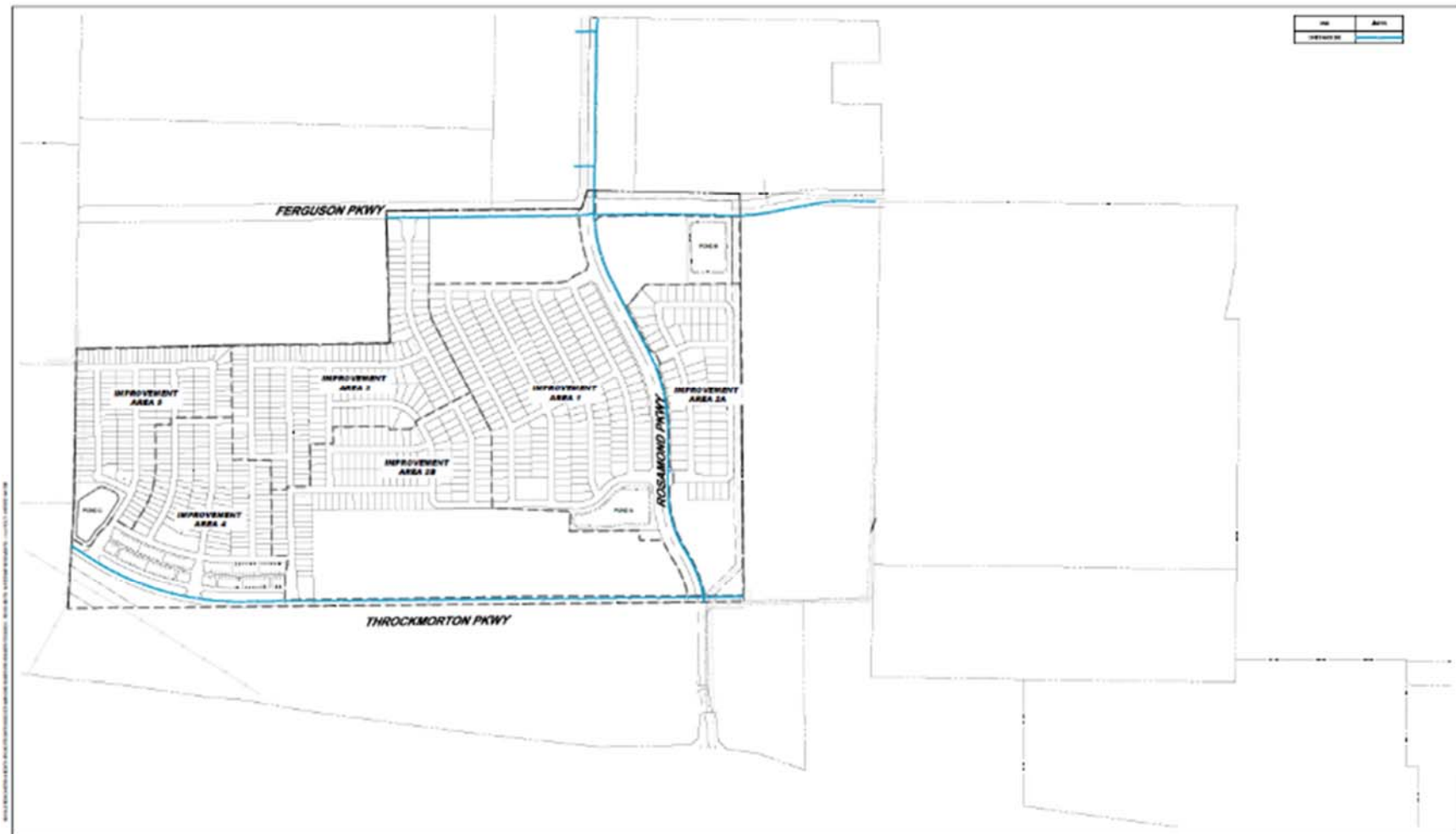
BOHLER //

3600 NETWORK BLVD, SUITE 310
FRISCO, TX 75034
PHONE: (214) 268-7803
TX@BohlerEng.com
TOPIC NO. 16086 / TOPIC NO. 10194412

EXHIBIT J: MAJOR IMPROVEMENTS PUBLIC STORM SEWER THE WOODS AT LINDSEY PLACE

ANNA, TEXAS





BOHLER //

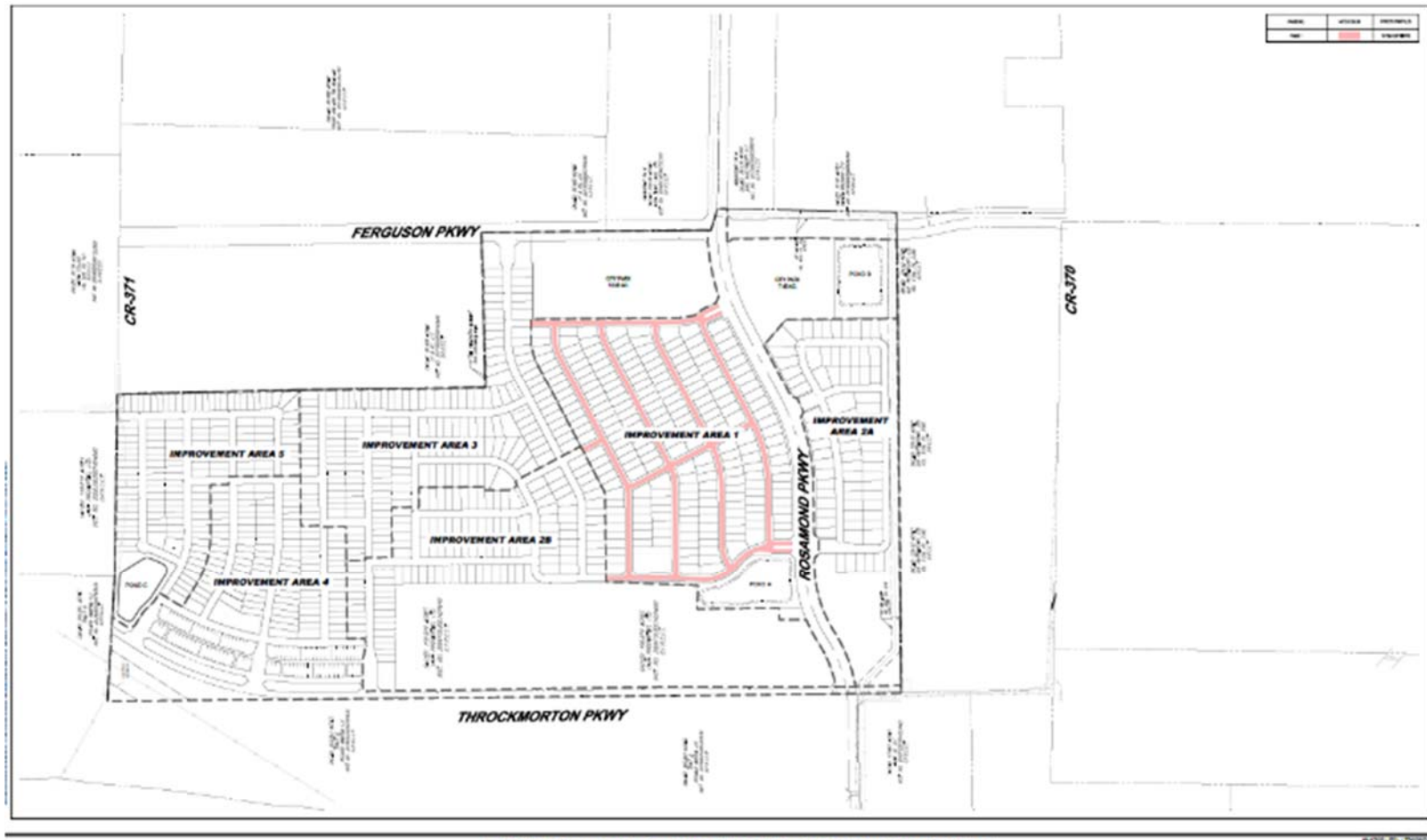
2000 NETWORK BLVD, SUITE 310
PRISCO, TX 75034
Phone: (409) 455-7326
TX@BohlerEng.com
TSP# 001 10001 / TSP# 001 10001/15

EXHIBIT K: MAJOR IMPROVEMENT PUBLIC WATER THE WOODS AT LINDSEY PLACE

ANNA, TEXAS



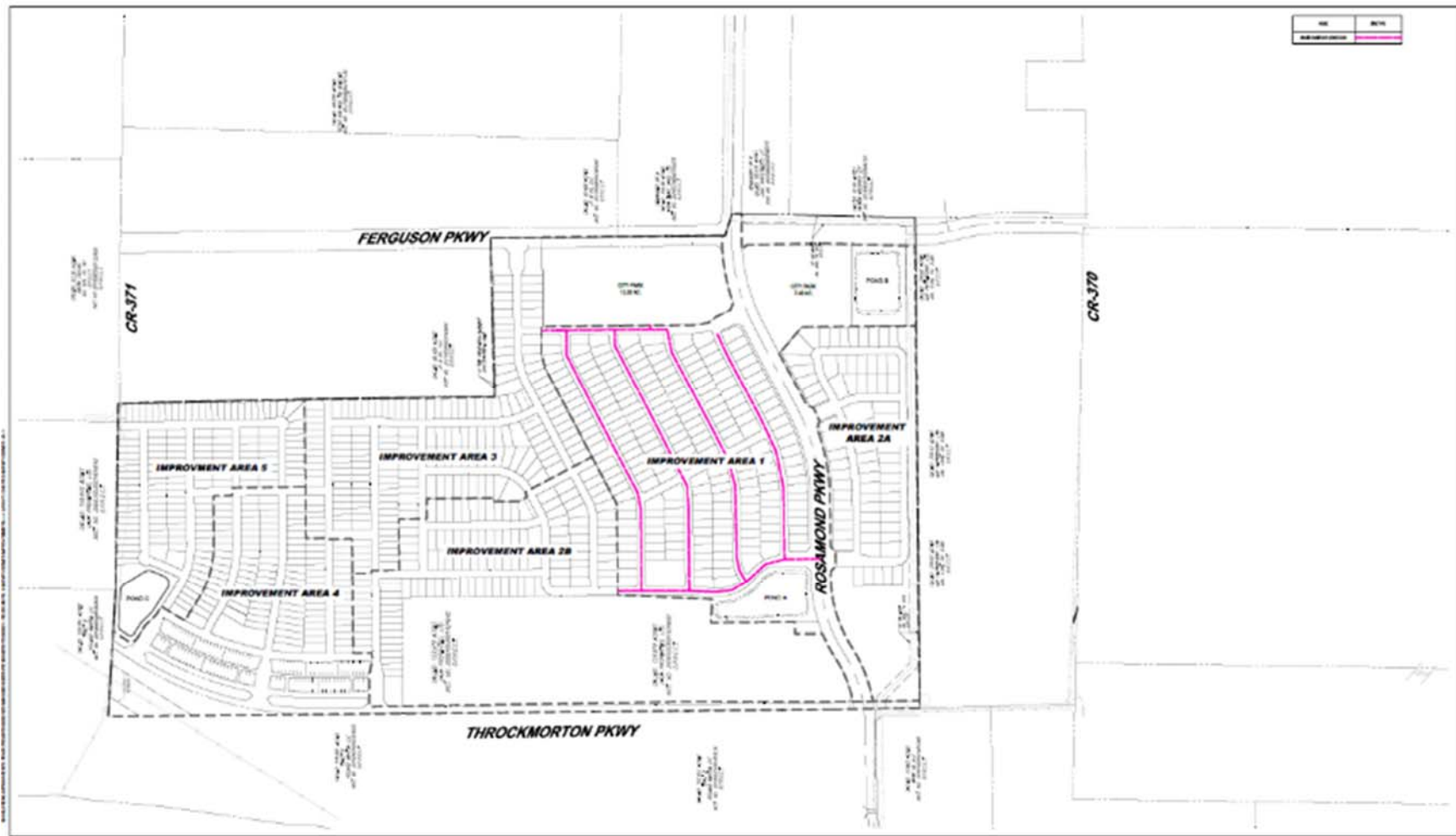
EXHIBIT I-2 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS



BOHLER //
2600 NETWORK BLVD, SUITE 310
FRIEDRICH, TX 77864
PHONE: (714) 447-7200
TX@bohler-eng.com
FAX: (714) 447-7200 (10/15/15 No. 1016447)

EXHIBIT C-1: IMPROVEMENT AREA 1
ON-SITE DEVELOPER ROADWAY IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS





BOHLER //

2000 NETWORK BLVD, SUITE 310
PRISCO, TX 75054
PHONE: (940) 384-7400
TX@Bohler-Eng.com
TSP# NO. 10086 / TSP# L# NO. 12184412

**EXHIBIT D-1: ON-SITE IMPROVEMENT AREA 1
DEVELOPER SANITARY SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**



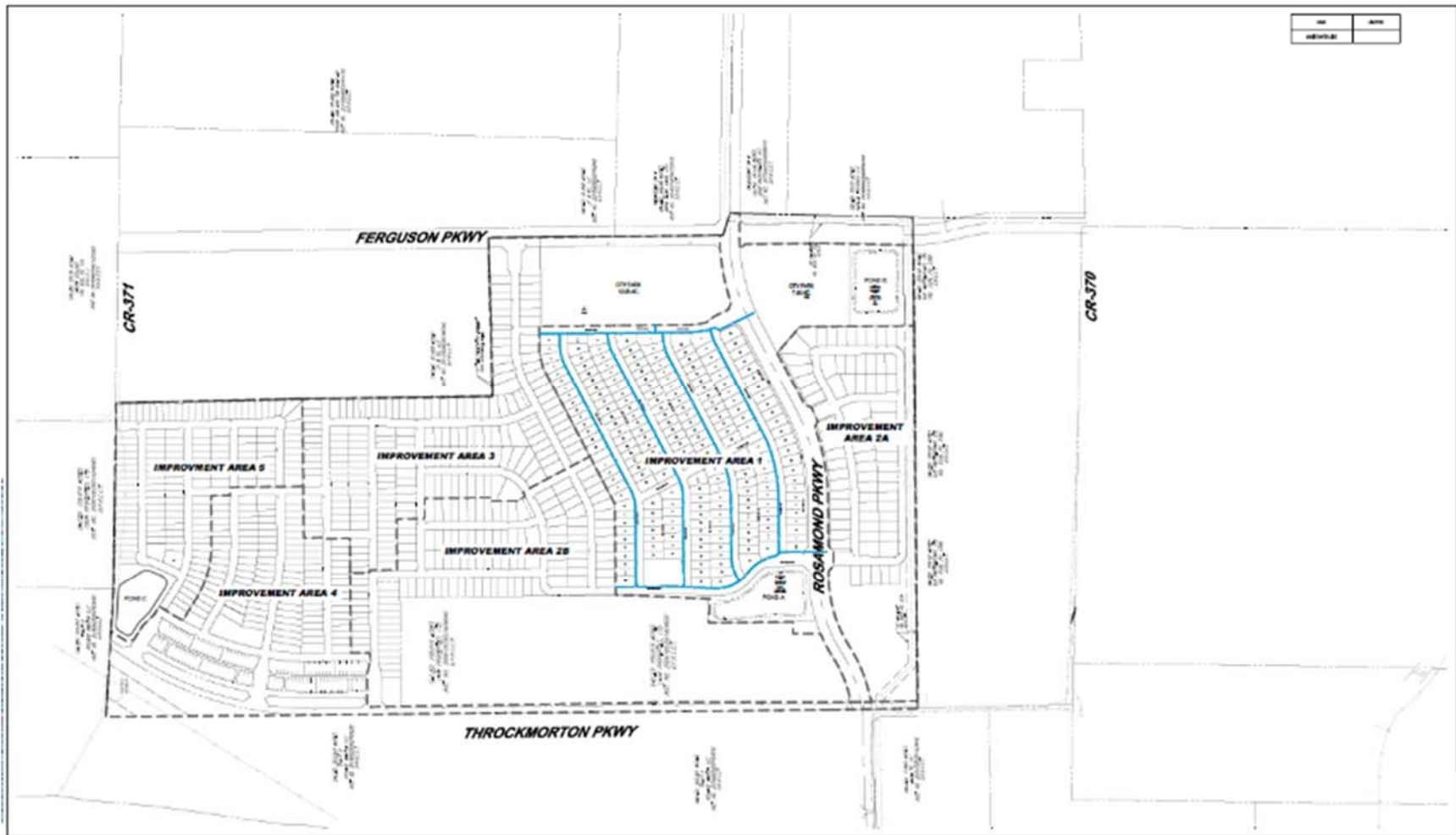


BOHLER //

2600 NETWORK BLVD, SUITE 310
PRISCO, TX 75034
Phone: (940) 426-1708
TX@BohlerEng.com
TSP# 001 00001 / TSP# 001 10104415

**EXHIBIT E-1: ON-SITE IMPROVEMENT AREA 1
DEVELOPER STORM SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**



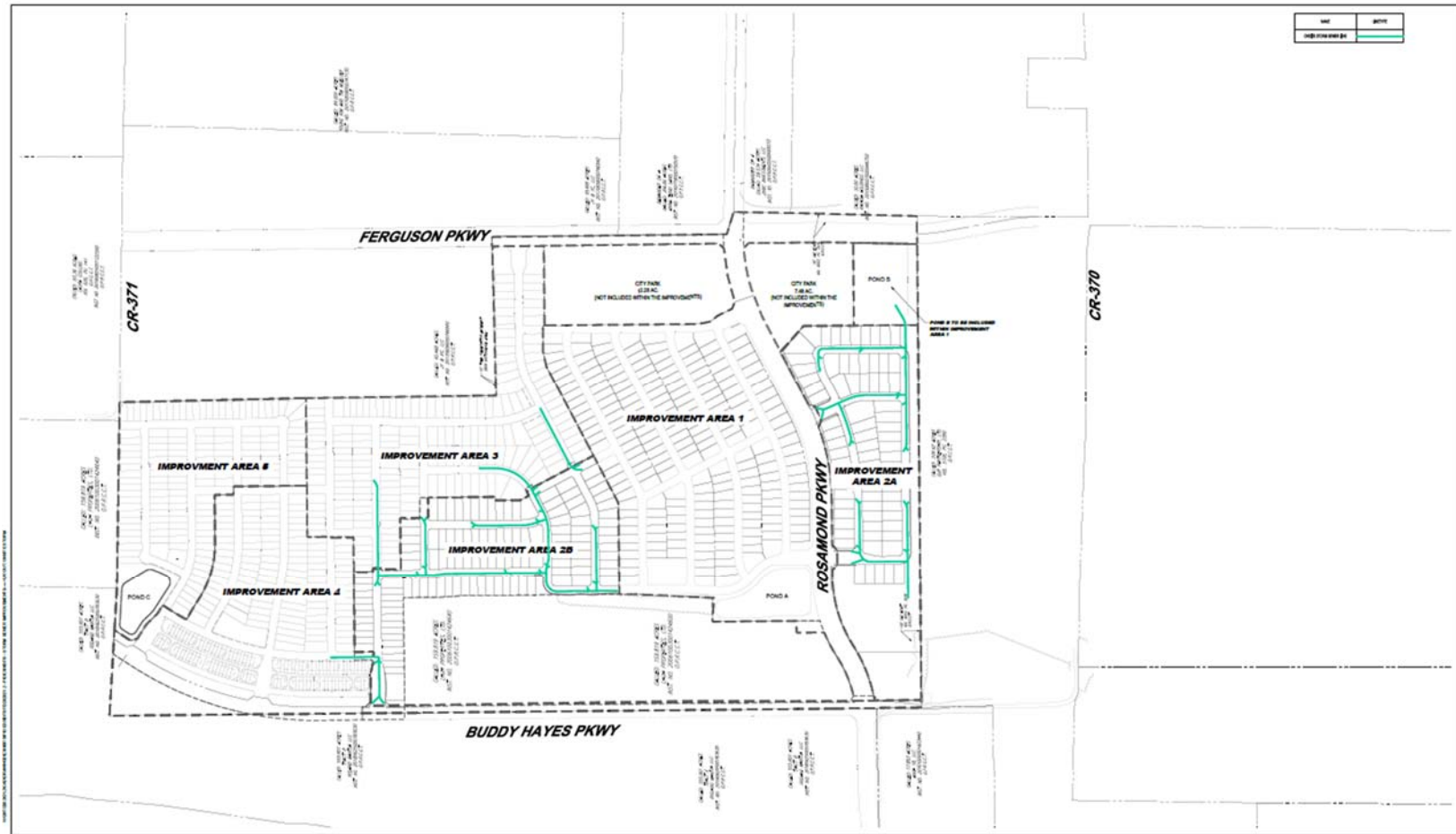


BOHLER //

**EXHIBIT F-1: ON-SITE IMPROVEMENT AREA 1
DEVELOPER WATER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**



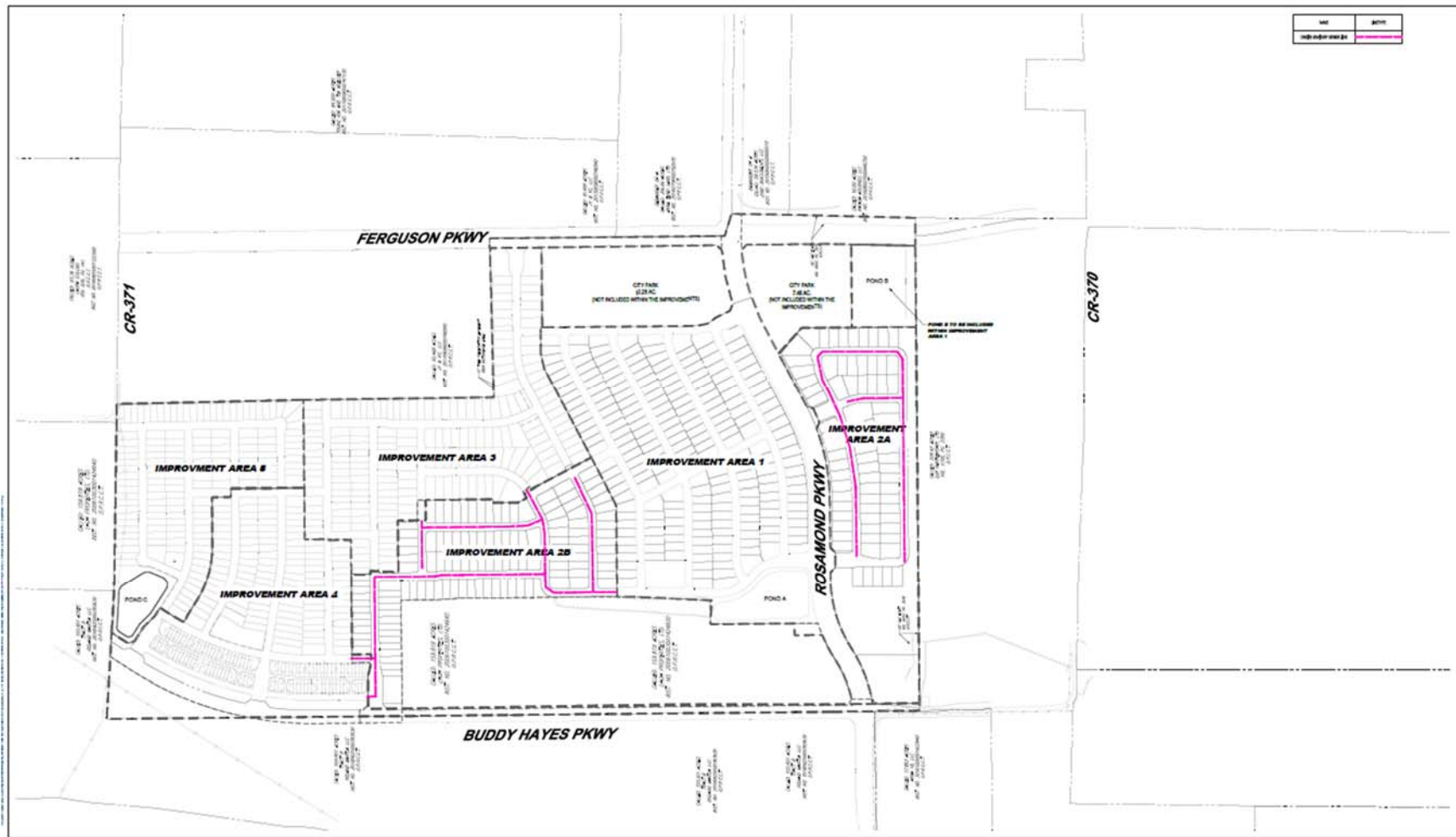
**EXHIBIT I-3 – MAPS OF IMPROVEMENT AREA #2 IMPROVEMENTS, IMPROVEMENT AREA #2-A IMPROVEMENTS,
AND IMPROVEMENT AREA #2-B IMPROVEMENTS**



BOHLER //
2600 NETWORK BLVD, SUITE 310
FRISCO, TX 75034
Phone: (469) 459-7300
TX@BohlerEng.com
TSPE No. 18065 | TSPLE No. 10194413

**EXHIBIT E-1: IMPROVEMENT AREA 2A/2B
DEVELOPER STORM SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**

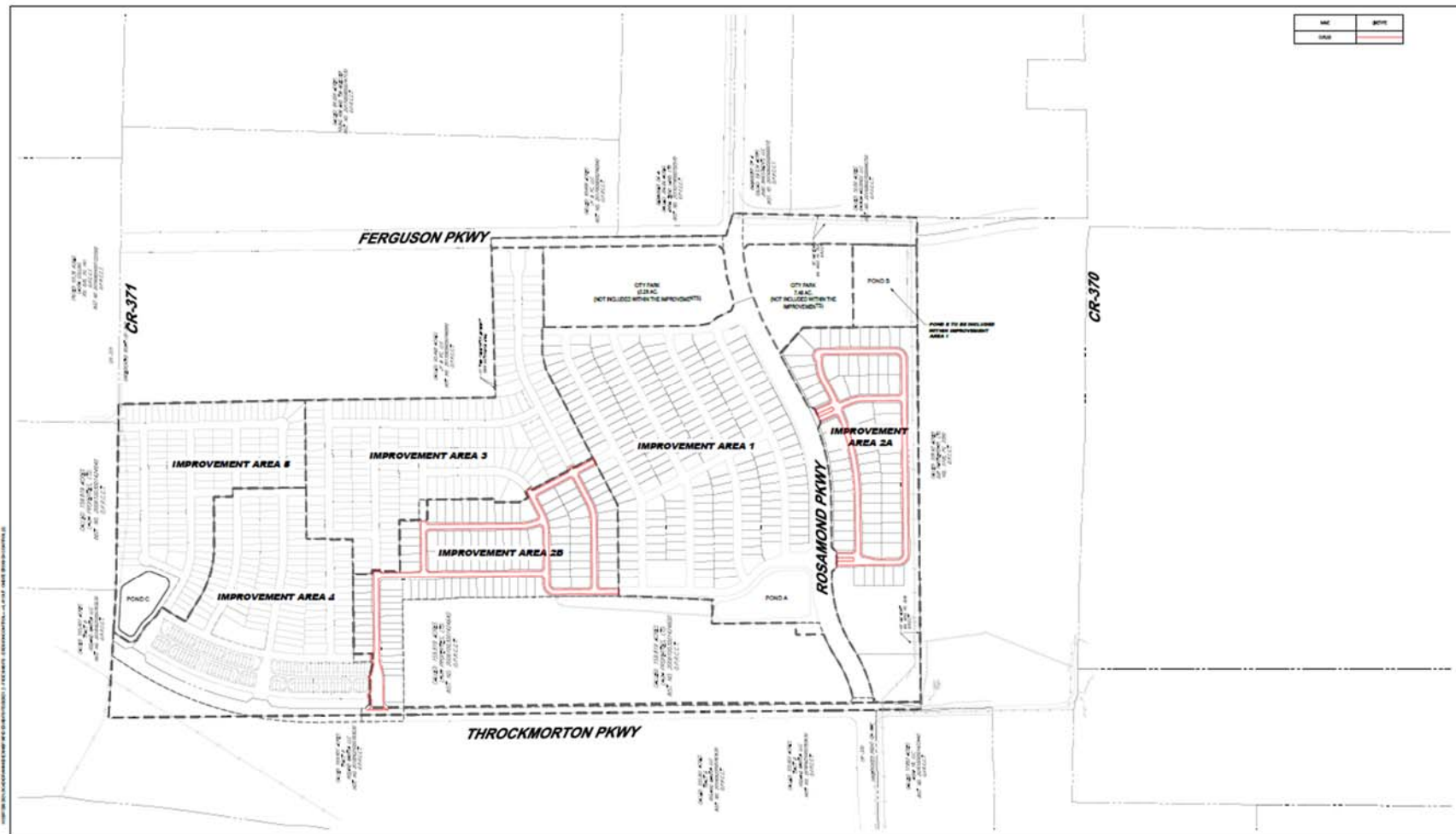




BOHLER //
2600 NETWORK BLVD, SUITE 310
FRISCO, TX 75034
Phone: (469) 459-7300
TX@BohlerEng.com
TSP# No. 18065 | TSP#S No. 10194413

**EXHIBIT D-1: IMPROVEMENT AREA 2A/2B
DEVELOPER SANITARY SEWER IMPROVEMENTS
THE WOODS AT LINDSEY PLACE
ANNA, TEXAS**



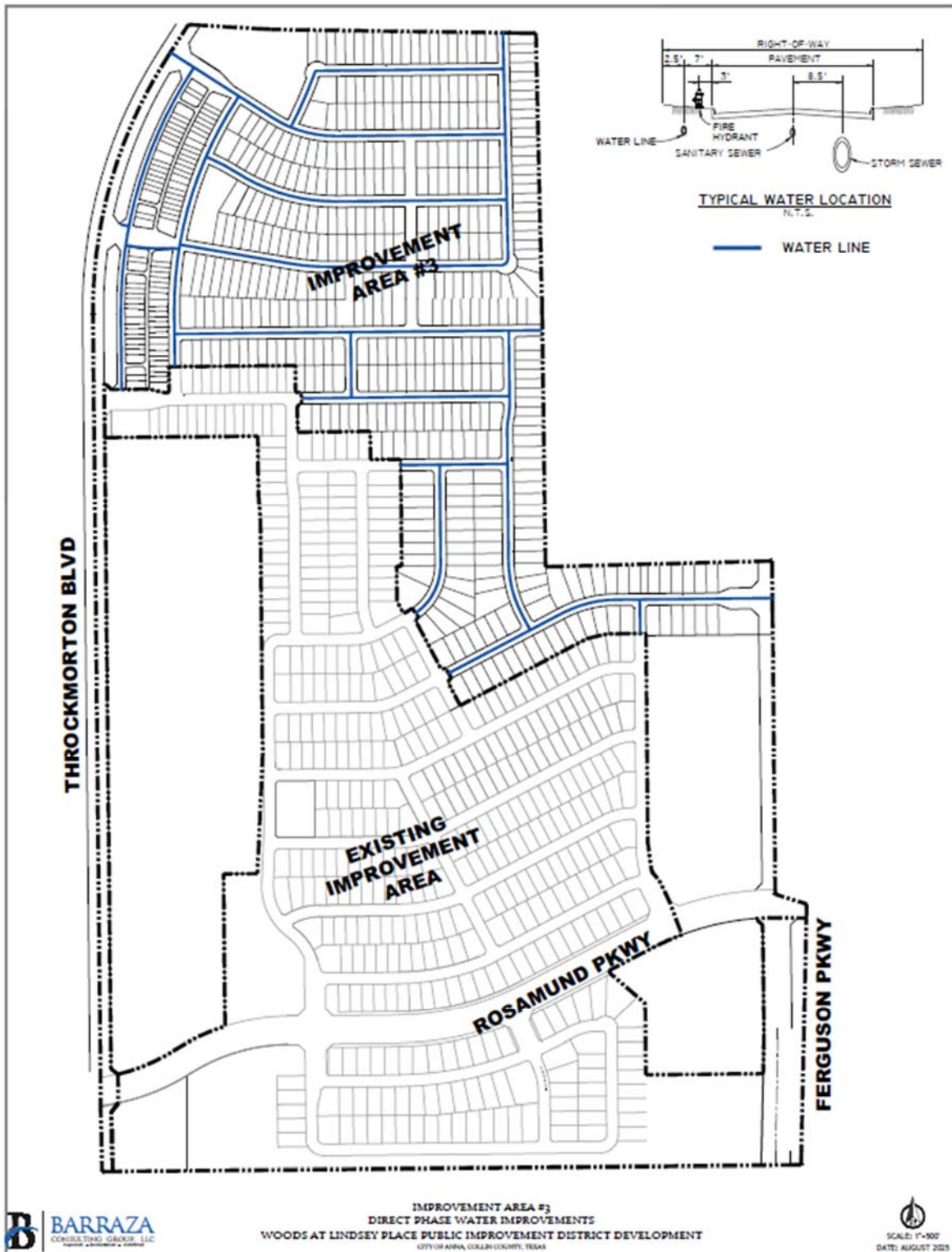


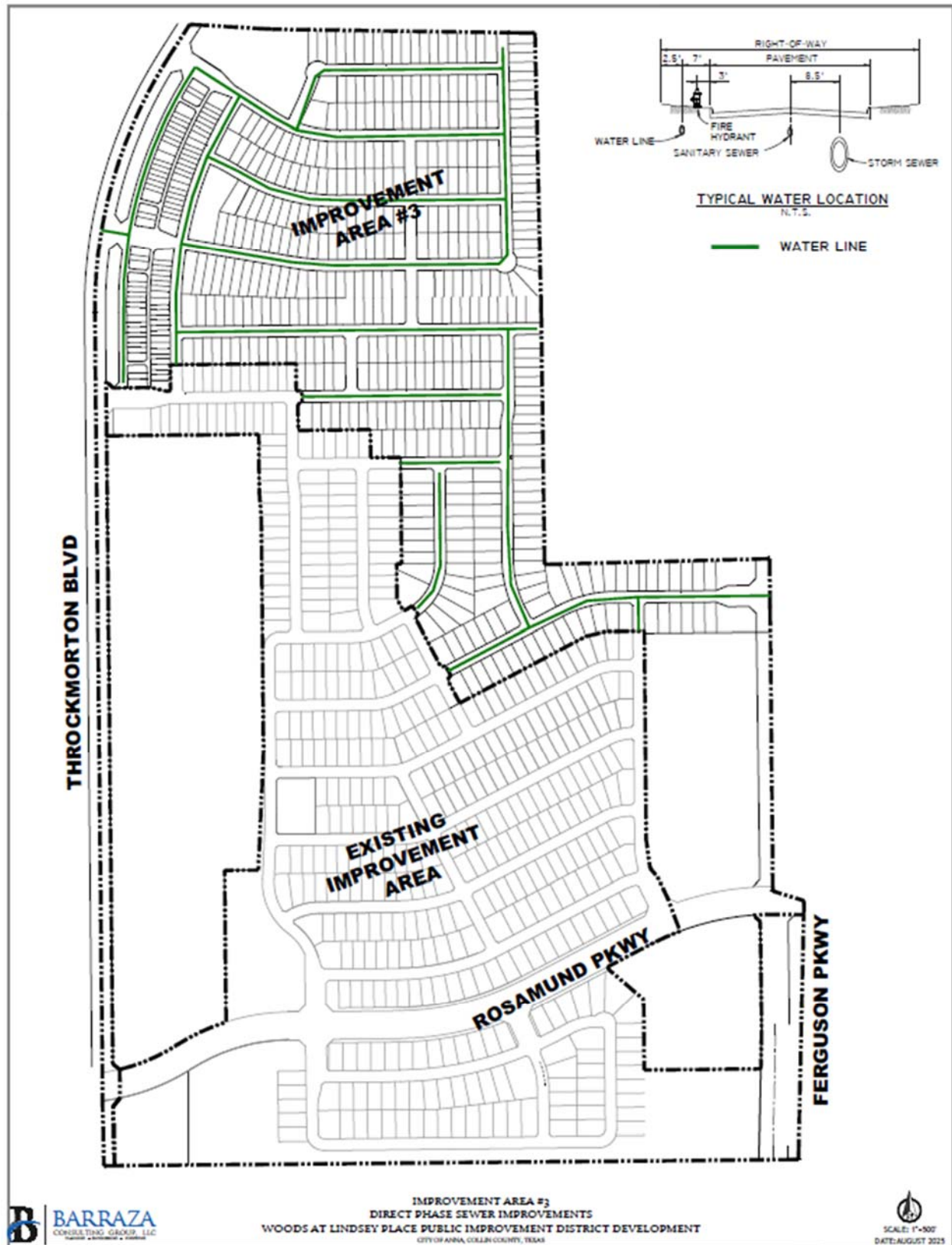
BOHLER
 2600 NETWORK BLVD, SUITE 310
 FRISCO, TX 75034
 Phone: (469) 469-7350
 TX@BohlerEng.com
 TSP# No. 18065 | TSP#L No. 10104413

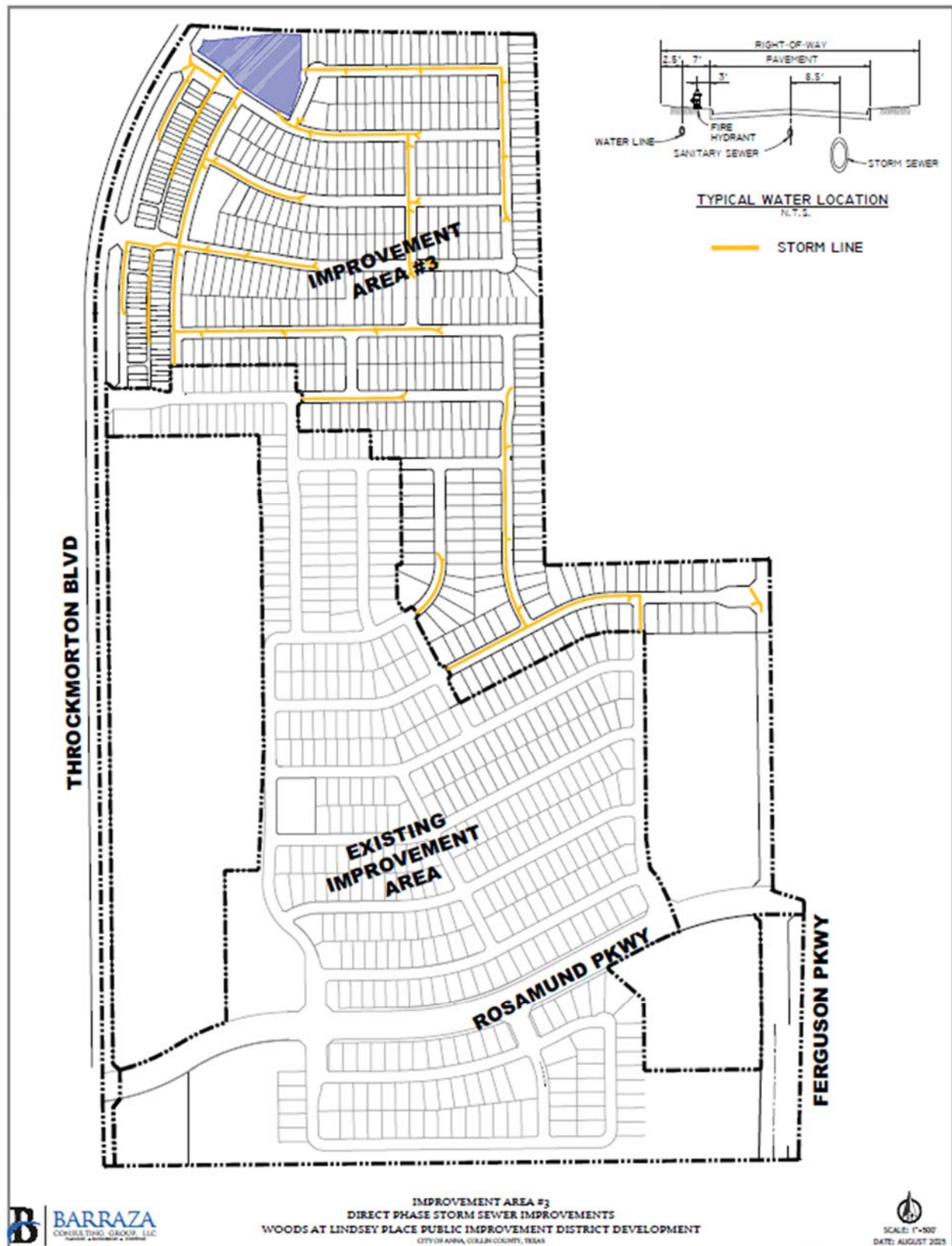
EXHIBIT G-1: IMPROVEMENT AREA 2A/2B
DEVELOPER EROSION CONTROL
THE WOODS AT LINDSEY PLACE
 ANNA, TEXAS

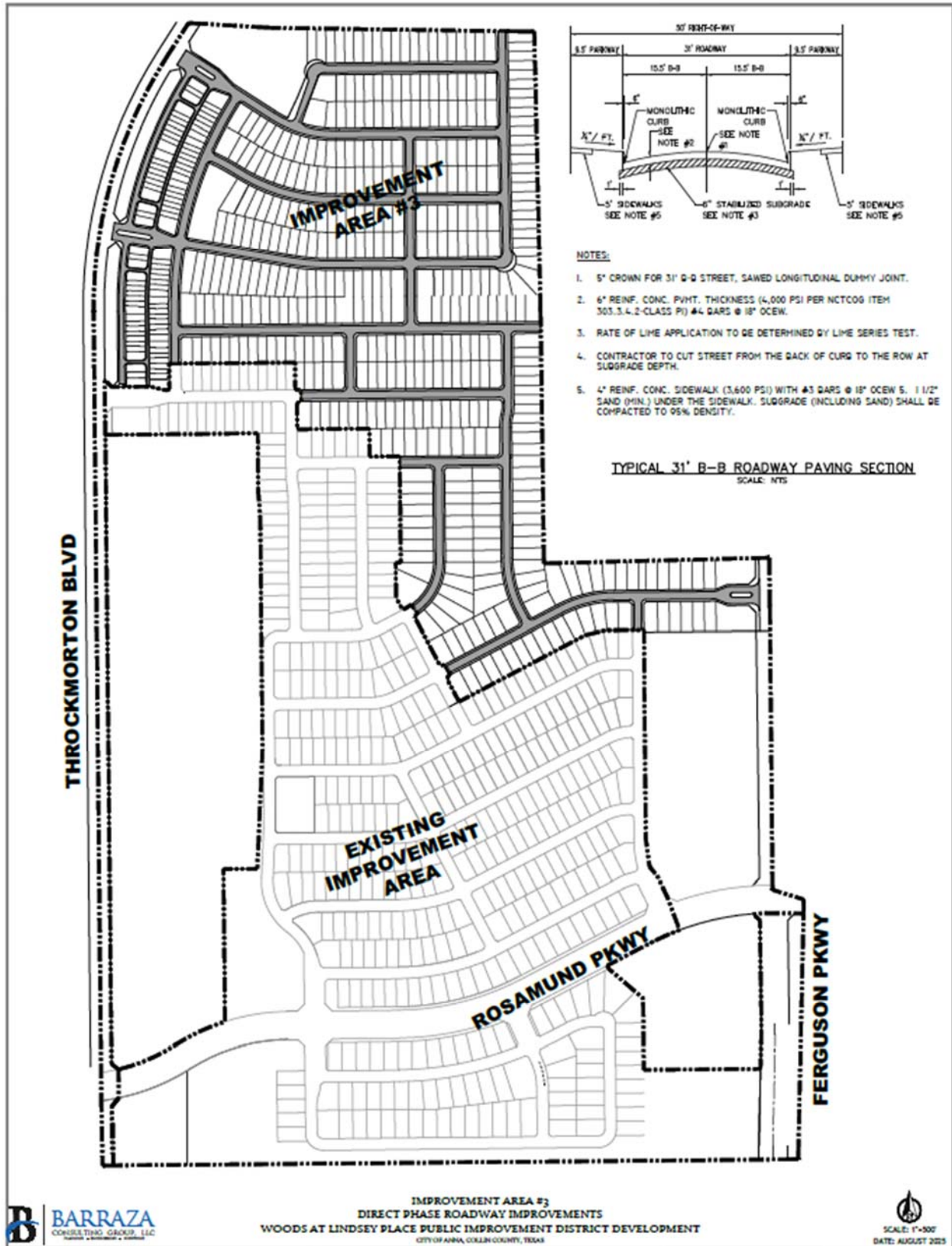


EXHIBIT I-4 – MAPS OF IMPROVEMENT AREA #3 IMPROVEMENTS









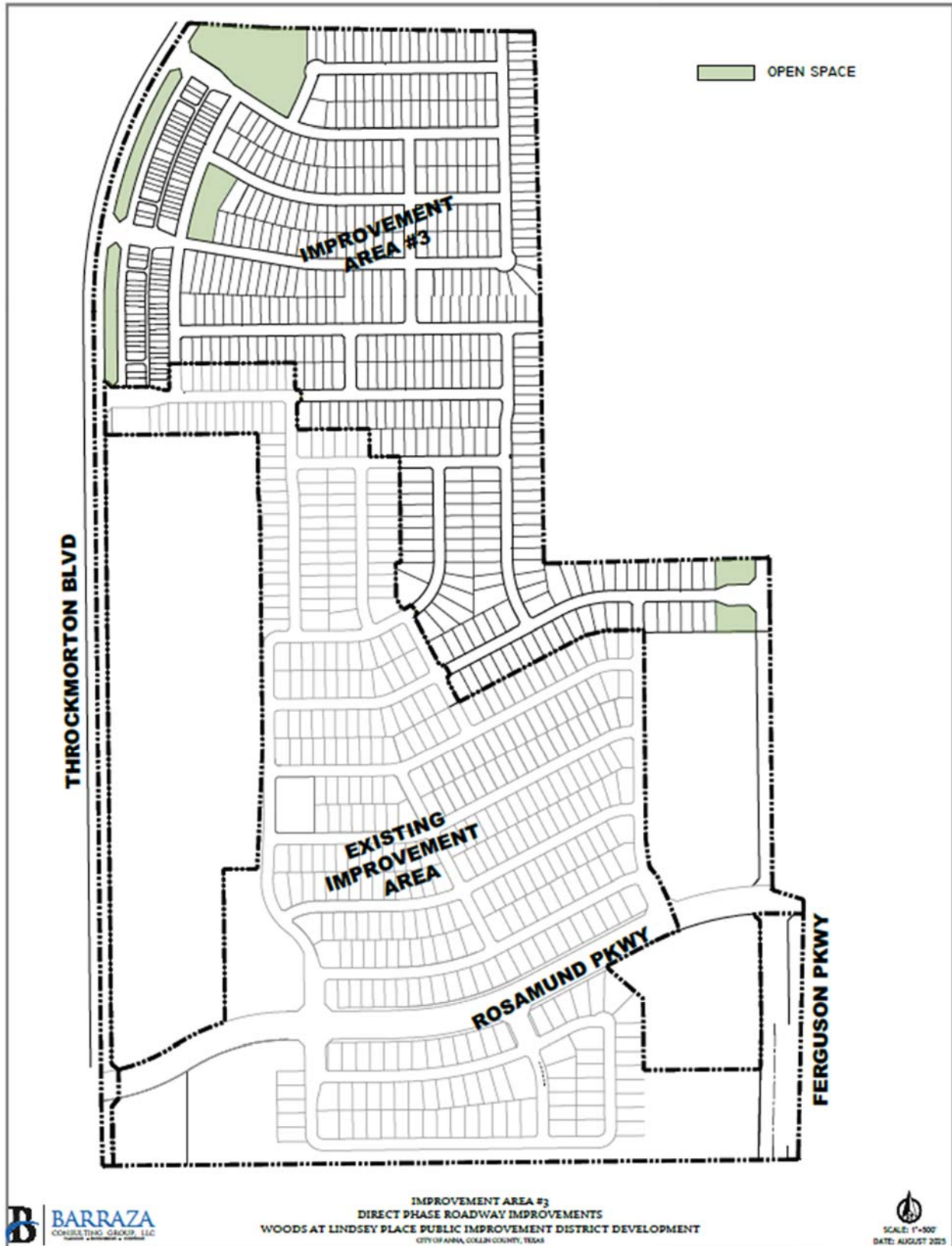


EXHIBIT J – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Collin County Clerk's Office
Honorable [County Clerk]
Collin County Administration Building
2300 Bloomdale Rd, Suite 2106
McKinney, TX 75071

Re: City of Anna Lien Release documents for filing

Dear Ms./Mr. [County Clerk]

Enclosed is a lien release that the City of Anna is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Anna
Attn: City Secretary
120 W. 7th Street
Anna, TX 75409

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

**[City Secretary Name]
120 W. 7th Street
Anna, TX 75409**

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

RECITALS

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") and further imposed a lien to secure the payment of the Lien Amount (the "Lien") against the following property located within the District, to wit:

[legal description], an addition to the City of [City], [County], Texas, according to the map or plat thereof recorded as Instrument No. _____ in the Map Records of Collin County, Texas (the "Property"); and

WHEREAS, the Lien Amount has been paid in full.

RELEASE

NOW THEREFORE, for and in consideration of the full payment of the Lien Amount, the City/County hereby releases and discharges, and by these presents does hereby release and discharge, the Lien to the extent that it affects and encumbers the Property.

EXECUTED to be **EFFECTIVE** this the ____ day of _____, 20__.

CITY OF ANNA, TEXAS,
A Texas home rule municipality,

By: _____
[Manager Name], City Manager

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [City Manager], City Manager for the City of Anna, Texas, a Texas home rule municipality, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT K-1 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

DEBT SERVICE REQUIREMENTS

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

Year Ending (September 30)	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 133,000.00	\$ 391,262.56	\$ 524,262.56
2025	110,000.00	413,977.50	523,977.50
2026	115,000.00	408,615.00	523,615.00
2027	121,000.00	403,008.76	524,008.76
2028	126,000.00	397,110.00	523,110.00
2029	132,000.00	390,967.50	522,967.50
2030	138,000.00	384,532.50	522,532.50
2031	145,000.00	377,805.00	522,805.00
2032	153,000.00	369,648.76	522,648.76
2033	161,000.00	361,042.50	522,042.50
2034	170,000.00	351,986.26	521,986.26
2035	180,000.00	342,423.76	522,423.76
2036	190,000.00	332,298.76	522,298.76
2037	200,000.00	321,611.26	521,611.26
2038	212,000.00	310,361.26	522,361.26
2039	223,000.00	298,436.26	521,436.26
2040	236,000.00	285,892.50	521,892.50
2041	249,000.00	272,617.50	521,617.50
2042	264,000.00	258,611.26	522,611.26
2043	279,000.00	243,761.26	522,761.26
2044	294,000.00	228,067.50	522,067.50
2045	312,000.00	210,795.00	522,795.00
2046	331,000.00	192,465.00	523,465.00
2047	350,000.00	173,018.76	523,018.76
2048	372,000.00	152,456.26	524,456.26
2049	394,000.00	130,601.26	524,601.26
2050	418,000.00	107,453.76	525,453.76
2051	443,000.00	82,896.26	525,896.26
2052	470,000.00	56,870.00	526,870.00
2053	498,000.00	29,257.50	527,257.50
Total	<u>\$7,419,000.00</u>	<u>\$8,279,851.46</u>	<u>\$15,698,851.46</u>

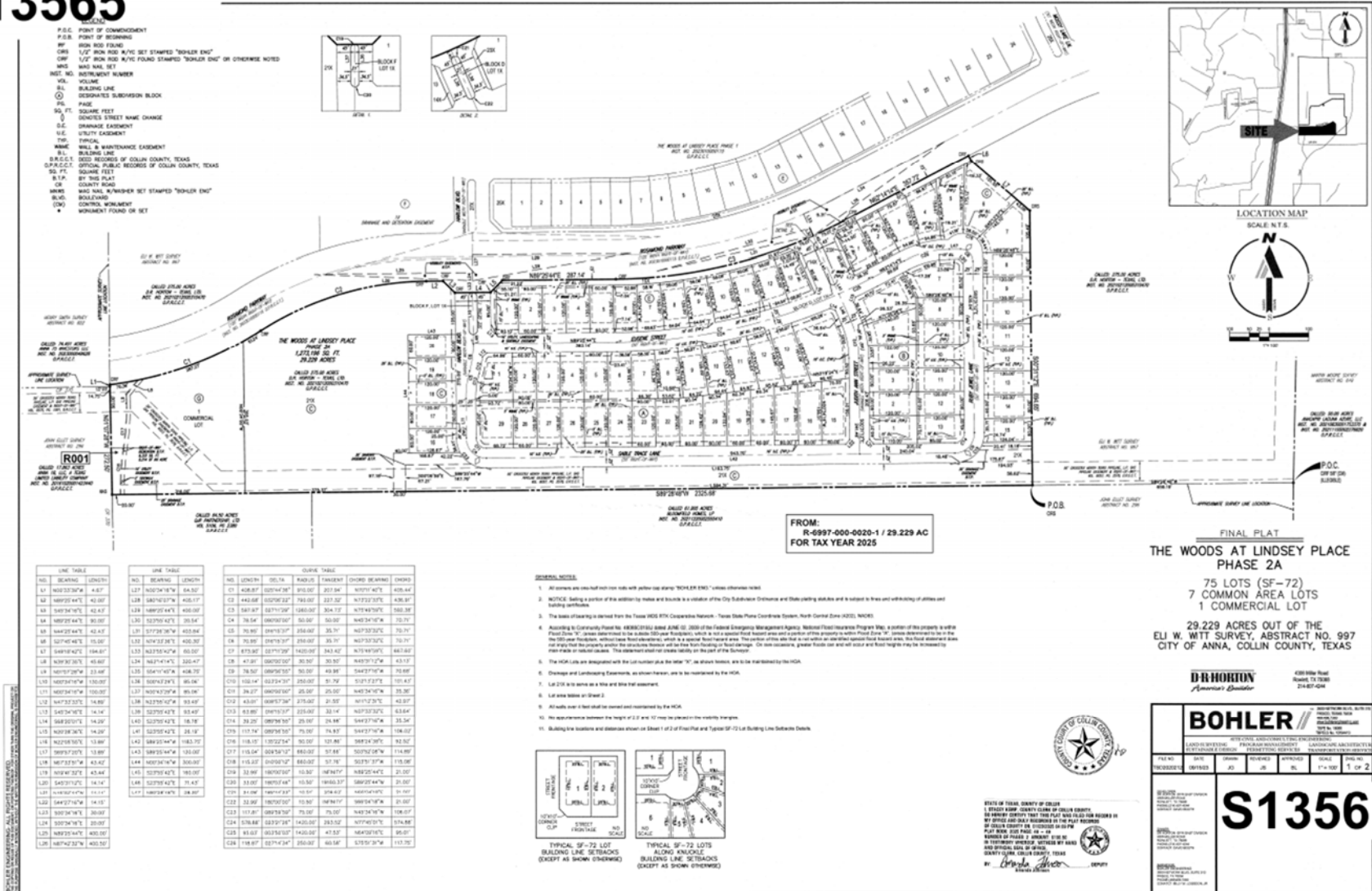
EXHIBIT K-2 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #2-3 BONDS

[To be provided at PID Bond pricing.]

EXHIBIT L-1 – FINAL PLAT OF IMPROVEMENT AREA #2-A

13565

2025 - 2025010000029 01/23/2025 04:09 PM Page 1 of 2



[illegible]

29,129 acres of land.

STATE OF TEXAS, COUNTY OF COLLIER
I, STACY KEMP, CLERK OF COLLIER COUNTY,
DO HEREBY CERTIFY THAT THIS PLAT WAS FILED FOR RECORD
IN THE PUBLIC CLERK'S OFFICE OF COLLIER COUNTY, TEXAS
ON 03/24/2010 AT 04:00 PM. THE PLAT BEARING
THE TITLE: COLLIER COUNTY, TEXAS
PLAT BOOK: 2010 PAGE: 40 - 40
NUMBER OF PAGES: 2 NUMBER: 010000
IN TESTIMONY WHEREOF, I HAVE SET MY HAND
AND OFFICIAL SEAL OF OFFICE
AT COLLIER COUNTY, TEXAS
BY: *Stacy Kemp* CLERK

EXHIBIT L-2 – FINAL PLAT OF IMPROVEMENT AREA #2-B

2025 - 2025010000030 01/24/2025 08:33 AM Page 1 of 2

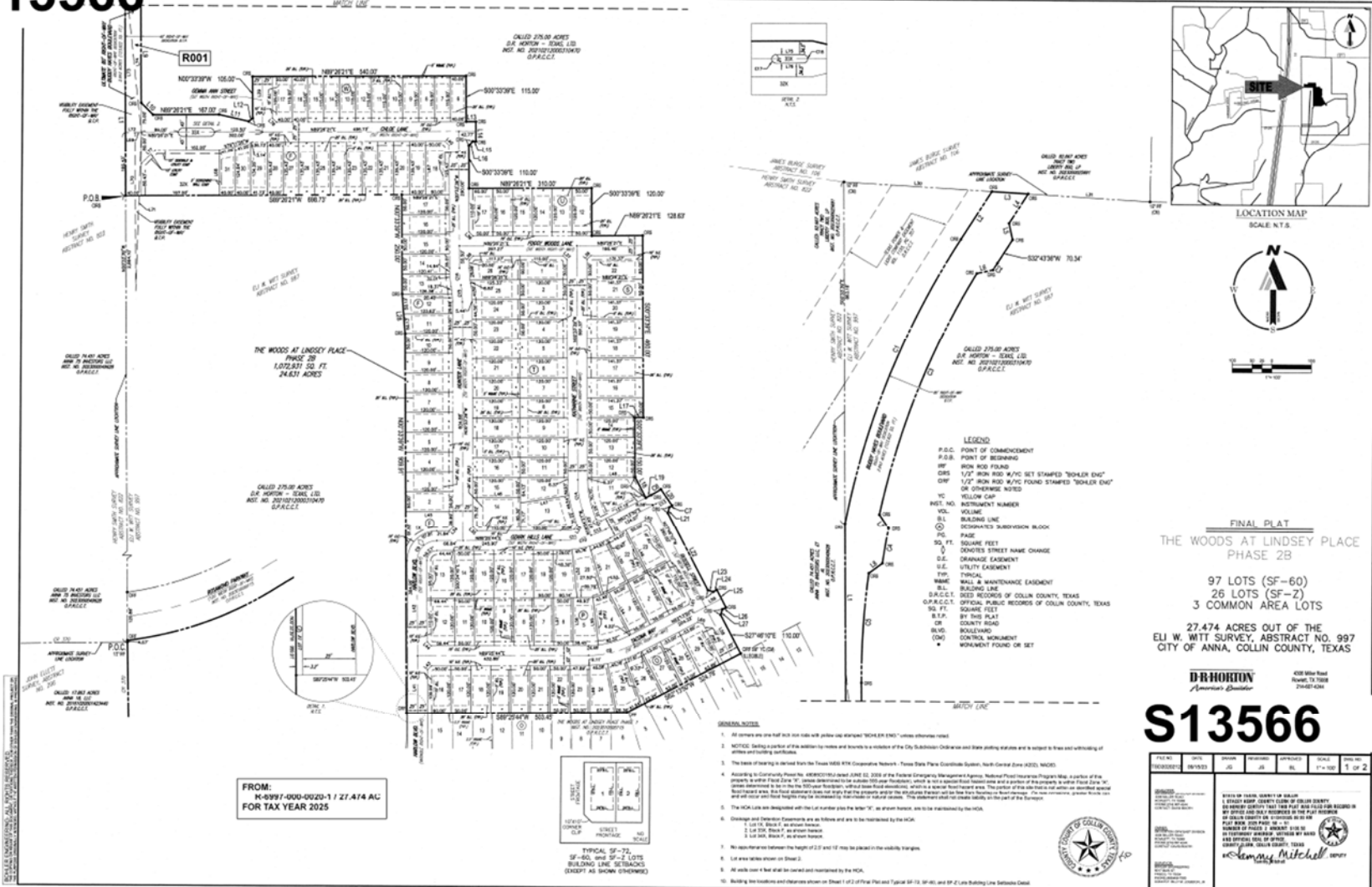
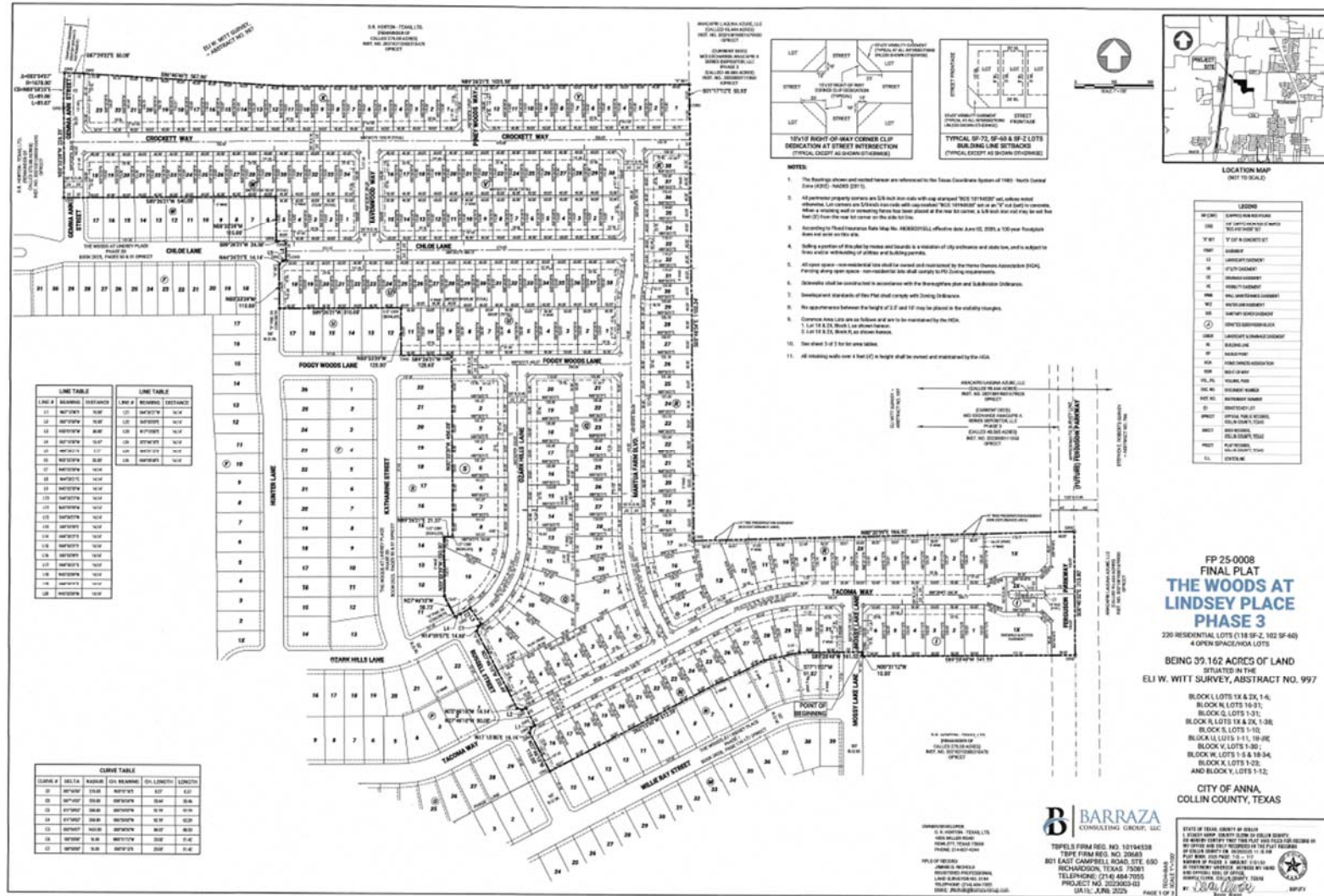


EXHIBIT L-3 - FINAL PLATS OF IMPROVEMENT AREA #3



OWNER'S CERTIFICATION

STATE OF TEXAS §

COUNTY OF COLLIN §

WHEREAS D.A. HORTON TEXAS, LTD. is the owner of that certain tract of land situated in the S.W. 1/4 of Survey, Abstract No. 997, in the City of Anna, Collin County, Texas, and being part of that certain called 279.00 acre tract of land described in deed to D.A. Horton Texas, LTD. recorded in Instrument No. 2021071000010470 of the Collin Public Records of Collin County, Texas (ENR0001), and being more particularly described by metes and bounds as follows:

BEING a 5/8-inch iron rod with cap stamped "GCS 10194038" set at the northeast corner of The Woods at Lindsey Place Phase 1, an addition to the City of Anna, Texas, according to final plat recorded in Book 2023, Page 174-177, (ENR001), said iron rod was being located in the east right-of-way line of Mossy Lake Lane (called 30-foot right-of-way according to said final plat).

THENCE with the northerly line of said The Woods at Lindsey Place Phase 1, the following courses:

South 89°28'48" West, a distance of 161.09 feet;

South 77°17'10" West, a distance of 81.82 feet;

And South 42°12'30" West, a distance of 812.55 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner, said iron rod being located in the northwest right-of-way line of Russell Street (called 50-foot right-of-way according to said The Woods at Lindsey Place Phase 1), and being the northeast corner of The Woods at Lindsey Place Phase 28, an addition to the City of Anna, Texas, according to final plat recorded in Book 2023, Page 50-51, (ENR001);

THENCE with the east and north lines of said The Woods at Lindsey Place Phase 28, the following courses to 5/8-inch iron rods with cap stamped "GCS 10194038" set for corner:

North 27°46'10" West, a distance of 116.08 feet;

North 17°12'50" East, a distance of 14.14 feet;

North 42°12'30" East, a distance of 10.90 feet;

North 27°46'10" West, a distance of 50.00 feet;

South 42°12'30" West, a distance of 10.90 feet;

And North 70°46'10" West, a distance of 14.14 feet;

THENCE continuing with the east and north lines of said The Woods at Lindsey Place Phase 28, the following courses:

North 27°46'10" West, a distance of 233.49 feet to an "X" set in concrete set for corner;

North 49°58'57" East, a distance of 14.68 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner, said iron rod being the beginning of a tangent curve to the left;

Northwardly, with said curve which has a central angle of 27°44'50", a radius of 275.00 feet, a chord which bears North 50°19'11" East, a chord distance of 6.87 feet, and for an arc distance of 8.37 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

Southwardly, with said curve which has a central angle of 27°44'50", a radius of 275.00 feet, a chord which bears South 30°26'24" West, a chord distance of 26.44 feet, and for an arc distance of 26.44 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

South 42°12'30" West, a distance of 15.47 feet to an "X" set in concrete found for corner;

North 27°46'10" West, a distance of 58.75 feet;

North 30°28'31" East, a distance of 21.37 feet to a 1/2-inch iron rod with cap stamped "Barker Ring" found for corner;

North 30°28'31" West, a distance of 485.93 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

South 30°28'31" West, a distance of 138.63 feet to a 5/8-inch iron rod with cap stamped "Barker Ring" found for corner;

South 30°28'31" West, a distance of 210.60 feet to an "X" set in concrete set for corner;

North 40°28'31" East, a distance of 14.14 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

North 30°28'31" East, a distance of 7.77 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

North 30°28'31" West, a distance of 50.00 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

South 30°28'31" West, a distance of 115.81 feet;

And South 30°28'31" West, a distance of 745.00 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner, said iron rod being located at the northeast corner of The Woods at Lindsey Place Phase 28, and being the northeast corner of a called 50-foot right-of-way dedication for Geneva Ann Street according to said final plat;

THENCE over and across said D.A. Horton Texas, LTD. tract, the following courses to 5/8-inch iron rods with cap stamped "GCS 10194038" set for corner:

North 30°28'31" West, a distance of 236.35 feet to the beginning of a tangent curve to the right;

Northwardly, with said curve which has a central angle of 22°04'50", a radius of 182.00 feet, a chord which bears North 30°28'31" East, a chord distance of 70.90 feet, and for an arc distance of 89.87 feet;

And South 30°28'31" East, a distance of 50.00 feet;

THENCE South 30°16'40" East, continuing over and across said D.A. Horton Texas, LTD. tract, a distance of 527.96 feet;

THENCE North 30°28'31" East, continuing over and across said D.A. Horton Texas, LTD. tract, a distance of 1035.00 feet to an "X" set in concrete set for corner in the east line of said D.A. Horton Texas, LTD. tract, and the west line of that certain called 95.444 acre tract of land described in deed to Annapolis Laguna, LLC, recorded in Instrument No. 2021080900010002, (ENR001).

(Continued)

(Continued)

THENCE South 30°16'40" East, with said east line of the D.A. Horton Texas, LTD. tract, and said west line of the Annapolis Laguna, LLC tract, a distance of 50.93 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

THENCE South 30°28'31" East, continuing with said east line of the D.A. Horton Texas, LTD. tract, and said west line of the Annapolis Laguna, LLC tract, a distance of 1189.34 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner at an iron rod corner of said D.A. Horton Texas, LTD. tract and the southeast corner of said Annapolis Laguna, LLC tract;

THENCE North 30°28'31" East, with a north line of the D.A. Horton Texas, LTD. tract and a south line of the Annapolis Laguna, LLC tract, a distance of 713.00 feet to a 5/8-inch iron rod with cap stamped "GCS 10194038" set for corner;

THENCE South 30°28'31" West, over and across said D.A. Horton Texas, LTD. tract, a distance of 341.53 feet to an "X" set in concrete set for corner on said east right-of-way line of Mossy Lake Lane;

THENCE North 30°28'31" West, with said east right-of-way line of Mossy Lake Lane, and The Woods at Lindsey Place Phase 1, a distance of 10.00 feet to the **POINT OF BEGINNING**, and containing an area of 1,703,833 square feet, or 39.162 acres of land;

OWNER'S DEDICATION

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT D.A. HORTON TEXAS, LTD., acting herein by and through its duly authorized officers, does hereby adopt this plat designating the hereinbefore described property as **THE WOODS AT LINDSEY PLACE PHASE 3**, an addition to the City of Anna, Texas, and does hereby dedicate, in fee simple, to the public use forever, the streets and alleys shown thereon. The streets and alleys so dedicated for street purposes. The easements and public use areas, all shown, are dedicated for the public use forever, for the purposes indicated on this plat. No buildings, fences, trees, shrubs, or other improvements or growth shall be constructed or placed upon, over, or across the easements or areas shown, except that landscape improvements may be placed in landscape easements, if approved by the City of Anna. In addition, utility easements may also be used for the public use and accommodation of all public utilities desiring to use or using the same which the easement limits the use to particular utility, said use by public utilities being subordinate to the public and City of Anna use thereof. The City of Anna and public utility entities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs, or other improvements or growth which may in any way encroach or interfere with the construction, maintenance, or efficiency of their respective systems in said easements. The City of Anna and public utility entities shall at all times have the full right of ingress and egress to or from their respective easements for the purpose of constructing, reconstructing, repairing, protecting, maintaining, modifying, widening, and adding to or removing all or parts of their respective systems without the necessity of any form of procuring permission from anyone.

That the undersigned does hereby consent and agree that he (they) shall construct upon the fee law easements, as indicated and shown hereon, a hard surface and that he (they) shall maintain the same in a state of good repair at all times and keep the same free and clear of any structures, fences, trees, shrubs, or other improvements or obstructions, including but not limited to the planting of trees, shrubs, plants, or other improvements to the easement, and the owner shall permit the maintenance of paving on the fee law easements in the responsibility of the owner, and the owner shall post and maintain appropriate signs in conspicuous places along such fee law easement, stating "The Lane, No Parking." The public or its duly authorized representatives is hereby authorized to remove such fee law easement and utility easements to be maintained free and unobstructed at all times for the Department and emergency use.

This agreement subject to all existing ordinances, rules, and regulations of the City of Anna, Texas.

WITNESS, my hand this 21st day of June, 2023.

By: D.A. HORTON TEXAS, LTD.

[Signature]
David Booth
Land Acquisition Development Manager

[Signature]
David Booth for
Printed Name and Title

STATE OF TEXAS §

COUNTY OF DALLAS §

I, the undersigned authority, a notary public in and for the state of Texas, on this day personally appeared David Booth, known to me to be the person and whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and he acknowledged to me that he executed the same for the purposes and consideration therein expressed and he acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of June, 2023.

[Signature]
Notary Public in and for the State of Texas

MY COMMISSION EXPIRES: 6-14-28

[Signature]
Notary Public in and for the State of Texas

VAM EASEMENT

The area or areas shown on this plat as "VAM" (Visibility, Access, and Maintenance) easement(s) are hereby given and granted to the city, its successors and assigns, as an easement to provide visibility, right of access, and maintenance upon all streets and utility easements. The city shall have the right, but not the obligation, to maintain any and all landscaping within the VAM easement. Should the city maintain this easement, it shall be permitted to remove and dispose of any and all trees, shrubs, plants, or other improvements or growth within the VAM easement, including without limitation, any trees, shrubs, plants, flowers, ground cover, and foliage. The city may with the maintenance of the VAM easement at any time. The ultimate maintenance responsibility for the VAM easement shall rest with the owner. No building, fence, shrub, tree, or other improvement or growth, which in any way encroaches or interferes with the visibility, shall be constructed in, on, over, or across the VAM easement. The city shall also have the right, but not the obligation, to add any landscape improvements to the VAM easement, to erect any traffic control devices or signs on the VAM easement, and to remove any obstructions thereon. The city, its successors, assigns, or agents, shall have the right and privilege at all times to enter upon the VAM easement or any part thereof for the purpose and with all rights and privileges set forth herein.

SURVEYOR'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

That JAMES D. NICHOLS, a registered professional land surveyor, do hereby certify that this plat was prepared and the field notes made a part hereof from an actual and accurate survey of the land and that the corner measurements shown herein were found or properly placed under my personal supervision in accordance with the City of Anna Subdivision Regulations.

DATED THIS 21st DAY OF June, 2023.

[Signature]
JAMES D. NICHOLS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1694

[Signature]
Notary Public in and for the State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

I, the undersigned authority, a notary public in and for the State of Texas, on this day personally appeared JAMES D. NICHOLS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of June, 2023.

[Signature]
Notary Public in and for the State of Texas

MY COMMISSION EXPIRES: 06-30-2027

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

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Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

FP 25-0008
FINAL PLAT
THE WOODS AT LINDSEY PLACE PHASE 3
220 RESIDENTIAL LOTS (118 SF-2, 102 SF-40)
4 OPEN SPACE/NOA LOTS
BEING 39.162 ACRES OF LAND
SITUATED IN THE
ELJ W. WITT SURVEY, ABSTRACT NO. 997

BLOCK L LOTS 1X & 2X, 1-4;
BLOCK N LOTS 1X-31;
BLOCK G LOTS 1-31;
BLOCK R LOTS 1X & 2X, 1-30;
BLOCK S LOTS 1-30;
BLOCK W LOTS 1-11, 18-30;
BLOCK V LOTS 1-30;
BLOCK W LOTS 1-5 & 18-34;
BLOCK X LOTS 1-22;
AND BLOCK Y LOTS 1-12;

CITY OF ANNA,
COLLIN COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF COLLIN
I, JAMES D. NICHOLS, a registered professional land surveyor, do hereby certify that this plat was prepared and the field notes made a part hereof from an actual and accurate survey of the land and that the corner measurements shown herein were found or properly placed under my personal supervision in accordance with the City of Anna Subdivision Regulations.
DATED THIS 21st DAY OF June, 2023.
JAMES D. NICHOLS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1694
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My Commission Expires: 06-30-2027

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

[Signature]
Notary Public in and for the State of Texas

EXHIBIT M-1 – DISTRICT LEGAL DESCRIPTION

Exhibit Q – Overall PID Legal Description

FIELD DESCRIPTION:

BEING a tract of land situated in the Town of Anna, Collin County, Texas, a part of Eli Witt Survey, Abstract No. 997, being part of a called 275.00 acre tract of land described in a Special Warranty Deed to D.R. Horton – Texas, Ltd., recorded in Instrument No. 20210212000310470, Official Public Records, Collin County, Texas (O.P.R.C.C.T), and being more particularly described as follows:

COMMENCING at a five-eighths inch iron rod with yellow plastic cap that is illegible found at the southeast corner of said 275.00 acre tract of land, said iron rod being at the northeast corner of a called 226.62 acre tract of land described in a Warranty Deed to QJR Partnership, Ltd. recorded in Volume 5106, Page 2380, O.P.R.C.C.T and said iron rod being in the west line of a called 50.00 acre tract of land described in a Special Warranty Deed with Vendor's Lien to MCI Preferred Income Fund II, LLC, recorded in Instrument No. 20210830001753370, (O.P.R.C.C.T);

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 168.60 feet along the south line of said 275.00 acre tract of land and along the north line of said 226.62 acre tract of land to the **POINT OF BEGINNING** of the herein described tract of land;

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 2,480.27 feet along the south line of said 275.00 acre tract of land) and along the north line of said 226.62 acre tract of land to a point for corner, from which a one-half inch iron rod with yellow plastic cap stamped "BOHLER ENG" set (hereinafter called "iron rod set") at the southwest corner of said 275.00 acre tract of land bears South 89 degrees 28 minutes 48 seconds West, a distance of 335.99 feet

THENCE North 00 degrees 34 minutes 00 seconds West, a distance of 385.03 feet to a point for corner;

THENCE North 29 degrees 27 minutes 03 seconds West, a distance of 120.00 feet to a point for corner;

THENCE Northeasterly 44.49 feet along a non-tangent curve to the left, having a central angle of 03 degrees 13 minutes 35 seconds, a radius of 790.00 feet, a tangent of 22.25 feet and whose cord bears North 58 degrees 56 minutes 09 seconds East, a cord distance of 44.48 feet to a point for corner;

THENCE Northeasterly 236.99 feet along a curve to the right, having a central angle of 14 degrees 55 minutes 17 seconds, a radius of 910.00 feet, a tangent of 119.17 feet and whose cord bears North 64 degrees 47 minutes 01 seconds East, a cord distance of 236.32 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 652.43 feet to a point for corner;

THENCE North 89 degrees 26 minutes 21 seconds East, a distance of 144.81 feet to a point for corner;

THENCE North 02 degrees 33 minutes 19 seconds East, a distance of 504.55 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 1,369.34 feet to a point for corner;

THENCE South 89 degrees 26 minutes 21 seconds West, a distance of 620.00 feet to a point for corner;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 526.78 feet to a point for corner;

THENCE Northeasterly 1,091.99 feet along a curve to the right, having a central angle of 32 degrees 41 minutes 20 seconds, a radius of 1,914.00 feet, a tangent of 561.30 feet and whose cord bears North 15 degrees 47 minutes 01 seconds East, a cord distance of 1,077.24 feet to a point for corner;

THENCE North 32 degrees 39 minutes 37 seconds East, a distance of 90.00 feet to a point for corner;

THENCE North 32 degrees 43 minutes 36 seconds East, a distance of 144.49 feet to a point in the north line of said 275.00 acre tract of land, said point being a the south line of a called 555.801 acre tract of land, described as Tract B in a Special Warranty Deed to Risland Mantua, LLC, recorded in Instrument No. 20180625000783630, (O.P.R.C.C.T);

THENCE South 86 degrees 39 minutes 03 seconds East, a distance of 255.78 feet along the north line of said 275.00 acre tract of land and along a south line of said 555.801 acre tract of land to a one-half inch iron rod found for corner, from which a one-half inch iron rod found bears North 01 degrees 19 minutes 02 seconds West, a distance of 2.04 feet;

THENCE South 89 degrees 10 minutes 24 seconds East, a distance of 1,018.92 feet along the north line of said 275.00 acre tract of land to a one-half inch iron rod set for corner, said iron rod being at the southwest corner of a called 83.36 acre tract of land described in a Quit Claim Deed to Alta McClain, recorded in Volume 626, Page 141, (D.R.C.C.T) which is now listed in the Collin County Appraisal District records as being owned by Laura Collins to which no transfer of title either direct or indirect can be found in Collin County Deed Records;

THENCE South 89 degrees 16 minutes 53 seconds East, a distance of 111.06 feet along a north line of said 275.00 acre tract of land and along the south line of said 83.36 acre tract of land to a one-half inch iron rod set at the northeast corner of said 275.00 acre tract of land, said iron rod being at the northwest corner of a called 95.444 acre tract of land described in a Special Warranty Deed with Vendor's Lien to MCI PREFERRED INCOME FUND II, LLC, recorded in Instrument No. 20210819001679920, (O.P.R.C.C.T);

THENCE along the east line of said 275.00 acre tract of land and along the west line of said 95.444 acre tract of land as follows:

South 01 degrees 16 minutes 44 seconds East, a distance of 1,185.56 feet to a one-half inch iron rod with yellow cap stamped "JBI" found for corner;

South 00 degrees 47 minutes 08 seconds East, a distance of 1,100.00 feet to a one-half inch iron rod set at the most westerly southwest corner of said 95.444 acre tract of land;

THENCE North 88 degrees 32 minutes 52 seconds East, a distance of 906.82 feet along the most easterly north line of said 275.00 acre tract of land and along the most westerly south line of said 95.444 acre tract of land to a point for corner;

THENCE South 00 degrees 44 minutes 46 seconds East, a distance of 314.82 feet to a point for corner;

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 481.91 feet to a point for corner;

THENCE South 00 degrees 31 minutes 12 seconds East, a distance of 889.34 feet to a point for corner;

THENCE Southeasterly 120.981 feet along a curve to the left, having a central angle of 14 degrees 35 minutes 35 seconds, a radius of 475.00 feet, a tangent of 60.82 feet and whose cord bears South 07 degrees 49 minutes 00 seconds East, a cord distance of 120.66 feet to a point for corner;

THENCE South 39 degrees 17 minutes 34 seconds East, a distance of 55.80 feet to a point for corner;

THENCE Southeasterly 38.63 feet along a non-tangent curve to the left, having a central angle of 04 degrees 51 minutes 53 seconds, a radius of 455.00 feet, a tangent of 19.33 feet and whose cord bears South 23 degrees 58 minutes 10 seconds East, a cord distance of 38.62 feet to a point for corner;

THENCE South 26 degrees 24 minutes 07 seconds East, a distance of 56.52 feet to a point for corner;

THENCE South 68 degrees 02 minutes 34 seconds East, a distance of 44.84 feet to a point for corner;

THENCE Northeasterly 361.48 feet along a non-tangent curve to the right, having a central angle of 16 degrees 26 minutes 14 seconds, a radius of 1,260.00 feet, a tangent of 181.99 feet and whose cord bears North 79 degrees 13 minutes 01 seconds East, a cord distance of 360.24 feet to a point for corner;

THENCE South 00 degrees 44 minutes 46 seconds East, a distance of 120.07 feet to a point for corner;

THENCE Southwesterly 497.56 feet along a non-tangent curve to the left, having a central angle of 25 degrees 00 minutes 25 seconds, a radius of 1,140.00 feet, a tangent of 252.80 feet and whose cord bears South 74 degrees 44 minutes 27 seconds West, a cord distance of 493.62 feet to a point for corner;

THENCE South 62 degrees 14 minutes 14 seconds West, a distance of 202.70 feet to a point for corner;

THENCE South 27 degrees 45 minutes 46 seconds East, a distance of 15.00 feet to a point for corner;

THENCE South 49 degrees 18 minutes 42 seconds East, a distance of 194.61 feet to a point for corner;

THENCE South 00 degrees 31 minutes 12 seconds East, a distance of 305.98 feet to a point for corner;

THENCE North 89 degrees 28 minutes 48 seconds East, a distance of 501.05 feet to a point for corner;

THENCE South 01 degrees 14 minutes 22 seconds West, a distance of 327.87 feet to a point for corner;

THENCE Southeasterly 60.96 feet along a curve to the left, having a central angle of 02 degrees 46 minutes 20 seconds, a radius of 1,260.00 feet, a tangent of 30.49 feet and whose cord bears South 00 degrees 08 minutes 48 seconds East, a cord distance of 60.96 feet to the **POINT OF BEGINNING** and containing 8,625,128 square feet or 198.006 acres.

EXHIBIT M-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

Exhibit Q-1 – PID Improvement Area 1 Legal Description

WHEREAS, LHJH PROPERTIES, LTD., is the owner of a tract of land situated in the Town of Anna, Collin County, Texas, a part of Eli Witt Survey, Abstract No. 997, being part of a called 159.819 acre tract of land described in a Special Warranty Deed to LHJH Properties, Ltd., recorded in Instrument No. 20061003001424600, Official Public Records, Collin County, Texas (O.P.R.C.C.T) and being more particularly described as follows:

BEGINNING at a five-eighths inch iron rod with yellow plastic cap that is illegible found at the southeast corner of said 159.819 acre tract of land and the northeast corner of a called 226.62 acre tract of land described in a Warranty Deed to QJR Partnership, Ltd. recorded in Volume 5106, Page 2380, O.P.R.C.C.T and said iron rod being in the west line of a called 50.00 acre tract of land described in a Special Warranty Deed to Kayasa Holdings, LLC, recorded in Instrument No. 201908007000946750, (O.P.R.C.C.T);

THENCE South 89 degrees 28 minutes 48 seconds West, a distance of 659.19 feet along the south line of said 159.819 acre tract of land and along the north line of said 226.62 acre tract of land to a one-half inch iron rod with yellow plastic cap stamped "BOHLER ENG" (hereinafter called "iron rod set") set for corner;

THENCE over and across said 159.819 acre tract of land, the following courses and distances:

North 00 degrees 31 minutes 12 seconds West, a distance of 694.65 feet to a capped iron rod set for corner;

North 49 degrees 18 minutes 42 seconds West, a distance of 194.61 feet to a capped iron rod set for corner;

North 27 degrees 45 minutes 46 seconds West, a distance of 15.00 feet to a capped iron rod set for corner;

South 62 degrees 14 minutes 14 seconds West, a distance of 357.72 feet to a capped iron rod set at the beginning of a tangent curve to the right;

In a southwesterly direction, a distance of 597.97 feet, having a central angle of 27 degrees 11 minutes 29 seconds, a radius of 1,260.00 feet, a tangent length of 304.73 feet and whose chord bears South 75 degrees 49 minutes 59 seconds West a distance of 592.38 feet to a capped iron rod set for corner;

South 89 degrees 25 minutes 44 seconds West, a distance of 287.14 feet to a capped iron rod set;

South 44 degrees 25 minutes 44 seconds West a distance of 42.43 feet to a capped iron rod set;

South 89 degrees 25 minutes 44 seconds West, a distance of 90.00 feet to a capped iron rod set

North 45 degrees 34 minutes 16 seconds West a distance of 42.43 feet to a capped iron rod set and

South 89 degrees 25 minutes 44 seconds West a distance of 42.00 feet at the beginning of a curve to the left;

In a southwesterly direction, a distance of 442.68 feet, having a central angle of 32 degrees 06 minutes 22 seconds, a radius of 790.00 feet, a tangent length of 227.32 feet and whose chord bears South 73 degrees 22 minutes 33 seconds West a distance of 436.91 to a capped iron rod set at the beginning of a curve to the right;

In a southwesterly direction, a distance of 408.87 feet, having a central angle of 25 degrees 44 minutes 36 seconds, a radius of 910 feet, a tangent length of 207.94 feet and whose chord bears South 70 degrees 11 minutes 40 seconds a distance of 405.44 feet to a capped iron rod set; said capped iron rod being in the west line of said 159.819 acre tract of land and the east line of a called 555.801 acre tract of land, described as Tract B in a Special Warranty Deed to Risland Mantua, LLC, recorded in Instrument No. 20180625000783630, O.P.R.C.C.T., from which a one-half inch iron rod found at the most southerly southeast corner of a said 555.801 acre tract of land and the northeast corner of a called 17.863 acre tract of land described in a Special Warranty Deed to Anna 18, LLC, recorded in Instrument No. 20161020001423440, O.P.R.C.C.T. bears South 00 degrees 33 minutes 39 seconds East a distance of 243.59 feet;

THENCE North 00 degrees 33 minutes 39 seconds West, a distance of 120.86 feet along the west line of said 159.819 acre tract of land and the east line of 555.801 acre tract of land to a capped iron rod set at the beginning of a non-tangent curve to the left;

THENCE over and across said 159.819 acre tract of land, the following courses and distances:

In a northeasterly direction, a distance of 341.53 feet, having a central angle of 24 degrees 46 minutes 13 seconds, a radius of 790.00 feet, a tangent length of 173.48 feet and whose chord bears North 69 degrees 42 minutes 28 seconds East a distance of 338.88 feet to a capped iron rod set for the beginning of a curve to the left;

In a northeasterly direction, a distance of 236.99 feet, having a central angle of 14 degrees 55 minutes 17 seconds, a radius of 910.00 feet, a tangent length of 119.17 feet and whose chord bears North 64 degrees 47 minutes 01 seconds East a distance of 236.32 feet to a capped iron rod;

North 00 degrees 33 minutes 39 seconds East, a distance of 652.43 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East a distance of 144.81 feet to a capped iron rod set for corner;

North 02 degrees 33 minutes 19 seconds East a distance of 508.75 feet to a capped iron rod set for corner;

North 00 degrees 33 minutes 39 seconds West a distance of 59.43 feet to a capped iron rod set for corner;

North 89 degrees 25 minutes 47 seconds East, a distance of 556.69 feet to a capped iron rod set for corner;

North 62 degrees 13 minutes 50 seconds East, a distance of 937.37 feet to a capped iron rod set for corner;

North 77 degrees 11 minutes 7 seconds East, a distance of 91.82 feet to a capped iron rod set for corner;

North 89 degrees 28 minutes 48 seconds East, a distance of 161.53 feet to a capped iron rod set for corner;

South 00 degrees 31 minutes 12 seconds East, a distance of 899.34 feet to a capped iron rod set for corner and beginning of a non-tangent curve to the left;

In a southerly direction, a distance of 121.05, having a central angle of 16 degrees 6 minutes 40 seconds, a radius of 430.50 feet, a tangent length of 60.93 feet, and whose chord bears South 89 degrees 45 minutes 40 seconds East a distance of 121.05 feet;

South 39 degrees 17 minutes 34 seconds East, a distance of 55.75 feet to a capped iron rod set for corner beginning of a non-tangent curve to the left;

In a southeasterly direction, a distance of 38.49 feet, having a central angle of 4 degrees 50 minutes 49 seconds, a radius of 455.00 feet, a tangent length of 19.26 feet, and whose chord bears North 68 degrees 26 minutes 43 seconds East a distance of 38.48 feet to a capped iron rod set;

South 26 degrees 24 minutes 7 seconds East, a distance of 56.71 feet to a capped iron rod set for corner;

South 68 degrees 2 minutes 34 seconds East, a distance of 44.84 feet to a capped iron rod set for corner;

South 19 degrees 0 minutes 5 seconds East, a distance of 120.00 feet to a capped iron rod set for corner;

In a southeasterly direction, a distance of 174.31 feet, having a central angle of 08 degrees 45 minutes 39 seconds, a radius of 1140.00 feet, a tangent length of 87.33 feet, and whose chord bears South 66 degrees 37 minutes 04 seconds West a distance of 174.14 feet to a capped iron rod set for corner;

South 62 degrees 14 minutes 14 seconds West, a distance of 202.70 feet to the **POINT OF BEGINNING**, containing 2,502,260.24 square feet or 57.4440 acres, more or less.

EXHIBIT M-3 – IMPROVEMENT AREA #2-A LEGAL DESCRIPTION

WHEREAS D.R. HORTON-TEXAS, LTD., are the owners of a tract of land situated in the City of Anna, Collin County, Texas, being a part of Eli W. Witt Survey, Abstract No. 997, being a part of a called 275.00 acre tract of land as described in Special Warranty Deed to D.R. HORTON-TEXAS, LTD., recorded in Instrument No. 20210212000310470, Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows;

COMMENCING at a five-eighths inch iron rod with yellow plastic cap (stamp illegible) found at the southeast corner of said 275.00 acre tract and at the northeast corner of a called 61.905 acre tract of land as described in a Special Warranty Deed to Bloomfield Homes, LP, a Texas Limited Partnership, recorded in Instrument No. 20211220002555410 (O.P.R.C.C.T.);

THENCE South 89 degrees 28 minutes 48 seconds West, along the south line of said 275.00 acre tract and the north line of said 61.905 acre tract, a distance of 659.19 feet to a one-half inch iron rod with yellow plastic cap stamped "BOHLER ENG.", (hereon after called "capped iron rod") set at the **POINT OF BEGINNING** of the herein described tract of land;

THENCE South 89 degrees 28 minutes 48 seconds West, along the south line of said 275.000 acre tract, a distance of 2,325.68 feet to a mag nail with washer stamped "BOHLER ENG." set at the southwest corner of said 275.00 acre tract of land, at the northwest corner of a called 64.50 acre tract of land described in a deed, recorded in Volume 5106, Page 2380 (O.P.R.C.C.T.) and said corner being in the east line of a called 17.863 acre tract of land as described in a Special Warranty Deed to Anna 18, LLC, a Texas limited liability company, recorded in Instrument No. 20161020001423440 (O.P.R.C.C.T.);

THENCE North 01 degree 07 minutes 28 seconds West, along the west line of said 275.00 acre tract, and the east line of said 17.863 acre tract, a distance of 272.50 feet to a one-half inch iron rod found at the northeast corner of said 17.863 acre tract and the southeast corner of a called 74.451 acre tract of land as described in a General Warranty Deed to Anna 75 Investors, LLC, recorded in Instrument No. 2023000049628 (O.P.R.C.C.T.);

THENCE North 00 degrees 33 minutes 39 seconds West, along the west line of said 275.00 acre tract and the east line of said 74.451 acre tract, a distance of 4.67 feet to a capped iron rod found at the southwest corner of Rosamond Parkway (120-foot width right-of-way) as shown on final plat of The Woods at Lindsey Place Phase 1, recorded in Instrument No. 2023010000115 (O.P.R.C.C.T.);

THENCE Along the southerly right-of-way line of said Rosamond Parkway, the following courses and distances:

Northeasterly a distance of 408.87 feet along a non-tangent curve to the left, having a central angle of 25 degrees 44 minutes 36 seconds, a radius of 910.00 feet, a tangent length of 207.94 feet and whose chord bears North 70 degrees 11 minutes 40 seconds East, a distance of 405.44 feet to a capped iron rod found for corner;

Northeasterly a distance of 442.68 feet along a tangent curve to the right, having a central angle of 32 degrees 06 minutes 22 seconds, a radius of 790.00 feet, a tangent length of 227.32 feet and whose chord bears of North 73 degrees 22 minutes 33 seconds East, a distance of 436.91 feet to a capped iron rod found for corner;

North 89 degrees 25 minutes 44 seconds East, a distance of 42.00 feet to a capped iron rod found for corner;

South 45 degrees 34 minutes 16 seconds East, a distance of 42.43 feet to a capped iron rod found for corner;

North 89 degrees 25 minutes 44 seconds East, a distance of 90.00 feet to a capped iron rod found for corner;

North 44 degrees 25 minutes 44 seconds East, a distance of 42.43 feet to a capped iron rod found for corner;

North 89 degrees 25 minutes 44 seconds East, a distance of 287.14 feet to a capped iron rod found for corner;

Northeasterly a distance of 597.97 feet along a tangent curve to the left, having a central angle of 27 degrees 11 minutes 29 seconds, a radius of 1,260.00 feet, a tangent length of 304.73 feet and whose chord bears North 75 degrees 49 minutes 59 seconds, and a chord distance of 592.38 feet to a capped iron rod found for corner;

North 62 degrees 14 minutes 14 seconds East, a distance of 357.72 feet to a capped iron rod found for corner;

South 27 degrees 45 minutes 46 seconds East, a distance of 15.00 feet to a capped iron rod set for corner;

South 49 degrees 18 minutes 42 seconds East, a distance of 194.61 feet to a capped iron rod set for corner;

South 00 degrees 31 minutes 12 seconds East, a distance of 694.65 feet to the **POINT OF BEGINNING** containing 1,273,196 Sq. Ft. and 29.229 acres of land.

EXHIBIT M-4 – IMPROVEMENT AREA #2-B LEGAL DESCRIPTION

WHEREAS D.R. HORTON – TEXAS, LTD., is the owner of a tract of land situated in the City of Anna, Collin County, Texas, being a part of Eli Witt Survey, Abstract No. 997, being a part of a called 275.00 acre tract of land described in Special Warranty Deed to D.R. HORTON – TEXAS, LTD., recorded in Instrument No. 20210212000310470, Official Public Records, Collin County, Texas, (O.P.R.C.C.T.) and the subject tract, and being more particularly described as follows;

COMMENCING at a one-half inch iron rod found on the west line of said 275.00 acre tract, at the northeast corner of a called 17.863 acre tract of land described in a Special Warranty Deed to Anna 18, LLC, recorded by Inst. No. 20161020001423440, (O.P.R.C.C.T.) and at the southeast corner of a called 74.451 acre tract of land described in a Special Warranty Deed to Anna 75 Investors, LLC recorded in Instrument Number 2023000049628, (O.P.R.C.C.T.);

THENCE North 00 degrees 33 minutes 39 seconds West, along the west line of said 275.00 acre tract and the east line of said 74.451 acre tract, passing at a distance of 4.67 feet a one-half inch iron rod with yellow plastic cap stamped “BOHLER ENG” found at the southwest corner of Rosamond Parkway (120-foot width right-of-way) as shown on final plat of The Woods at Lindsey Place Phase 1, an addition to the City of Anna, recorded in Instrument No. 2023010000115 (O.P.R.C.C.T.), and passing at a distance of 125.53 feet a one-half inch iron rod with yellow plastic cap stamped “BOHLER ENG” found at the northwest corner of said Rosamond Parkway, in all, a total distance of 2,864.10 feet to a one-half inch iron rod with a yellow plastic cap stamped “BOHLER ENG” (herein after called a “capped iron rod”) set at being the **POINT OF BEGINNING**;

THENCE North 00 degrees 33 minutes 39 seconds West, continuing along the west line of said 275.00 acre tract and the east line of said 74.451 acre tract, a distance of 928.78 feet to a capped iron rod set for corner;

THENCE departing the west line of said 275.00 acre tract and the east line of said 74.451 acre tract, over and across said 275.00 acre tract the following courses and distances;

Northeasterly a distance of 780.55 feet along a non-tangent curve to the right, having a central angle of 21 degrees 55 minutes 21 seconds, a radius is 2,040.00 feet, a tangent length of 395.11 feet and whose chord bears North 21 degrees 45 minutes 56 seconds East, a chord distance of 775.80 feet to a capped iron rod set for corner;

North 32 degrees 43 minutes 36 seconds East, a distance of 143.56 feet to a capped iron rod set for corner on the north line of said 275.00 acre tract and the south line of a called 92.667 acre tract of land described as Tract Two in a Correction Special Warranty Deed to Liberty 800, LP recorded by Instrument No. 2023000025691 (O.P.R.C.C.T.), from which a one-half inch iron rod found bears North 86 degrees 39 minutes 03 seconds West, a distance of 374.37 feet for the northwest corner of said 275.00 are tract;

THENCE South 86 degrees 39 minutes 03 seconds East, along the north line of said 275.00 acre tract and the south line of said 92.667 acre tract, a distance of 91.81 feet to a capped iron rod set for corner, from which a one-half inch iron rod found bears South 86 degrees 39 minutes 03 seconds East, a distance of 308.57 feet for the most easterly southeast corner of said 92.667 acre tract;

THENCE departing the north line of said 275.00 acre tract and the south line of said 92.667 acre tract, over and across said 275.00 acre tract the following courses and distances:

South 32 degrees 43 minutes 36 seconds West, a distance of 88.26 feet to a capped iron rod set for corner;

South 12 degrees 16 minutes 24 seconds East, a distance of 42.43 feet to a capped iron rod set for corner;

South 32 degrees 43 minutes 36 seconds West, a distance of 70.34 feet to a capped iron rod set for corner;

Southwesterly a distance of 20.23 feet along a tangent curve to the left, having a central angle of 00 degrees 36 minutes 03 seconds, a radius is 1,930.00 feet, a tangent length of 10.12 feet and whose chord bears South 32 degrees 25 minutes 35 seconds West, a distance of 20.23 feet to a capped iron rod set for corner;

South 77 degrees 22 minutes 37 seconds West, a distance of 41.93 feet to a capped iron rod set for corner;

Southwesterly a distance of 660.10 feet along a non-tangent curve to the left, having a central angle of 19 degrees 17 minutes 47 seconds, a radius is 1,960.00 feet, a tangent length of 333.21 feet and whose chord bears South 21 degrees 36 minutes 54 seconds West, a chord distance of 656.99 feet to a capped iron rod set for corner;

South 33 degrees 37 minutes 41 seconds East, a distance of 42.31 feet to a capped iron rod set for corner;

Southwesterly a distance of 90.24 feet along a non-tangent curve to the left, having a central angle of 02 degrees 40 minutes 44 seconds, a radius is 1,930.00 feet, a tangent length of 45.13 feet and whose chord bears South 09 degrees 44 minutes 53 seconds West, and chord distance of 90.23 feet to a capped iron rod set for corner;

South 53 degrees 05 minutes 56 seconds West, a distance of 42.33 feet to a capped iron rod set for corner;

Southwesterly distance of 276.75 feet along a non-tangent curve to the left, having a central angle of 08 degrees 05 minutes 23 seconds, a radius is 1,960.00 feet, a tangent length of 138.60 feet and whose chord bears South 03 degrees 29 minutes 03 seconds West, and chord distance of 276.51 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 291.35 feet to a capped iron rod set for corner;

South 45 degrees 33 minutes 39 seconds East, a distance of 42.43 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East, a distance of 167.00 feet to a capped iron rod set for corner;

South 77 degrees 19 minutes 13 seconds East, a distance of 77.32 feet to a capped iron rod set for corner;

North 51 degrees 03 minutes 34 seconds East, a distance of 12.42 feet to capped iron rod set for corner;

North 00 degrees 33 minutes 39 seconds West, a distance of 105.00 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East, a distance of 540.00 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 115.00 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East, a distance of 24.50 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 50.00 feet to a capped iron rod set for corner;

South 89 degrees 26 minutes 21 seconds West, a distance of 7.77 feet to a capped iron rod set for corner;

South 44 degrees 26 minutes 21 seconds West, a distance of 14.14 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 110.00 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East, a distance of 310.00 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 120.00 feet to a capped iron rod set for corner;

North 89 degrees 26 minutes 21 seconds East, a distance of 128.63 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 460.00 feet to a capped iron rod set for corner;

South 89 degrees 26 minutes 21 seconds West, a distance of 21.37 feet to a capped iron rod set for corner;

South 00 degrees 33 minutes 39 seconds East, a distance of 150.00 feet to a capped iron rod set for corner;

South 27 degrees 46 minutes 10 seconds East, a distance of 58.73 feet to a capped iron rod set for corner;

North 62 degrees 13 minutes 50 seconds East, a distance of 15.47 feet to a capped iron rod set for corner;

Northeasterly distance of 28.46 feet along a non-tangent curve to the left, having a central angle of 07 degrees 14 minutes 52 seconds, a radius is 225.00 feet, a tangent length of 14.25 feet and whose chord bears North 58 degrees 36 minutes 24 seconds East, and chord distance of 28.44 feet to a capped iron rod set for corner;

South 35 degrees 01 minute 02 seconds East, a distance of 50.00 feet to a capped iron rod set for corner;

Southwesterly a distance of 8.36 feet along a non-tangent curve to the right, having a central angle of 01 degree 44 minutes 33 seconds, a radius is 275.00 feet, a tangent length of 4.18 feet, and whose chord bears South 56 degrees 53 minutes 46 seconds West and a chord distance of 8.36 feet to a capped iron rod set for corner;

South 14 degrees 33 minutes 48 seconds West, a distance of 14.78 feet to a capped iron rod set for corner;

South 27 degrees 46 minutes 10 seconds East, a distance of 220.49 feet to a capped iron rod set for corner;

South 72 degrees 46 minutes 10 seconds East, a distance of 14.14 feet to a capped iron rod set for corner;

North 62 degrees 13 minutes 50 seconds East, a distance of 10.50 feet to a capped iron rod set for corner;

South 27 degrees 46 minutes 10 seconds East, a distance of 50.00 feet to a capped iron rod set for corner;

South 62 degrees 13 minutes 50 seconds West, a distance of 10.50 feet to a capped iron rod set for corner;

South 17 degrees 13 minutes 50 seconds West, a distance of 14.14 feet to a capped iron rod set for corner;

South 27 degrees 46 minutes 10 seconds East, a distance of 110.00 feet to a one-half inch iron rod with cap stamped "BOHLER ENG" found at the northwest corner of Lot 15, Block N of The Woods at Lindsey Place Phase 1, an addition to the City of Anna, as recorded in Instrument Number 2023010000115, O.P.R.C.C.T.;

THENCE along the north line of said The Woods at Lindsey Place Phase 1 the following courses and distances:

South 62 degrees 13 minutes 50 seconds West, a distance of 324.78 feet to a one-half inch iron rod with cap stamped "BOHLER ENG" found in the north line of Lot 6, Block O

South 89 degrees 25 minutes 47 seconds West, a distance of 556.69 feet a one-half inch iron rod with cap stamped "BOHLER ENG" found in the west line of Harlow Blvd (a 50' right-of-way);

North 00 degrees 33 minutes 39 seconds West, a distance of 959.91 feet to a capped iron rod set for corner;

North 04 degrees 43 minutes 04 seconds West, a distance of 100.26 feet to a capped iron rod set for corner;

North 00 degrees 33 minutes 39 seconds West, a distance of 250.00 feet to a capped iron rod set for corner;

South 89 degrees 26 minutes 21 seconds West a distance of 698.73 feet to the **POINT OF BEGINNING** containing 1,196,749 Sq. Ft. or 27.474 acres;

EXHIBIT M-5 – IMPROVEMENT AREA #3 LEGAL DESCRIPTION

LEGAL DESCRIPTION THE WOODS AT LINDSEY PHASE 3 39.162 ACRES

BEING that certain tract of land situated in the Eli W. Witt Survey, Abstract No. 997, in the City of Anna, Collin County, Texas, and being part of that certain called 275.00 acre tract of land described in deed to D.R. Horton - Texas, LTD. recorded in Instrument No. 20210212000310470 of the Official Public Records of Collin County, Texas (OPRCCT), and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "Bohler Eng" found at the northeast corner of The Woods at Lindsey Place Phase 1, an addition to the City of Anna, Texas according to Final Plat recorded in Book 2023, Pages 174-177, OPRCCT, said iron rod also being located in the east right-of-way line of Mossy Lake Lane (called 50-foot right-of-way according to said Final Plat);

THENCE with the northerly line of said The Woods at Lindsey Place Phase 1, the following courses to 1/2-inch iron rods with cap stamped "Bohler Eng" found for corner;

South 89°28'48" West, a distance of 161.53 feet;

South 77°11'07" West, a distance of 91.82 feet;

And South 62°13'50" West, a distance of 612.59 feet, said iron rod being located on the northeast right-of-way line of Russell Street (called 50-foot right-of-way according to said The Woods at Lindsey Place Phase 1, and being the southeast corner of The Woods at Lindsey Place Phase 2B, an addition to the City of Anna, Texas according to Final Plat recorded in Book 2025, Pages 50-51, OPRCCT);

THENCE with the east and north lines of said The Woods at Lindsey Place Phase 2B, the following courses to 5/8-inch iron rods with cap stamped "BCG 10194538" set for corner;

North 27°46'10" West, a distance of 110.00 feet;

North 17°13'50" East, a distance of 14.14 feet;

North 62°13'50" East, a distance of 10.50 feet;

North 27°46'10" West, a distance of 50.00 feet;

South 62°13'50" West, a distance of 10.50 feet;

North 72°46'10" West, a distance of 14.14 feet;

North 27°46'10" West, a distance of 220.49 feet;

North 14°59'57" East, a distance of 14.68 feet, said iron rod being the beginning of a non-tangent curve to the left;

Northeasterly, with said curve which has a central angle of 01°44'35", a radius of 275.00 feet, a chord which bears North 55°51'16" East, a chord distance of 8.37 feet, and for an arc distance of 8.37 feet;

North 35°01'02" West, a distance of 50.00 feet to the beginning of a non-tangent curve to the right;

Southwesterly, with said curve which has a central angle of 07°14'52", a radius of 225.00 feet, a chord which bears South 58°36'24" West, a chord distance of 28.44 feet, and for an arc distance of 28.46 feet;

South 62°13'50" West, a distance of 15.47 feet;

North 27°46'10" West, a distance of 58.73 feet;

North 00°33'39" West, a distance of 150.00 feet;

North 89°26'21" East, a distance of 21.37 feet;

North 00°33'39" West, a distance of 460.00 feet;

South 89°26'21" West, a distance of 128.63 feet;

North 00°33'39" West, a distance of 120.00 feet;

South 89°26'21" West, a distance of 310.00 feet;

North 00°33'39" West, a distance of 110.00 feet;

North 44°26'21" East, a distance of 14.14 feet;

North 89°26'21" East, a distance of 7.77 feet;

North 00°33'39" West, a distance of 50.00 feet;

South 89°26'21" West, a distance of 24.50 feet;

North 00°33'39" West, a distance of 115.00 feet;

And South 89°26'21" West, a distance of 540.00 feet, said iron rod being located at a northwest corner of The Woods at Lindsey Place Phase 2B, at the northwest corner of a called 50-foot right-of-way dedication for Gemma Ann Street according to said Final Plat;

THENCE over and across said D.R. Horton -Texas, LTD. tract, the following courses to 5/8-inch iron rods with cap stamped "BCG 10194538" set for corner:

North 00°33'39" West, a distance of 226.35 feet to the beginning of a tangent curve to the right;

Northeasterly, with said curve which has a central angle of 03°04'07", a radius of 1678.00 feet, a chord which bears North 00°58'25" East, a chord distance of 89.86 feet, and for an arc distance of 89.87 feet;

South 87°29'32" East, a distance of 50.00 feet;

South 86°46'46" East, a distance of 507.96 feet;

And North 89°26'21" East, a distance of 1035.58 feet to the east line of said D.R. Horton -Texas, Ltd. tract, and the west line of that certain called 95.444 acre tract of land described in deed to Anacapri Laguna Azure, LLC recorded in Instrument No. 20210819001679920, OPRCCT;

THENCE South 01°17'12" East, with said east line of the D.R. Horton -Texas, Ltd. tract, and said west line of the Anacapri Laguna Azure, LLC tract, a distance of 53.93 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner;

THENCE South 00°46'54" East, continuing with said east line of the D.R. Horton -Texas, Ltd. tract, and said west line of the Anacapri Laguna Azure, LLC tract, a distance of 1103.34 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner at an inner ell corner of said D.R. Horton -Texas, Ltd. tract and a southwest corner of said Anacapri Laguna Azure, LLC tract;

THENCE North 88°20'59" East, with a north line of the D.R. Horton -Texas, Ltd. tract and a south line of the Anacapri Laguna Azure, LLC tract, a distance of 966.95 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner;

THENCE South 00°40'32" East, with the east line of the D.R. Horton -Texas, Ltd. tract and the west line of the Anacapri Laguna Azure, LLC tract, a distance of 313.80 feet to a 1/2-inch iron rod with cap stamped "Bohler Eng" found for corner;

THENCE South 89°28'48" West, over and across said D.R. Horton -Texas, Ltd. tract, a distance of 541.53 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner on said east right-of-way line of Mossy Lake Lane;

THENCE North 00°31'12" West, with said east right-of-way line of Mossy Lake Lane, and The Woods at Lindsey Place Phase 1, a distance of 10.00 feet to the **POINT OF BEGINNING**, and containing an area of 1,705,885 square feet, or 39.162 acres of land

**LEGAL DESCRIPTION
THE WOODS AT LINDSEY PHASE 4
44.778 ACRES**

BEING that certain tract of land situated in the Eli W. Witt Survey, Abstract No. 997, in the City of Anna, Collin County, Texas, and being part of that certain tract of land described in deed to D.R. Horton -Texas, Ltd. recorded in Instrument No. 20210212000310470, of the Official Public Records of Collin County, Texas (OPRCCT), and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "Bohler Eng" found at the northeast corner of said D.R. Horton -Texas, Ltd. tract, and the northwest corner of that certain called 95.444 acre tract of land described in deed to Anacapri Laguna Azure, LLC recorded in Instrument No. 20210819001679920, OPRCCT, said iron rod also being located on the south line of that certain called 62.41 acre tract of land described in deed to Anna 60 Partners, LP recorded in Instrument No. 2024000048850, OPRCCT, and also being located in the approximate center of County Road No. 371 (undedicated public road);

THENCE South 01°17'12" East, with the east line of said D.R. Horton -Texas, Ltd. tract, and the west line of said Anacapri Laguna Azure, LLC tract, a distance of 1131.71 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner;

THENCE over and across said D.R. Horton -Texas, Ltd. tract, the following courses to 5/8-inch iron rods with cap stamped "BCG 10194538" set for corner:

South 89°26'21" West, a distance of 1035.58 feet;

North 86°46'46" West, a distance of 507.96 feet;

North 87°29'32" West, a distance of 50.00 feet to the beginning of a non-tangent curve to the left;

And southwesterly, with said curve which has a central angle of 03°04'07", a radius of 1678.00 feet, a chord which bears South 00°58'25" West, a chord distance of 89.86 feet, and for an arc distance of 89.87 feet;

THENCE South 00°33'39" East, passing at a distance of 226.35 feet a northwest corner of a called 50-foot right-of-way dedication for Gemma Ann Street according to Final Plat The Woods at Lindsey Place Phase 2B, an addition to the City of Anna, Texas recorded in Book 2025, Pages 50 and 51, OPRCCT, continuing with the west right-of-way line of said Gemma Ann Street and said The Woods at Lindsey Place Phase 2B, a distance of 331.35 feet to a 5/8-inch iron rod with cap stamped "BCG 10194538" set for corner at the intersection of said west right-of-way line of Gemma Ann Street, and the north right-of-way line of Chloe Lane (variable width right-of-way according said Final Plat);

THENCE with the northerly line of said Chloe Lane according to The Woods at Lindsey Place Phase 2B, the following courses to 5/8-inch iron rods with cap stamped "BCG 10194538" set for corner;

South 51°03'34" West, a distance of 12.42 feet;

North 77°19'13" West, a distance of 77.32 feet;

South 89°26'21" West, a distance of 167.00 feet;

And North 45°33'39" West, a distance of 42.43 feet, said iron rod being located on the easterly right-of-way line of Buddy Hayes Boulevard (variable width right-of-way according to said Final Plat of The Woods at Lindsey Place Phase 2B;

THENCE with said easterly right-of-way line of Buddy Hayes Boulevard, the following courses to 5/8-inch iron rods with cap stamped "BCG 10194538" set for corner;

North 00°33'39" West, a distance of 291.35 feet, said iron rod being the beginning of a tangent curve to the right;

Northeasterly, with said curve which has a central angle of 08°06'59", a radius of 1960.00 feet, a chord which bears North 03°29'51" East, a chord distance of 277.42 feet, and for an arc distance of 277.65 feet;

North 53°52'16" East, a distance of 41.77 feet;

North 09°44'53" East, a distance of 90.00 feet;

North 34°22'29" West, a distance of 41.77 feet to the beginning of a non-tangent curve to the right;

Northeasterly, with said curve which has a central angle of 19°19'28", a radius of 1960.00 feet, a chord which bears North 21°36'11" East, a chord distance of 657.93 feet, and for an arc distance of 661.06 feet;

North 77°13'01" East, a distance of 42.05 feet;

North 32°39'39" East, a distance of 90.00 feet;

North 12°16'24" West, a distance of 42.43 feet;

And North 32°43'36" East, a distance of 88.37 feet, said iron rod being located in the north line of said D.R. Horton -Texas, Ltd. tract, and the south line of that certain called 62.667 acre tract of land described in correction deed to Liberty 800, LP recorded in Instrument No. 2023000025691, OPRCCT;

THENCE South 86°38'11" East, with the north line of said D.R. Horton -Texas, Ltd. tract, and the south line of said Liberty 800, LP tract, a distance of 308.55 feet to a 1/2-inch iron rod with cap stamped "Bohler Eng" found for corner at a southeast corner of the Liberty 800, LP tract;

THENCE South 89°11'33" East, with the north line of said D.R. Horton -Texas, Ltd. tract, a distance of 1019.21 feet to a 1/2-inch iron rod with cap stamped "Bohler Eng" found for corner;

THENCE South 89°16'54" East, continuing with said north line of the D.R. Horton -Texas, Ltd. tract, and said south line of the Anna 60 Partners, LP tract, a distance of 110.75 feet to the **POINT OF BEGINNING**, containing an area of 47.778 acres of land.

APPENDIX A – IMPROVEMENT AREA #3 ENGINEERS REPORT

[Remainder of page left intentionally blank.]

APPENDIX B – BUYER DISCLOSURES

Forms of the buyer disclosures for the following Lot Types are found in this Appendix:

- Improvement Area #1
 - Lot Type 1
 - Lot Type 2
- Improvement Area #2-A
 - Lot Type 3
- Improvement Area #2-B
 - Lot Type 4
 - Lot Type 5
- Improvement Area #3
 - Improvement Area #3 Initial Parcel
 - Lot Type 6
 - Lot Type 7
 - Lot Type 8

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #1 LOT TYPE 1

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 1 PRINCIPAL ASSESSMENT: \$32,729.76

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #1 LOT TYPE 1

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ 524.52	\$ 1,863.69	\$ 163.65	\$ 247.46	\$ 2,799.32
2027	\$ 551.88	\$ 1,838.12	\$ 161.03	\$ 236.38	\$ 2,787.41
2028	\$ 574.69	\$ 1,811.22	\$ 158.27	\$ 241.11	\$ 2,785.28
2029	\$ 602.05	\$ 1,783.20	\$ 155.39	\$ 245.93	\$ 2,786.58
2030	\$ 629.42	\$ 1,753.85	\$ 152.38	\$ 250.85	\$ 2,786.50
2031	\$ 661.35	\$ 1,723.17	\$ 149.24	\$ 255.87	\$ 2,789.62
2032	\$ 697.83	\$ 1,685.97	\$ 145.93	\$ 260.98	\$ 2,790.72
2033	\$ 734.32	\$ 1,646.72	\$ 142.44	\$ 266.20	\$ 2,789.68
2034	\$ 775.37	\$ 1,605.41	\$ 138.77	\$ 271.53	\$ 2,791.08
2035	\$ 820.98	\$ 1,561.80	\$ 134.89	\$ 276.96	\$ 2,794.63
2036	\$ 866.59	\$ 1,515.62	\$ 130.79	\$ 282.50	\$ 2,795.49
2037	\$ 912.20	\$ 1,466.87	\$ 126.45	\$ 288.15	\$ 2,793.67
2038	\$ 966.93	\$ 1,415.56	\$ 121.89	\$ 293.91	\$ 2,798.29
2039	\$ 1,017.10	\$ 1,361.17	\$ 117.06	\$ 299.79	\$ 2,795.12
2040	\$ 1,076.40	\$ 1,303.96	\$ 111.97	\$ 305.78	\$ 2,798.11
2041	\$ 1,135.69	\$ 1,243.41	\$ 106.59	\$ 311.90	\$ 2,797.59
2042	\$ 1,204.10	\$ 1,179.53	\$ 100.91	\$ 318.14	\$ 2,802.68
2043	\$ 1,272.52	\$ 1,111.80	\$ 94.89	\$ 324.50	\$ 2,803.71
2044	\$ 1,340.94	\$ 1,040.22	\$ 88.53	\$ 330.99	\$ 2,800.67
2045	\$ 1,423.03	\$ 961.44	\$ 81.82	\$ 337.61	\$ 2,803.90
2046	\$ 1,509.69	\$ 877.83	\$ 74.71	\$ 344.36	\$ 2,806.60
2047	\$ 1,596.35	\$ 789.14	\$ 67.16	\$ 351.25	\$ 2,803.90
2048	\$ 1,696.69	\$ 695.35	\$ 59.18	\$ 358.27	\$ 2,809.50
2049	\$ 1,797.04	\$ 595.67	\$ 50.70	\$ 365.44	\$ 2,808.84
2050	\$ 1,906.50	\$ 490.10	\$ 41.71	\$ 372.75	\$ 2,811.05
2051	\$ 2,020.52	\$ 378.09	\$ 32.18	\$ 380.20	\$ 2,811.00
2052	\$ 2,143.67	\$ 259.38	\$ 22.08	\$ 387.81	\$ 2,812.94
2053	\$ 2,271.38	\$ 133.44	\$ 11.36	\$ 395.56	\$ 2,811.74
Total	\$ 32,729.76	\$34,091.73	\$2,941.96	\$ 8,602.16	\$ 78,365.61

Footnotes:

[a] Interest rate on the Improvement Area #1 Bonds is 4.875% for bonds maturing 2030, 5.625% for bonds maturing 2043, and 5.875% for bonds maturing 2053.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #1 LOT TYPE 2

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 2 PRINCIPAL ASSESSMENT: \$34,093.50

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #1 LOT TYPE 2

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ 546.37	\$ 1,941.35	\$ 170.47	\$ 257.77	\$ 2,915.95
2027	\$ 574.88	\$ 1,914.71	\$ 167.74	\$ 246.23	\$ 2,903.55
2028	\$ 598.63	\$ 1,886.69	\$ 164.86	\$ 251.15	\$ 2,901.33
2029	\$ 627.14	\$ 1,857.50	\$ 161.87	\$ 256.18	\$ 2,902.69
2030	\$ 655.64	\$ 1,826.93	\$ 158.73	\$ 261.30	\$ 2,902.61
2031	\$ 688.90	\$ 1,794.97	\$ 155.45	\$ 266.53	\$ 2,905.85
2032	\$ 726.91	\$ 1,756.22	\$ 152.01	\$ 271.86	\$ 2,906.99
2033	\$ 764.92	\$ 1,715.33	\$ 148.38	\$ 277.29	\$ 2,905.92
2034	\$ 807.68	\$ 1,672.30	\$ 144.55	\$ 282.84	\$ 2,907.37
2035	\$ 855.19	\$ 1,626.87	\$ 140.51	\$ 288.50	\$ 2,911.07
2036	\$ 902.70	\$ 1,578.77	\$ 136.24	\$ 294.27	\$ 2,911.97
2037	\$ 950.21	\$ 1,527.99	\$ 131.72	\$ 300.15	\$ 2,910.07
2038	\$ 1,007.22	\$ 1,474.54	\$ 126.97	\$ 306.16	\$ 2,914.89
2039	\$ 1,059.48	\$ 1,417.88	\$ 121.94	\$ 312.28	\$ 2,911.58
2040	\$ 1,121.25	\$ 1,358.29	\$ 116.64	\$ 318.52	\$ 2,914.70
2041	\$ 1,183.01	\$ 1,295.22	\$ 111.03	\$ 324.89	\$ 2,914.15
2042	\$ 1,254.28	\$ 1,228.67	\$ 105.12	\$ 331.39	\$ 2,919.46
2043	\$ 1,325.54	\$ 1,158.12	\$ 98.85	\$ 338.02	\$ 2,920.53
2044	\$ 1,396.81	\$ 1,083.56	\$ 92.22	\$ 344.78	\$ 2,917.36
2045	\$ 1,482.33	\$ 1,001.50	\$ 85.23	\$ 351.68	\$ 2,920.73
2046	\$ 1,572.60	\$ 914.41	\$ 77.82	\$ 358.71	\$ 2,923.54
2047	\$ 1,662.87	\$ 822.02	\$ 69.96	\$ 365.88	\$ 2,920.73
2048	\$ 1,767.39	\$ 724.33	\$ 61.64	\$ 373.20	\$ 2,926.56
2049	\$ 1,871.91	\$ 620.49	\$ 52.81	\$ 380.67	\$ 2,925.88
2050	\$ 1,985.94	\$ 510.52	\$ 43.45	\$ 388.28	\$ 2,928.18
2051	\$ 2,104.71	\$ 393.84	\$ 33.52	\$ 396.04	\$ 2,928.12
2052	\$ 2,232.99	\$ 270.19	\$ 23.00	\$ 403.97	\$ 2,930.14
2053	\$ 2,366.02	\$ 139.00	\$ 11.83	\$ 412.05	\$ 2,928.90
Total	\$ 34,093.50	\$35,512.22	\$3,064.54	\$ 8,960.59	\$ 81,630.85

Footnotes:

[a] Interest rate on the Improvement Area #1 Bonds is 4.875% for bonds maturing 2030, 5.625% for bonds maturing 2043, and 5.875% for bonds maturing 2053.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #2-A LOT TYPE 3

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #2-A LOT TYPE 3 PRINCIPAL ASSESSMENT: \$23,080.00

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2-A LOT TYPE 3

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ 613.33	\$ 963.72	\$ 115.40	\$ 126.95	\$ 1,819.41
2027	\$ 360.00	\$ 1,264.87	\$ 112.33	\$ 154.07	\$ 1,891.27
2028	\$ 373.33	\$ 1,244.61	\$ 110.53	\$ 157.15	\$ 1,885.62
2029	\$ 400.00	\$ 1,223.59	\$ 108.67	\$ 160.29	\$ 1,892.54
2030	\$ 413.33	\$ 1,201.07	\$ 106.67	\$ 163.50	\$ 1,884.56
2031	\$ 440.00	\$ 1,177.80	\$ 104.60	\$ 166.77	\$ 1,889.16
2032	\$ 466.67	\$ 1,153.02	\$ 102.40	\$ 170.10	\$ 1,892.19
2033	\$ 480.00	\$ 1,126.75	\$ 100.07	\$ 173.50	\$ 1,880.32
2034	\$ 506.67	\$ 1,099.73	\$ 97.67	\$ 176.97	\$ 1,881.03
2035	\$ 533.33	\$ 1,071.20	\$ 95.13	\$ 180.51	\$ 1,880.18
2036	\$ 573.33	\$ 1,041.17	\$ 92.47	\$ 184.12	\$ 1,891.10
2037	\$ 600.00	\$ 1,008.90	\$ 89.60	\$ 187.81	\$ 1,886.30
2038	\$ 640.00	\$ 975.12	\$ 86.60	\$ 191.56	\$ 1,893.28
2039	\$ 666.67	\$ 939.08	\$ 83.40	\$ 195.39	\$ 1,884.54
2040	\$ 706.67	\$ 901.55	\$ 80.07	\$ 199.30	\$ 1,887.59
2041	\$ 746.67	\$ 861.77	\$ 76.53	\$ 203.29	\$ 1,888.25
2042	\$ 786.67	\$ 819.73	\$ 72.80	\$ 207.35	\$ 1,886.55
2043	\$ 826.67	\$ 775.44	\$ 68.87	\$ 211.50	\$ 1,882.47
2044	\$ 880.00	\$ 728.90	\$ 64.73	\$ 215.73	\$ 1,889.36
2045	\$ 933.33	\$ 679.35	\$ 60.33	\$ 220.05	\$ 1,893.07
2046	\$ 973.33	\$ 626.81	\$ 55.67	\$ 224.45	\$ 1,880.25
2047	\$ 1,040.00	\$ 572.01	\$ 50.80	\$ 228.94	\$ 1,891.74
2048	\$ 1,093.33	\$ 513.46	\$ 45.60	\$ 233.51	\$ 1,885.90
2049	\$ 1,160.00	\$ 451.90	\$ 40.13	\$ 238.18	\$ 1,890.22
2050	\$ 1,226.67	\$ 386.59	\$ 34.33	\$ 242.95	\$ 1,890.54
2051	\$ 1,293.33	\$ 317.53	\$ 28.20	\$ 247.81	\$ 1,886.87
2052	\$ 1,373.33	\$ 244.72	\$ 21.73	\$ 252.76	\$ 1,892.55
2053	\$ 1,440.00	\$ 167.40	\$ 14.87	\$ 257.82	\$ 1,880.08
2054	\$ 1,533.33	\$ 86.33	\$ 7.67	\$ 262.97	\$ 1,890.30
Total	\$23,080.00	\$ 23,624.10	\$ 2,127.87	\$ 5,835.31	\$ 54,667.28

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #2-B LOT TYPE 4

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #2-B LOT TYPE 4 PRINCIPAL ASSESSMENT: \$28,106.14

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2-B LOT TYPE 4

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ 748.82	\$ 1,173.60	\$ 140.53	\$ 154.56	\$ 2,217.51
2027	\$ 421.66	\$ 1,540.22	\$ 136.79	\$ 120.05	\$ 2,218.72
2028	\$ 443.48	\$ 1,516.48	\$ 134.68	\$ 122.45	\$ 2,217.08
2029	\$ 465.29	\$ 1,491.51	\$ 132.46	\$ 124.90	\$ 2,214.16
2030	\$ 494.37	\$ 1,465.31	\$ 130.13	\$ 127.40	\$ 2,217.21
2031	\$ 523.45	\$ 1,437.48	\$ 127.66	\$ 129.95	\$ 2,218.54
2032	\$ 552.53	\$ 1,408.01	\$ 125.05	\$ 132.55	\$ 2,218.13
2033	\$ 581.61	\$ 1,376.90	\$ 122.28	\$ 135.20	\$ 2,215.99
2034	\$ 610.69	\$ 1,344.16	\$ 119.37	\$ 137.90	\$ 2,212.12
2035	\$ 647.04	\$ 1,309.78	\$ 116.32	\$ 140.66	\$ 2,213.80
2036	\$ 683.39	\$ 1,273.35	\$ 113.09	\$ 143.47	\$ 2,213.30
2037	\$ 727.01	\$ 1,234.88	\$ 109.67	\$ 146.34	\$ 2,217.90
2038	\$ 763.36	\$ 1,193.94	\$ 106.03	\$ 149.27	\$ 2,212.61
2039	\$ 806.98	\$ 1,150.97	\$ 102.22	\$ 152.26	\$ 2,212.42
2040	\$ 857.87	\$ 1,105.53	\$ 98.18	\$ 155.30	\$ 2,216.89
2041	\$ 901.49	\$ 1,057.24	\$ 93.89	\$ 158.41	\$ 2,211.03
2042	\$ 959.65	\$ 1,006.48	\$ 89.39	\$ 161.57	\$ 2,217.09
2043	\$ 1,010.54	\$ 952.45	\$ 84.59	\$ 164.81	\$ 2,212.39
2044	\$ 1,068.70	\$ 895.56	\$ 79.53	\$ 168.10	\$ 2,211.90
2045	\$ 1,134.13	\$ 835.39	\$ 74.19	\$ 171.46	\$ 2,215.18
2046	\$ 1,199.56	\$ 771.54	\$ 68.52	\$ 174.89	\$ 2,214.52
2047	\$ 1,272.26	\$ 704.01	\$ 62.52	\$ 178.39	\$ 2,217.18
2048	\$ 1,344.97	\$ 632.38	\$ 56.16	\$ 181.96	\$ 2,215.46
2049	\$ 1,424.94	\$ 556.66	\$ 49.44	\$ 185.60	\$ 2,216.63
2050	\$ 1,504.91	\$ 476.43	\$ 42.31	\$ 189.31	\$ 2,212.96
2051	\$ 1,592.15	\$ 391.71	\$ 34.79	\$ 193.10	\$ 2,211.74
2052	\$ 1,686.66	\$ 302.07	\$ 26.83	\$ 196.96	\$ 2,212.51
2053	\$ 1,788.44	\$ 207.11	\$ 18.39	\$ 200.90	\$ 2,214.84
2054	\$ 1,890.22	\$ 106.42	\$ 9.45	\$ 204.92	\$ 2,211.01
Total	\$28,106.14	\$ 28,917.56	\$ 2,604.47	\$ 4,602.64	\$ 64,230.82

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #2-B LOT TYPE 5

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #2-B LOT TYPE 5 PRINCIPAL ASSESSMENT: \$32,322.06

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2-B LOT TYPE 5

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ 861.14	\$ 1,349.63	\$ 161.61	\$ 177.75	\$ 2,550.13
2027	\$ 484.91	\$ 1,771.25	\$ 157.30	\$ 138.06	\$ 2,551.53
2028	\$ 510.00	\$ 1,743.95	\$ 154.88	\$ 140.82	\$ 2,549.65
2029	\$ 535.08	\$ 1,715.24	\$ 152.33	\$ 143.64	\$ 2,546.28
2030	\$ 568.52	\$ 1,685.11	\$ 149.65	\$ 146.51	\$ 2,549.80
2031	\$ 601.96	\$ 1,653.10	\$ 146.81	\$ 149.44	\$ 2,551.32
2032	\$ 635.41	\$ 1,619.21	\$ 143.80	\$ 152.43	\$ 2,550.85
2033	\$ 668.85	\$ 1,583.44	\$ 140.63	\$ 155.48	\$ 2,548.39
2034	\$ 702.29	\$ 1,545.78	\$ 137.28	\$ 158.59	\$ 2,543.94
2035	\$ 744.09	\$ 1,506.25	\$ 133.77	\$ 161.76	\$ 2,545.87
2036	\$ 785.90	\$ 1,464.35	\$ 130.05	\$ 164.99	\$ 2,545.29
2037	\$ 836.06	\$ 1,420.11	\$ 126.12	\$ 168.29	\$ 2,550.58
2038	\$ 877.86	\$ 1,373.04	\$ 121.94	\$ 171.66	\$ 2,544.50
2039	\$ 928.03	\$ 1,323.61	\$ 117.55	\$ 175.09	\$ 2,544.28
2040	\$ 986.55	\$ 1,271.36	\$ 112.91	\$ 178.60	\$ 2,549.42
2041	\$ 1,036.71	\$ 1,215.82	\$ 107.98	\$ 182.17	\$ 2,542.68
2042	\$ 1,103.60	\$ 1,157.46	\$ 102.79	\$ 185.81	\$ 2,549.66
2043	\$ 1,162.12	\$ 1,095.32	\$ 97.28	\$ 189.53	\$ 2,544.25
2044	\$ 1,229.01	\$ 1,029.90	\$ 91.46	\$ 193.32	\$ 2,543.69
2045	\$ 1,304.25	\$ 960.70	\$ 85.32	\$ 197.18	\$ 2,547.46
2046	\$ 1,379.50	\$ 887.27	\$ 78.80	\$ 201.13	\$ 2,546.70
2047	\$ 1,463.10	\$ 809.61	\$ 71.90	\$ 205.15	\$ 2,549.76
2048	\$ 1,546.71	\$ 727.23	\$ 64.59	\$ 209.25	\$ 2,547.78
2049	\$ 1,638.68	\$ 640.15	\$ 56.85	\$ 213.44	\$ 2,549.12
2050	\$ 1,730.64	\$ 547.90	\$ 48.66	\$ 217.71	\$ 2,544.91
2051	\$ 1,830.97	\$ 450.46	\$ 40.01	\$ 222.06	\$ 2,543.50
2052	\$ 1,939.66	\$ 347.38	\$ 30.85	\$ 226.50	\$ 2,544.39
2053	\$ 2,056.71	\$ 238.17	\$ 21.15	\$ 231.03	\$ 2,547.07
2054	\$ 2,173.75	\$ 122.38	\$ 10.87	\$ 235.65	\$ 2,542.66
Total	\$32,322.06	\$ 33,255.20	\$ 2,995.14	\$ 5,293.04	\$ 73,865.45

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #3 INITIAL PARCEL

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

**IMPROVEMENT AREA #3 INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$18,380,000.00**

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #3 INITIAL PARCEL

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[c]
2026	\$ -	\$ 767,472.22	\$ 91,900.00	\$ 40,000.00	\$ 899,372.22
2027	\$ 254,000.00	\$ 1,034,794.00	\$ 91,900.00	\$ 40,800.00	\$ 1,421,494.00
2028	\$ 269,000.00	\$ 1,020,493.80	\$ 90,630.00	\$ 41,616.00	\$ 1,421,739.80
2029	\$ 284,000.00	\$ 1,005,349.10	\$ 89,285.00	\$ 42,448.32	\$ 1,421,082.42
2030	\$ 301,000.00	\$ 989,359.90	\$ 87,865.00	\$ 43,297.29	\$ 1,421,522.19
2031	\$ 318,000.00	\$ 972,413.60	\$ 86,360.00	\$ 44,163.24	\$ 1,420,936.84
2032	\$ 337,000.00	\$ 954,510.20	\$ 84,770.00	\$ 45,046.50	\$ 1,421,326.70
2033	\$ 357,000.00	\$ 935,537.10	\$ 83,085.00	\$ 45,947.43	\$ 1,421,569.53
2034	\$ 378,000.00	\$ 915,438.00	\$ 81,300.00	\$ 46,866.38	\$ 1,421,604.38
2035	\$ 400,000.00	\$ 894,156.60	\$ 79,410.00	\$ 47,803.71	\$ 1,421,370.31
2036	\$ 423,000.00	\$ 871,636.60	\$ 77,410.00	\$ 48,759.78	\$ 1,420,806.38
2037	\$ 448,000.00	\$ 847,821.70	\$ 75,295.00	\$ 49,734.98	\$ 1,420,851.68
2038	\$ 475,000.00	\$ 822,599.30	\$ 73,055.00	\$ 50,729.68	\$ 1,421,383.98
2039	\$ 503,000.00	\$ 795,856.80	\$ 70,680.00	\$ 51,744.27	\$ 1,421,281.07
2040	\$ 533,000.00	\$ 767,537.90	\$ 68,165.00	\$ 52,779.16	\$ 1,421,482.06
2041	\$ 564,000.00	\$ 737,530.00	\$ 65,500.00	\$ 53,834.74	\$ 1,420,864.74
2042	\$ 598,000.00	\$ 705,776.80	\$ 62,680.00	\$ 54,911.43	\$ 1,421,368.23
2043	\$ 633,000.00	\$ 672,109.40	\$ 59,690.00	\$ 56,009.66	\$ 1,420,809.06
2044	\$ 671,000.00	\$ 636,471.50	\$ 56,525.00	\$ 57,129.85	\$ 1,421,126.35
2045	\$ 711,000.00	\$ 598,694.20	\$ 53,170.00	\$ 58,272.45	\$ 1,421,136.65
2046	\$ 753,000.00	\$ 558,664.90	\$ 49,615.00	\$ 59,437.90	\$ 1,420,717.80
2047	\$ 798,000.00	\$ 516,271.00	\$ 45,850.00	\$ 60,626.66	\$ 1,420,747.66
2048	\$ 846,000.00	\$ 471,343.60	\$ 41,860.00	\$ 61,839.19	\$ 1,421,042.79
2049	\$ 897,000.00	\$ 423,713.80	\$ 37,630.00	\$ 63,075.97	\$ 1,421,419.77
2050	\$ 950,000.00	\$ 373,212.70	\$ 33,145.00	\$ 64,337.49	\$ 1,420,695.19
2051	\$ 1,007,000.00	\$ 319,727.70	\$ 28,395.00	\$ 65,624.24	\$ 1,420,746.94
2052	\$ 1,068,000.00	\$ 263,033.60	\$ 23,360.00	\$ 66,936.72	\$ 1,421,330.32
2053	\$ 1,132,000.00	\$ 202,905.20	\$ 18,020.00	\$ 68,275.45	\$ 1,421,200.65
2054	\$ 1,200,000.00	\$ 139,173.60	\$ 12,360.00	\$ 69,640.96	\$ 1,421,174.56
2055	\$ 1,272,000.00	\$ 71,613.60	\$ 6,360.00	\$ 71,033.78	\$ 1,421,007.38
Total	\$ 18,380,000.00	\$ 20,285,218.42	\$ 1,825,270.00	\$ 1,622,723.23	\$ 42,113,211.65

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] Assumes Reserve Fund is fully funded and available to reduce the Improvement Area #3 Annual Installments at maturity of the Improvement Area #2-3 Bonds.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #3 LOT TYPE 6

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #3 LOT TYPE 6 PRINCIPAL ASSESSMENT: \$27,730.08

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #3 LOT TYPE 6

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ -	\$ 1,157.89	\$ 138.65	\$ 60.35	\$ 1,356.89
2027	\$ 383.21	\$ 1,561.20	\$ 138.65	\$ 61.56	\$ 2,144.62
2028	\$ 405.84	\$ 1,539.63	\$ 136.73	\$ 62.79	\$ 2,144.99
2029	\$ 428.47	\$ 1,516.78	\$ 134.71	\$ 64.04	\$ 2,144.00
2030	\$ 454.12	\$ 1,492.66	\$ 132.56	\$ 65.32	\$ 2,144.66
2031	\$ 479.77	\$ 1,467.09	\$ 130.29	\$ 66.63	\$ 2,143.78
2032	\$ 508.44	\$ 1,440.08	\$ 127.89	\$ 67.96	\$ 2,144.37
2033	\$ 538.61	\$ 1,411.45	\$ 125.35	\$ 69.32	\$ 2,144.74
2034	\$ 570.29	\$ 1,381.13	\$ 122.66	\$ 70.71	\$ 2,144.79
2035	\$ 603.48	\$ 1,349.02	\$ 119.81	\$ 72.12	\$ 2,144.43
2036	\$ 638.18	\$ 1,315.05	\$ 116.79	\$ 73.56	\$ 2,143.58
2037	\$ 675.90	\$ 1,279.12	\$ 113.60	\$ 75.04	\$ 2,143.65
2038	\$ 716.64	\$ 1,241.06	\$ 110.22	\$ 76.54	\$ 2,144.46
2039	\$ 758.88	\$ 1,200.72	\$ 106.64	\$ 78.07	\$ 2,144.30
2040	\$ 804.14	\$ 1,157.99	\$ 102.84	\$ 79.63	\$ 2,144.60
2041	\$ 850.91	\$ 1,112.72	\$ 98.82	\$ 81.22	\$ 2,143.67
2042	\$ 902.21	\$ 1,064.81	\$ 94.57	\$ 82.85	\$ 2,144.43
2043	\$ 955.01	\$ 1,014.02	\$ 90.05	\$ 84.50	\$ 2,143.59
2044	\$ 1,012.34	\$ 960.25	\$ 85.28	\$ 86.19	\$ 2,144.07
2045	\$ 1,072.69	\$ 903.26	\$ 80.22	\$ 87.92	\$ 2,144.08
2046	\$ 1,136.06	\$ 842.86	\$ 74.85	\$ 89.67	\$ 2,143.45
2047	\$ 1,203.95	\$ 778.90	\$ 69.17	\$ 91.47	\$ 2,143.50
2048	\$ 1,276.37	\$ 711.12	\$ 63.15	\$ 93.30	\$ 2,143.94
2049	\$ 1,353.31	\$ 639.26	\$ 56.77	\$ 95.16	\$ 2,144.51
2050	\$ 1,433.27	\$ 563.07	\$ 50.01	\$ 97.07	\$ 2,143.42
2051	\$ 1,519.27	\$ 482.38	\$ 42.84	\$ 99.01	\$ 2,143.49
2052	\$ 1,611.30	\$ 396.84	\$ 35.24	\$ 100.99	\$ 2,144.37
2053	\$ 1,707.86	\$ 306.12	\$ 27.19	\$ 103.01	\$ 2,144.18
2054	\$ 1,810.45	\$ 209.97	\$ 18.65	\$ 105.07	\$ 2,144.14
2055	\$ 1,919.08	\$ 108.04	\$ 9.60	\$ 107.17	\$ 2,143.89
Total	\$ 27,730.08	\$ 30,604.50	\$ 2,753.80	\$ 2,448.22	\$ 63,536.60

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #3 LOT TYPE 7

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #3 LOT TYPE 7 PRINCIPAL ASSESSMENT: \$35,292.83

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #3 LOT TYPE 7

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ -	\$ 1,473.68	\$ 176.46	\$ 76.81	\$ 1,726.95
2027	\$ 487.72	\$ 1,986.99	\$ 176.46	\$ 78.34	\$ 2,729.52
2028	\$ 516.53	\$ 1,959.53	\$ 174.03	\$ 79.91	\$ 2,729.99
2029	\$ 545.33	\$ 1,930.45	\$ 171.44	\$ 81.51	\$ 2,728.73
2030	\$ 577.97	\$ 1,899.74	\$ 168.72	\$ 83.14	\$ 2,729.57
2031	\$ 610.62	\$ 1,867.20	\$ 165.83	\$ 84.80	\$ 2,728.45
2032	\$ 647.10	\$ 1,832.83	\$ 162.77	\$ 86.50	\$ 2,729.20
2033	\$ 685.50	\$ 1,796.40	\$ 159.54	\$ 88.23	\$ 2,729.66
2034	\$ 725.83	\$ 1,757.80	\$ 156.11	\$ 89.99	\$ 2,729.73
2035	\$ 768.07	\$ 1,716.94	\$ 152.48	\$ 91.79	\$ 2,729.28
2036	\$ 812.23	\$ 1,673.70	\$ 148.64	\$ 93.63	\$ 2,728.20
2037	\$ 860.24	\$ 1,627.97	\$ 144.58	\$ 95.50	\$ 2,728.28
2038	\$ 912.08	\$ 1,579.54	\$ 140.28	\$ 97.41	\$ 2,729.31
2039	\$ 965.85	\$ 1,528.18	\$ 135.72	\$ 99.36	\$ 2,729.11
2040	\$ 1,023.45	\$ 1,473.81	\$ 130.89	\$ 101.35	\$ 2,729.50
2041	\$ 1,082.98	\$ 1,416.19	\$ 125.77	\$ 103.37	\$ 2,728.31
2042	\$ 1,148.26	\$ 1,355.22	\$ 120.36	\$ 105.44	\$ 2,729.28
2043	\$ 1,215.47	\$ 1,290.57	\$ 114.62	\$ 107.55	\$ 2,728.20
2044	\$ 1,288.44	\$ 1,222.14	\$ 108.54	\$ 109.70	\$ 2,728.81
2045	\$ 1,365.24	\$ 1,149.60	\$ 102.10	\$ 111.89	\$ 2,728.83
2046	\$ 1,445.89	\$ 1,072.73	\$ 95.27	\$ 114.13	\$ 2,728.03
2047	\$ 1,532.30	\$ 991.33	\$ 88.04	\$ 116.41	\$ 2,728.08
2048	\$ 1,624.47	\$ 905.06	\$ 80.38	\$ 118.74	\$ 2,728.65
2049	\$ 1,722.40	\$ 813.60	\$ 72.26	\$ 121.12	\$ 2,729.38
2050	\$ 1,824.17	\$ 716.63	\$ 63.64	\$ 123.54	\$ 2,727.98
2051	\$ 1,933.62	\$ 613.93	\$ 54.52	\$ 126.01	\$ 2,728.08
2052	\$ 2,050.75	\$ 505.07	\$ 44.86	\$ 128.53	\$ 2,729.20
2053	\$ 2,173.64	\$ 389.61	\$ 34.60	\$ 131.10	\$ 2,728.95
2054	\$ 2,304.21	\$ 267.24	\$ 23.73	\$ 133.72	\$ 2,728.90
2055	\$ 2,442.46	\$ 137.51	\$ 12.21	\$ 136.40	\$ 2,728.58
Total	\$ 35,292.83	\$ 38,951.18	\$ 3,504.84	\$ 3,115.91	\$ 80,864.76

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT BUYER DISCLOSURE IMPROVEMENT AREA #3 LOT TYPE 8

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

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

PROPERTY ADDRESS

IMPROVEMENT AREA #3 LOT TYPE 8 PRINCIPAL ASSESSMENT: \$37,813.74

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

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

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

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

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 COLLIN

§

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

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

Notary Public, State of Texas]³

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

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

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF COLLIN

§

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

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

Notary Public, State of Texas]⁴

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

ANNUAL INSTALLMENTS – IMPROVEMENT AREA #3 LOT TYPE 8

Annual Installments Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment ^[b]
2026	\$ -	\$ 1,578.94	\$ 189.07	\$ 82.29	\$ 1,850.31
2027	\$ 522.56	\$ 2,128.91	\$ 189.07	\$ 83.94	\$ 2,924.48
2028	\$ 553.42	\$ 2,099.49	\$ 186.46	\$ 85.62	\$ 2,924.99
2029	\$ 584.28	\$ 2,068.34	\$ 183.69	\$ 87.33	\$ 2,923.64
2030	\$ 619.26	\$ 2,035.44	\$ 180.77	\$ 89.08	\$ 2,924.54
2031	\$ 654.23	\$ 2,000.58	\$ 177.67	\$ 90.86	\$ 2,923.34
2032	\$ 693.32	\$ 1,963.74	\$ 174.40	\$ 92.68	\$ 2,924.14
2033	\$ 734.47	\$ 1,924.71	\$ 170.93	\$ 94.53	\$ 2,924.64
2034	\$ 777.67	\$ 1,883.36	\$ 167.26	\$ 96.42	\$ 2,924.71
2035	\$ 822.93	\$ 1,839.58	\$ 163.37	\$ 98.35	\$ 2,924.23
2036	\$ 870.25	\$ 1,793.24	\$ 159.26	\$ 100.32	\$ 2,923.07
2037	\$ 921.68	\$ 1,744.25	\$ 154.91	\$ 102.32	\$ 2,923.16
2038	\$ 977.23	\$ 1,692.36	\$ 150.30	\$ 104.37	\$ 2,924.26
2039	\$ 1,034.84	\$ 1,637.34	\$ 145.41	\$ 106.46	\$ 2,924.05
2040	\$ 1,096.56	\$ 1,579.08	\$ 140.24	\$ 108.58	\$ 2,924.46
2041	\$ 1,160.33	\$ 1,517.34	\$ 134.76	\$ 110.76	\$ 2,923.19
2042	\$ 1,230.28	\$ 1,452.02	\$ 128.95	\$ 112.97	\$ 2,924.22
2043	\$ 1,302.29	\$ 1,382.75	\$ 122.80	\$ 115.23	\$ 2,923.07
2044	\$ 1,380.47	\$ 1,309.43	\$ 116.29	\$ 117.54	\$ 2,923.73
2045	\$ 1,462.76	\$ 1,231.71	\$ 109.39	\$ 119.89	\$ 2,923.75
2046	\$ 1,549.17	\$ 1,149.36	\$ 102.07	\$ 122.28	\$ 2,922.89
2047	\$ 1,641.75	\$ 1,062.14	\$ 94.33	\$ 124.73	\$ 2,922.95
2048	\$ 1,740.50	\$ 969.71	\$ 86.12	\$ 127.22	\$ 2,923.56
2049	\$ 1,845.43	\$ 871.72	\$ 77.42	\$ 129.77	\$ 2,924.33
2050	\$ 1,954.46	\$ 767.82	\$ 68.19	\$ 132.36	\$ 2,922.84
2051	\$ 2,071.73	\$ 657.79	\$ 58.42	\$ 135.01	\$ 2,922.95
2052	\$ 2,197.23	\$ 541.15	\$ 48.06	\$ 137.71	\$ 2,924.15
2053	\$ 2,328.90	\$ 417.44	\$ 37.07	\$ 140.47	\$ 2,923.88
2054	\$ 2,468.80	\$ 286.33	\$ 25.43	\$ 143.27	\$ 2,923.83
2055	\$ 2,616.92	\$ 147.33	\$ 13.08	\$ 146.14	\$ 2,923.48
Total	\$ 37,813.74	\$ 41,733.41	\$ 3,755.18	\$ 3,338.48	\$ 86,640.81

Footnotes:

[a] Interest is calculated at a 5.630% rate for illustrative purposes only and is subject to change upon the issuance of PID Bonds.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT B
CITY OF ANNA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Anna, Texas on *November 17, 2025 at 6:00 p.m. at the Anna City Hall, City Council Chambers, 120 W. 7th Street, Anna, Texas 75409*. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Improvement Area #3 of The Woods at Lindsey Place Public Improvement District (the “District”) pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the “Act”).

The general nature of the proposed public improvements (collectively, the “Authorized Improvements”) may include: (a) acquisition, construction and improvements, and maintenance of the improvements, consisting of (1) landscaping; (2) erection of fountains, distinctive lighting, and signs; (3) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way, including related landscaping, lighting, traffic control devices, screening walls and retaining walls; (4) construction or improvement of pedestrian malls; (5) acquisition and installation of pieces of art; (6) acquisition, construction, or improvement of off-street parking facilities; (7) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements; (8) the establishment or improvement of parks; (9) projects similar to those listed in (1)-(8); (10) acquisition, by purchase or otherwise, of real property or contract rights in connection with an authorized improvement; (11) special supplemental and maintenance services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, roadways, public safety, security, business recruitment, development, recreation, and cultural enhancement (collectively, the “Authorized Improvements”); and (b) the payment of expenses incurred in the establishment, administration, and operation of the District, including maintenance costs, costs of issuance, funding debt service and capitalized interest reserves and credit enhancement fees of any bonds issued by or on behalf of the District, if necessary. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The total costs of the Improvement Area #3 Projects, including the costs of creating the District and issuing the bonds, is approximately \$21,691,210.

The boundaries of the District include approximately 198.006 acres of land generally located immediately to the northwest, west, and southwest of Anna High School, located within the city limits of the City and as more particularly described by a metes and bounds description available for public inspection at the office of the City Secretary, 120 W. 7th Street, Anna, Texas 75409.

All written or oral objections on the proposed assessments within the District will be considered at the public hearing.

A copy of the Improvement Area #3 Assessment Roll and all other assessment rolls for the various improvement areas within the District (collectively, the “Assessment Rolls”), which Assessment Rolls include the assessments to be levied against each parcel of land within the District, is available for public inspection at the office of the City Secretary, 120 W. 7th Street, Anna, Texas 75409.



Item No. 6.h.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Joey Grisham

AGENDA ITEM:

Approve a Resolution approving a Preliminary Limited Offering Memorandum for the sale of "City of Anna, Texas Special Assessment Revenue Bonds, Series 2025" (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects). (Director of Economic Development Joey Grisham)

SUMMARY:

The Preliminary Limited Offering Memorandum (PLOM) for the City of Anna, Texas, Special Assessment Revenue Bonds Series 2025 (The Woods at Lindsey Place PID Improvement Areas #2-3) is submitted in preparation for the sale of bonds as contemplated in the development agreement and PID creation documents.

FINANCIAL IMPACT:

N/A

BACKGROUND:

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Vibrant.

ATTACHMENTS:

1. Resolution Approving PLOM (The Woods at Lindsey Place PID) v1

CITY OF ANNA, TEXAS

RESOLUTION NO. 2025-10-_____

RESOLUTION APPROVING A PRELIMINARY LIMITED OFFERING MEMORANDUM FOR THE SALE OF “CITY OF ANNA, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025 (THE WOODS AT LINDSEY PLACE PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREAS #2-3 PROJECTS)”

WHEREAS, the City of Anna, Texas (the “City”) intends to issue its City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (The Woods at Lindsey Place Public Improvement District Improvement Areas #2-3 Projects) (the “Bonds”) to finance certain public improvements within the City;

WHEREAS, FMSbonds, Inc. (the “Underwriter”), with assistance from its counsel, City Staff, the City’s Bond Counsel, and City’s Financial Advisor, has prepared a Preliminary Limited Offering Memorandum for dissemination to potential purchasers of the Bonds prior to the availability of the final Limited Offering Memorandum for the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF ANNA, TEXAS:

1. The Preliminary Limited Offering Memorandum for the Bonds, substantially in the form attached hereto as Exhibit A, is hereby approved with such changes, addenda, supplements or amendments as may be approved by the Finance Director in consultation with the City’s consultants retained by the City to assist in the issuance of the Bonds including Bond Counsel and the Financial Advisor, and the Underwriter is hereby authorized to distribute such document among potential purchasers of the Bonds and other interested persons in connection with the initial marketing and placement of the Bonds; provided that such Preliminary Limited Offering Memorandum shall not be released to the public without the approval of the Finance Director, which approval shall be made in consultation with the City’s consultants retained by the City to assist in the issuance of the Bonds including Bond Counsel and the Financial Advisor.

2. Pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (17 C.F.R. § 240.15c2-12) (“Rule 15c2-12”), the City hereby deems the Preliminary Limited Offering Memorandum to be final as of its date, except for the omission of no more than the following information as permitted by Rule 15c2-12: the offering prices of the Bonds, interest rates for the Bonds, selling compensation of the Underwriter, the aggregate principal amount of the Bonds, the principal amount per maturity of the Bonds, the delivery date for the Bonds, ratings for the Bonds, and the identity of the ultimate purchasers.

PASSED AND APPROVED THIS 27TH DAY OF OCTOBER, 2025.

ATTEST:

Pete Cain, Mayor
City of Anna, Texas

Carrie Land, City Secretary
City of Anna, Texas

(CITY SEAL)

EXHIBIT A

PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [PLOM DATE], 2025

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

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for purposes of federal income taxation under existing law, subject to the matters described under “TAX MATTERS” herein, including the alternative minimum tax on certain corporations.

\$23,977,000*

CITY OF ANNA, TEXAS,

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

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

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

Dated Date: Closing Date (defined below)

Interest to Accrue from Closing Date

Due: September 15, as shown on the inside cover

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

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

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

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

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

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

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

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

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

FMSbonds, Inc.

* Preliminary, subject to change.

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

CUSIP Prefix: _____ (a)

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

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

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

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

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

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

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

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**CITY OF ANNA, TEXAS
CITY COUNCIL**

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

**ACTING CITY
MANAGER**

Marc Marchand

CITY SECRETARY

Carrie Land

FINANCE DIRECTOR

Terri Doby

ADMINISTRATOR

P3Works, LLC

MUNICIPAL ADVISOR TO THE CITY

Hilltop Securities Inc.

BOND COUNSEL

McCall, Parkhurst & Horton L.L.P.

UNDERWRITER'S COUNSEL

Greenberg Traurig, LLP

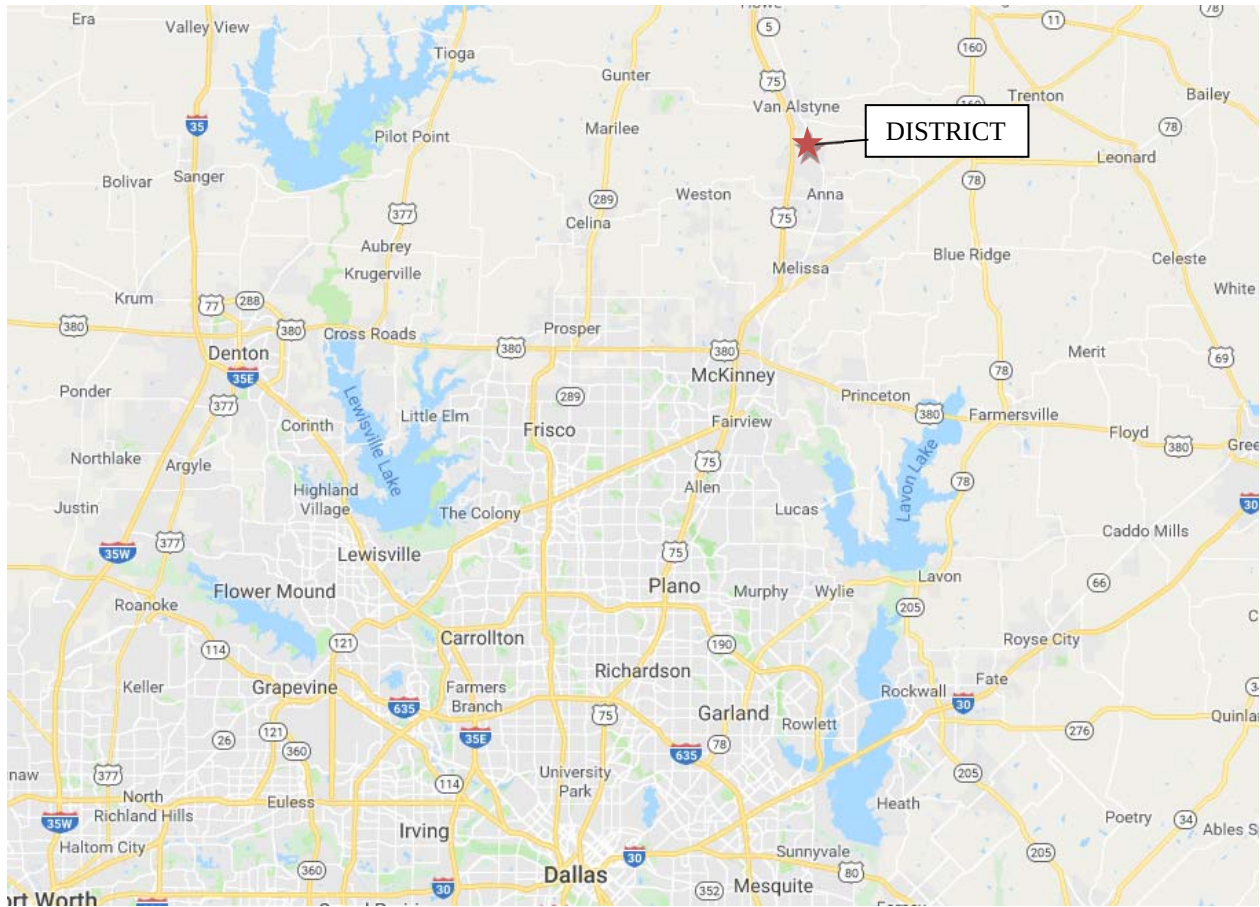
For additional information regarding the City, please contact:

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

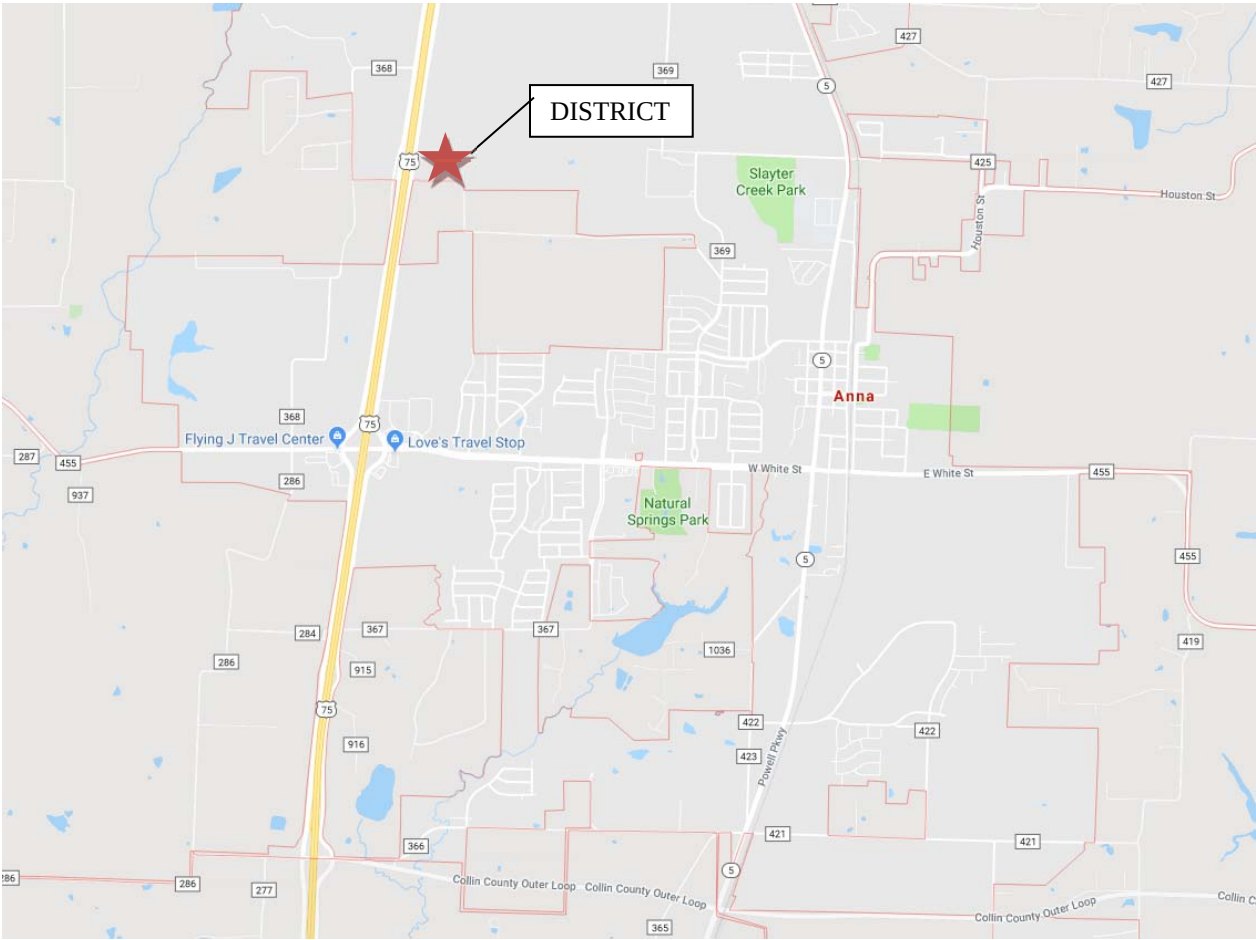
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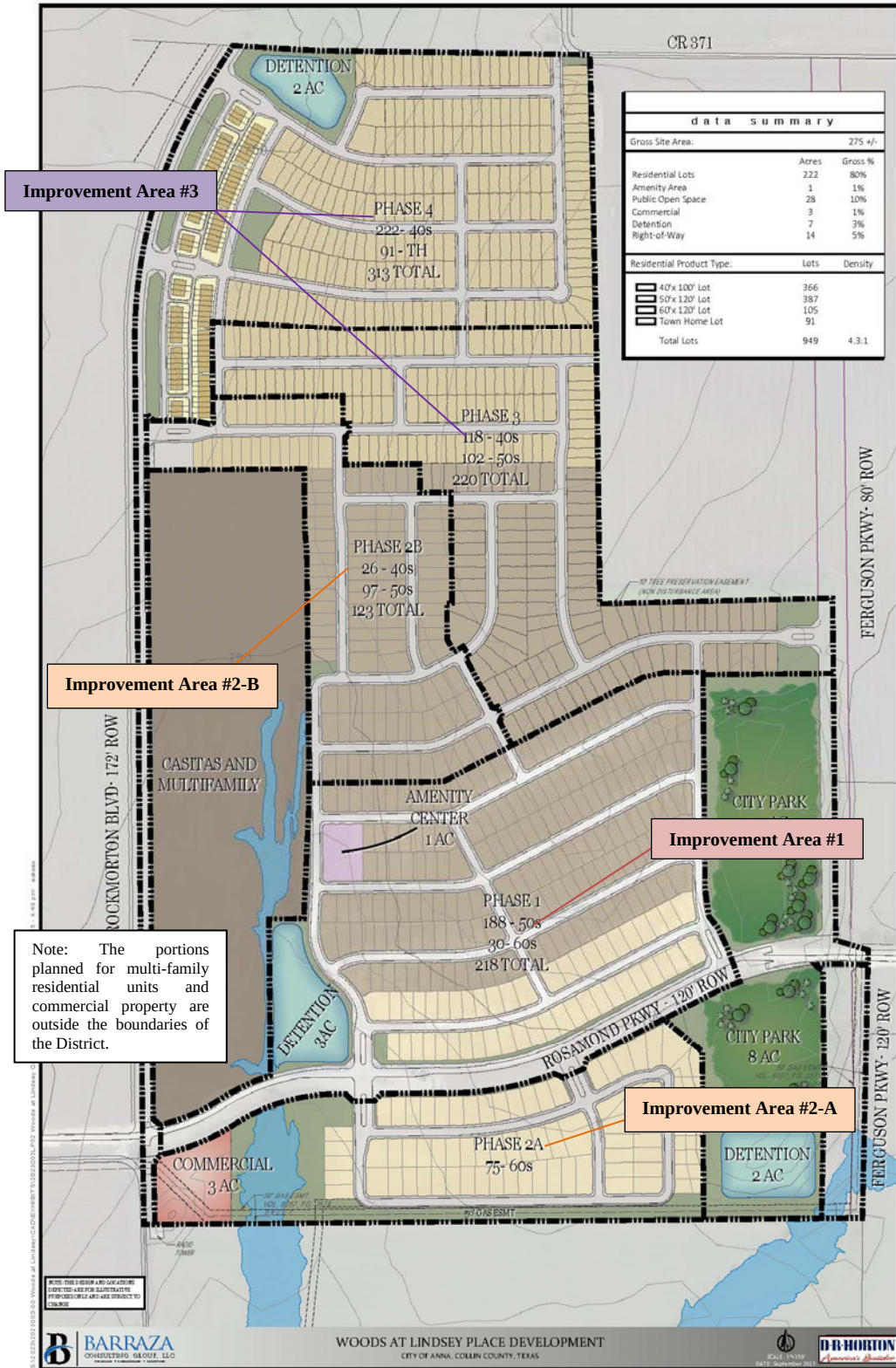
REGIONAL LOCATION MAP OF THE DISTRICT



AREA LOCATION MAP OF THE DISTRICT



MAP SHOWING BOUNDARIES OF THE DISTRICT AND IMPROVEMENT AREAS



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

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

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

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

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

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

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

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

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

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

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

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LIMITED OFFERING MEMORANDUM

\$23,977,000*

CITY OF ANNA, TEXAS,

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

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

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

INTRODUCTION

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

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

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

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

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

* Preliminary, subject to change.

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

PLAN OF FINANCE

Overview

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

Development Plan and Status of Development

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

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

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

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

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

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

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

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

The Developer completed lot development in Phase 3 in July 2025. Home construction in Phase 3 began in September 2025. The Developer expects to complete lot development in Phase 4 in November 2025. Home construction in Phase 4 is expected to begin in May 2027.

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

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

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

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

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

Homebuilders in the District

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

The Bonds

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

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

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

Prior Bonds

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

LIMITATIONS APPLICABLE TO INITIAL PURCHASERS

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

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

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

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

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

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

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

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

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

DESCRIPTION OF THE BONDS

General Description

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

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

Redemption Provisions

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

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

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

\$ Term Bonds Maturing September 15, 20__

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

\$ Term Bonds Maturing September 15, 20__

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

September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__
September 15, 20__[†]

[†] Stated maturity.

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

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

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

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

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

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

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

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

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

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

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

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

BOOK-ENTRY ONLY SYSTEM

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECURITY FOR THE BONDS

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

General

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

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

Pledged Revenues

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

Pursuant to the Indenture:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Collection and Deposit of Assessments

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

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

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

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

Unconditional Levy of Assessments

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

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

There is no discount for the early payment of Assessments.

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

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

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

Perfect Security Interest

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

Pledged Revenue Fund

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

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

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

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

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

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

Bond Fund

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

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

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

Project Fund

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Administrative Fund

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

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

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

Defeasance

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

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

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

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

Events of Default

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

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

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

Remedies in Event of Default

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

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

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

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

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

Restriction on Owner's Actions

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

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

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

Application of Revenues and Other Moneys After Event of Default

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

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

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

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

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

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

Investment or Deposit of Funds

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

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

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

Against Encumbrances

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

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

Additional Obligations

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

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

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

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SOURCES AND USES OF FUNDS

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

Sources of Funds:

Principal Amount
Total Sources

Uses of Funds:

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

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

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DEBT SERVICE REQUIREMENTS

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

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

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OVERLAPPING TAXES AND DEBT

Overlapping Taxes and Debt

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

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

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

	Improvement <u>Area #2-A</u>	Improvement <u>Area #2-B</u>	Improvement <u>Area #3</u>
<u>Taxing Entity</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>	<u>Tax Year 2025 Ad Valorem Tax Rate ⁽¹⁾</u>
The City	\$0.525073	\$0.525073	\$0.525073
Collin County, Texas	0.149343	0.149343	0.149343
Collin County Community College District	0.081220	0.081220	0.081220
Anna Independent School District	<u>1.239900</u>	<u>1.239900</u>	<u>1.239900</u>
Total Existing Tax Rate	<u>\$1.995536</u>	<u>\$1.995536</u>	<u>\$1.995536</u>
Estimated Average Annual Installment of Assessments as a tax rate equivalent ⁽²⁾	<u>\$0.4746704</u>	<u>\$0.714905</u>	<u>\$0.769815</u>
Estimated Total Tax Rate and Average Annual Installment as a tax rate equivalent ⁽²⁾	<u>\$2.470206</u>	<u>\$2.710441</u>	<u>\$2.765351</u>

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

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

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

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

Improvement Area #2-A

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 10/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 1,731,000	100.000%	\$1,731,000
The City (Ad Valorem Taxes)	261,831,000	0.203%	532,591
Collin County, Texas	982,755,000	0.004%	37,102
Collin County Community College District	438,250,000	0.004%	17,693
Anna Independent School District	<u>444,228,846</u>	0.223%	<u>989,445</u>
TOTAL	<u>\$2,128,795,846</u>		<u>\$3,307,831</u>

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

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

Improvement Area #2-B

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 10/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 3,866,000	100.000%	\$3,866,000
The City (Ad Valorem Taxes)	261,831,000	0.266%	697,103
Collin County, Texas	982,755,000	0.005%	48,562
Collin County Community College District	438,250,000	0.005%	23,158
Anna Independent School District	<u>444,228,846</u>	0.292%	<u>1,295,074</u>
TOTAL	<u>\$2,130,930,846</u>		<u>\$5,929,897</u>

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

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

Improvement Area #3

<u>Taxing or Assessing Entity</u>	<u>Gross Outstanding Debt as of 10/1/2025</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt ⁽¹⁾</u>
The City (Assessments – The Bonds)	\$ 18,380,000	100.000%	\$18,380,000
The City (Ad Valorem Taxes)	261,831,000	0.940%	2,462,003
Collin County, Texas	982,755,000	0.017%	171,510
Collin County Community College District	438,250,000	0.019%	81,790
Anna Independent School District	<u>444,228,846</u>	1.030%	<u>4,573,898</u>
TOTAL	<u>\$2,145,444,846</u>		<u>\$25,669,201</u>

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

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

Homeowners' Association

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

ASSESSMENT PROCEDURES

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

General

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

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

Assessment Methodology

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

The following table provides additional analysis with respect to assessment methodology, including the value to Assessment burden ratio per Lot Type, equivalent tax rate per Lot Type, and leverage per Lot Type related to the

Assessments applicable to Improvement Areas #2-3. The information in the table was obtained from and calculated using information provided in the Service and Assessment Plan. See “APPENDIX C – Service and Assessment Plan.”

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

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
60'	75	\$120,000	\$385,000	\$23,080.00	\$1,827.48	\$0.474670	5.20:1	16.68:1

* Preliminary, subject to change.

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

⁽²⁾ Provided by Developer.

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

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

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
40'	26	\$80,000	\$300,000	\$28,106.14	\$2,144.71	\$0.714905	2.85:1	10.67:1
50'	97	\$100,000	\$345,000	\$32,322.06	\$2,466.42	\$0.714905	3.09:1	10.67:1

* Preliminary, subject to change.

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

⁽²⁾ Provided by Developer.

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

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

Lot Type	Planned No. of Lots	Estimated Finished Value per Lot⁽¹⁾	Projected Average Home Value⁽²⁾	Assessment per Lot	Average Annual Installment of Assessment	Tax Rate Equivalent of Average Annual Installment of Assessment per \$100/Home Value	Estimated Ratio of Estimated Finished Value per Lot to Assessment	Estimated Ratio of Projected Average Home Value to Assessment
TH	91	\$46,200	\$275,000	\$27,730.08	\$2,116.99	\$0.769815	2.26:1	9.92:1
40'	340	\$80,000	\$350,000	\$35,292.83	\$2,694.35	\$0. 769815	2.26:1	9.92:1
50'	102	\$100,000	\$375,000	\$37,813.74	\$2,886.80	\$0. 769815	2.26:1	9.92:1

* Preliminary, subject to change.

⁽¹⁾ Based on the Appraisal.

⁽²⁾ Provided by Developer.

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

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

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

Collection and Enforcement of Assessment Amounts

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

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

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

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

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

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

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

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

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

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

Assessment Amounts

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

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

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

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

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

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

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

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

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

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

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

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

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

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

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

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

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

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

Prepayment of Assessments

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

Priority of Lien

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

Foreclosure Proceedings

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

Any sale of property for nonpayment of an installment or installments of an Assessment will be subject to the lien established for remaining unpaid installments of the Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent installments of the Assessments against such property as they become due and payable. Judicial foreclosure proceedings are not mandatory. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the

foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and in such event there could be an additional delay in payment of the principal of and interest on Bonds or such payment may not be made in full. The City is not required under any circumstance to purchase the property or to pay the delinquent Assessment on the corresponding Assessed Parcel.

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

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

ASSESSMENT AND COLLECTION DATA FOR THE DISTRICT

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

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

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

COLLECTION AND DELINQUENCY HISTORY OF IMPROVEMENT AREA #1 ASSESSMENTS

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

⁽¹⁾ Does not include interest and penalties.

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

Delinquency and Foreclosure History of Improvement Area #1 Assessments

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

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

Prepayment History of Improvement Area #1 Assessments

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

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

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

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

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

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

⁽¹⁾ Does not include interest and penalties.

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

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

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

⁽¹⁾ Does not include interest and penalties.

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

Delinquency and Foreclosure History of Improvement Area #2 Assessments

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

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

Prepayment History of Improvement Area #2 Assessments

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

THE CITY

Background

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

City Government

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

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

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

Water and Wastewater

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

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

The City's sanitary sewer system consists of seven lift stations and two wastewater treatment facilities, being the John R. Geren (Slayter Creek) Wastewater Treatment Plant on the east side of US 75 and the newly constructed Hurricane Creek Regional Wastewater Treatment Plant on the west side of US 75. In addition, the City has two large diameter sewer transmission lines that transport wastewater directly into the NTMWD's wastewater system to the South (Wilson Creek plant). The Slayter Creek Wastewater Treatment Plant is located on Slayter Creek, just north of the confluence of Slayter Creek and Throckmorton Creek. The total treatment capacity of the Slayter Creek Wastewater Treatment Plant is approximately 0.50 million gallons per day. A portion of the NTMWD regional sewer

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

THE DISTRICT

General

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

Powers and Authority

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

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

THE IMPROVEMENT AREAS #2-3 PROJECTS

General

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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* Preliminary, subject to change.

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

Footnotes:

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

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

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

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

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

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

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

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

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

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

Ownership and Maintenance of Improvement Areas #2-3 Projects

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

THE DEVELOPMENT

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

Overall Development Plan

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

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

Homebuilders in the District

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

Photographs of Development in the District

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

Update on Improvement Area #1

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

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

Status of Homes in Improvement Area #1								
Lot Type	Qty.	Completed Lots	Average Lot Price	Lots Owned by Developer	Homes Under Construction	Completed Homes	Homes Closed to End Users	Average Home Price
50'	188	188	\$49,672	14	-	177	174	\$375,535
60'	30	30	\$59,016	-	-	30	30	\$377,256
TOTAL	218	218		14	-	207	204	

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

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

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

Status of Homes in Improvement Area #2								
Lot Type	Qty.	Completed Lots	Average Lot Price	Lots Owned by Developer	Homes Under Construction	Completed Homes	Homes Closed to End Users	Average Home Price
40'	26	26	\$60,000	26	-	-	-	N/A
50'	97	97	\$69,000	34	1	10	63	\$356,386
60'	75	75	\$77,000	34	2	18	41	\$366,099
TOTAL	198	198		94	3	28	104	

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

The Developer completed lot development in Phase 3 in July 2025. Home construction in Phase 3 began in September 2025. The Developer expects to complete lot development in Phase 4 in November 2025. Home construction in Phase 4 is expected to begin in May 2027.

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

Expected Build-Out and Home Prices in the Development

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

EXPECTED BUILDOUT OF THE DISTRICT AND ABSORPTION OF HOMES

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

ESTIMATED HOME PRICES

Improvement Area and Lot Type	Number of Lots	Average Base Home Price
<u>Improvement Area #1</u>		
50'	188	\$360,000
60'	<u>30</u>	\$375,000
	218	
<u>Improvement Area #2-A</u>		
60'	<u>75</u>	\$385,000
	75	
<u>Improvement Area #2-B</u>		
40'	26	\$300,000
50'	<u>97</u>	\$345,000
	123	
<u>Improvement Area #3 (Phase 3)</u>		
40'	118	\$300,000
50'	<u>102</u>	\$350,000
	220	
<u>Improvement Area #3 (Phase 4)</u>		
Townhome	91	\$275,000
40'	<u>222</u>	\$300,000
	313	
Total	<u>949</u>	

Development Agreement

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

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

In addition, the Development Agreement obligates the Developer to:

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

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

In addition, the Development Agreement obligates the City to:

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

Reimbursement Agreement

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

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

Zoning/Permitting

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

Private Improvements

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

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

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

Education

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

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

Environmental

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

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

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

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

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

Flood Zone

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

Utilities

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

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

THE DEVELOPER

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

General

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

Description of the Developer

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

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

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

Biographies of Key Developer Parties

David Booth, CPA (Land Manager – Head of Land Department). David Booth holds a BBA in Accounting from Texas A&M University and is a Certified Public Accountant. He has over 29 years of experience in the homebuilding industry, all at D.R. Horton, including five years in corporate accounting and 24 years in land acquisition and development.

Damon Ainsworth (Land Development Project Manager – On-site Development Manager). Damon Ainsworth holds a bachelor's degree from East Texas State University. He has over 29 years of experience in the homebuilding industry having worked for one private builder and one public builder.

History and Financing of the District

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

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

THE ADMINISTRATOR

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

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

The Administrator's duties will include:

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

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

APPRAISAL

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

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

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

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

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

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

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

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

BONDHOLDERS’ RISKS

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

General

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

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

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

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

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

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

Deemed Representations and Acknowledgment by Investors

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

Assessment Limitations

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

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

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

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

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

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

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

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

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

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

Completion of the Improvement Areas #2-3 Projects

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

Failure or Inability to Complete Proposed Development

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

Completion of Homes

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

Risks Related to the Current Residential Real Estate Market

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

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

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

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

General Risks of Real Estate Investment and Development

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

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

Availability of Utilities

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

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

Absorption Rate

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

State Law Regarding Notice of Assessments

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

Potential Future Changes in State Law Regarding Public Improvement Districts

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

Direct and Overlapping Indebtedness, Assessments and Taxes

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

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

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

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

Hazardous Substances

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

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

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

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

Exercise of Third-Party Property Rights

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

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

Regulation

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

Bankruptcy

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

Bondholders’ Remedies and Bankruptcy

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

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

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

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

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

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

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

Bankruptcy Limitation to Bondholders’ Rights

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

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

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

Judicial Foreclosures

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

No Acceleration

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

Loss of Tax Exemption

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

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

Tax-Exempt Status of the Bonds

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

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

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

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

Management and Ownership

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

Dependence Upon Developer

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

Use of Appraisal

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

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

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

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

Flood Plain and Severe Weather Events

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

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

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

Competition

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

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

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

Source: The Developer

Limited Secondary Market for the Bonds

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

No Credit Rating

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

TAX MATTERS

Opinion

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

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

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

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

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

Federal Income Tax Accounting Treatment of Original Issue Discount

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

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

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

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

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

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

Collateral Federal Income Tax Consequences

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

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

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

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

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

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

State, Local And Foreign Taxes

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

Information Reporting and Backup Withholding

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

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

Future and Proposed Legislation

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

LEGAL MATTERS

Legal Proceedings

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

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

Legal Opinions

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

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

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

Litigation – The City

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

Litigation – The Developer

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

SUITABILITY FOR INVESTMENT

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

ENFORCEABILITY OF REMEDIES

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

NO RATING

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

CONTINUING DISCLOSURE

The City

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

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

The City’s Compliance with Prior Undertakings

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

The Developer

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

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

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

The Developer's Compliance with Prior Undertakings

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

UNDERWRITING

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

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

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

LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

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

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

INVESTMENTS

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

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

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

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

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

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

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

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

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

INFORMATION RELATING TO THE TRUSTEE

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

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

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

SOURCES OF INFORMATION

General

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

Source of Certain Information

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

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

Experts

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

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

Updating of Limited Offering Memorandum

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

FORWARD-LOOKING STATEMENTS

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

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

AUTHORIZATION AND APPROVAL

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

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APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREAS

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

Location and Population

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

Major Employers

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

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

Source: City of Anna 2024 Comprehensive Annual Financial Report

Historical Employment in Collin County

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

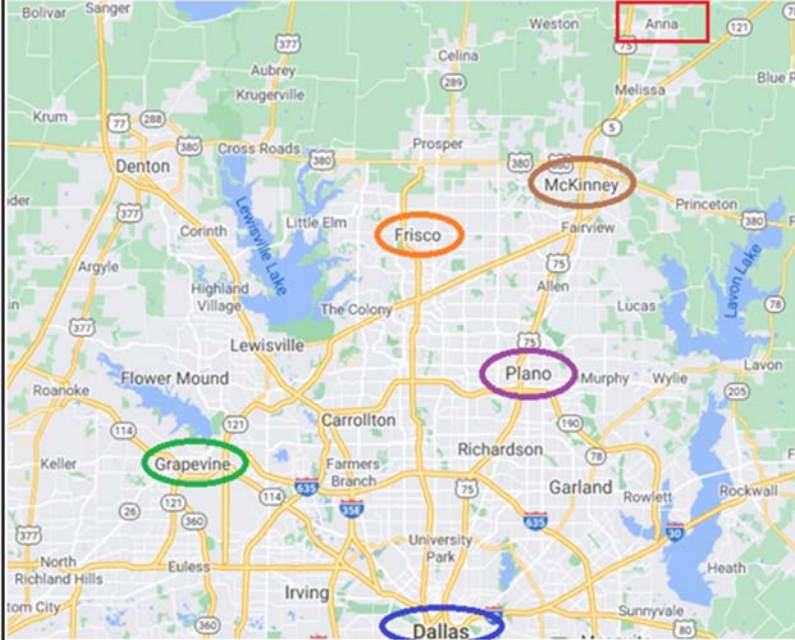
Source: Texas Workforce Commission.

⁽¹⁾ Data through August 2025.

Surrounding Economic Activity

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

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



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

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

Source: Municipal Advisory Council of Texas

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APPENDIX B
FORM OF INDENTURE

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APPENDIX C

SERVICE AND ASSESSMENT PLAN

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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APPENDIX E-1

FORM OF DISCLOSURE AGREEMENT OF ISSUER

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APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

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APPENDIX F
DEVELOPMENT AGREEMENT

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APPENDIX G
REIMBURSEMENT AGREEMENT

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APPENDIX H

APPRAISAL

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APPENDIX I
PHOTOGRAPHS OF DEVELOPMENT IN THE DISTRICT

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Item No. 6.i.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Joey Grisham

AGENDA ITEM:

Approve a Resolution of the City of Anna, Texas determining the costs of certain authorized improvements to be financed by the Crystal Park Public Improvement District No. 2 for Improvement Area #1 thereof; approving a Preliminary Service Plan and Assessment Plan, including the proposed Assessment Roll for Improvement Area #1; calling a regular meeting and noticing a public hearing for November 17, 2025 to consider an Ordinance levying Assessments on property located within Improvement Area #1 of said District; directing the filing of the proposed Assessment Roll with the City Secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto. (Director of Economic Development Joey Grisham)

SUMMARY:

This item is related to the Crystal Park Improvement District Improvement Area #1 and outlines costs of the improvements to be financed and sets the public hearing for November 17, 2025.

FINANCIAL IMPACT:

N/A

BACKGROUND:

The PID was created in February 2025.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Vibrant.

ATTACHMENTS:

1. 01 - Resolution Determining Costs - Crystal Park PID No. 2 v1

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS
COLLIN COUNTY
CITY OF ANNA

We, the undersigned officers of the City of Anna, Texas (the "City"), hereby certify as follows:

1. The City Council (the "Council") of the City convened in a regular meeting on October 27, 2025, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the Council, to wit:

Pete Cain, Mayor	Kelly Patterson-Herndon, Council Member
Kevin Toten, Mayor Pro Tem	Elden Baker, Council Member
Stan Carver II, Deputy Mayor Pro-Tem	Manny Singh, Council Member
Nathan Bryan, Council Member	

Marc Marchand, Acting City Manager
Carrie Land, City Secretary

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business the following was transacted at said meeting: a written

A RESOLUTION OF THE CITY OF ANNA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 FOR IMPROVEMENT AREA #1 THEREOF; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING THE PROPOSED ASSESSMENT ROLL FOR IMPROVEMENT AREA #1; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR NOVEMBER 17, 2025 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN IMPROVEMENT AREA #1 OF SAID DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO

was duly introduced for the consideration of the Council. It was then duly moved and seconded that said Resolution be passed; and, after due discussion, said motion, carrying with it the passage of said Resolution, prevailed and carried, with all members of the Council shown present above voting "Aye," except as noted below:

NAYS: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the aforesaid Resolution passed at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in the Council's minutes of said meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Council's minutes of said meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Council as indicated therein; that each of the officers and members of the Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for passage at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given all as required by the Texas Government Code, Chapter 551.

3. The Council has approved and hereby approves the Resolution; and the Mayor (or Mayor Pro Tem) and City Secretary hereby declare that their signing of this certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

SIGNED AND SEALED ON OCTOBER 27, 2025.

ATTEST:

Pete Cain, Mayor

Carrie L. Land, City Secretary

(SEAL)

CITY OF ANNA, TEXAS

RESOLUTION NO. 2025-10-_____

A RESOLUTION OF THE CITY OF ANNA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 FOR IMPROVEMENT AREA #1 THEREOF; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING THE PROPOSED ASSESSMENT ROLL FOR IMPROVEMENT AREA #1; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR NOVEMBER 17, 2025 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN IMPROVEMENT AREA #1 OF SAID DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "City Council") of the City of Anna, Texas (the "City") to create a public improvement district within the City; and

WHEREAS, on February 25, 2025, the City Council conducted a public hearing to consider a petition received by the City on December 6, 2024 titled "Petition to Establish Crystal Park Public Improvement District No. 2" requesting the creation of a public improvement district within the City; and

WHEREAS, on February 25, 2025, the City Council approved Resolution No. 2025-02-1744 (the "Authorization Resolution"), authorizing, establishing and creating Crystal Park Public Improvement District No. 2 (the "District"); and

WHEREAS, the City authorized the creation of the District and funding up to \$50,000,000.00 in costs for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, the City Council and the City staff have been presented a "Crystal Park Public Improvement District No. 2 Preliminary Service and Assessment Plan", including the proposed Improvement Area #1 Assessment Roll attached thereto (the "Proposed Assessment Roll") (collectively, the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District for the initial phase of development and the Proposed Assessment Roll states the assessments proposed to be levied against each parcel of land in Improvement Area #1 of the District as determined by the method of assessment chosen by the City; and

WHEREAS, the Act requires that the Proposed Assessment Roll be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the "Assessment Hearing") be called to consider proposed assessments and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City and in the part of the extraterritorial jurisdiction in which the district is to be located or in which the improvements are to be undertaken before the tenth (10th) day before the date of the Assessment Hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS AS FOLLOWS:

SECTION 1. THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. THAT the City Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Roll, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. THAT the City Council hereby determines that the total costs of the Improvement Area #1 Projects (as defined in the Preliminary SAP) to be financed by the District are as set forth in Exhibit B-1 of the Preliminary SAP, which costs do include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

SECTION 4. THAT the City Council's final determination and approval of the costs of the Improvement Area #1 Projects, or any portion thereof, shall be subject to and contingent upon City Council approval of a final Service and Assessment Plan which will include the final Improvement Area #1 Assessment Roll, after the properly noticed and held Assessment Hearing.

SECTION 5. THAT the Proposed Assessment Roll states the assessment proposed to be levied against each parcel of land in Improvement Area #1 of the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. THAT the City Council expressly defers the levy of assessments against property within future phases of the District for phase-specific improvements that will benefit only the property within each subsequent phase until such time as the costs of such phase-specific improvements can be determined with certainty as referenced in the Preliminary SAP.

SECTION 7. THAT the City Council hereby authorizes and directs the filing of the Proposed Assessment Roll with the City Secretary and the same shall be available for public inspection.

SECTION 8. THAT the City Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *November 17, 2025 at 6:00 p.m. at Anna City Hall, Council Chambers, 120 W. 7th Street, Anna, Texas 75409*, or such other location as designated by the City and noticed pursuant to the Act, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments;

and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within Improvement Area #1 of the District (which ordinance shall specify the method of payment of the assessments).

SECTION 9. THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *November 17, 2025*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes; provided however, that the location is subject to change as designated by the City, in a newspaper of general circulation in the City, on or before November 6, 2025, which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

SECTION 10. THAT when the Proposed Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *November 17, 2025*, on or before November 6, 2025, as required by Section 372.016(c) of the Act.

SECTION 11. THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *November 17, 2025* meeting of the City Council.

SECTION 12. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED on this the 27th day of October, 2025.

ATTEST:

Pete Cain, Mayor

Carrie L. Land, City Secretary

EXHIBIT A

PRELIMINARY SERVICE AND ASSESSMENT PLAN

Crystal Park Public Improvement District No. 2

PRELIMINARY SERVICE AND ASSESSMENT PLAN

OCTOBER 27, 2025



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

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INTRODUCTION

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

On February 25, 2025 the City Council passed and approved Resolution No. 2025-02-1744 authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 274.396 acres located within the corporate limits of the City, as described by the legal description on **Exhibit J-1** and depicted on **Exhibit A-1**.

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

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

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

SECTION I: DEFINITIONS

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

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

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

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

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

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

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

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

“Apportioned Property” means any Parcel within the District against which the costs of the Authorized Improvements are apportioned based on special conferred benefit and against which an Assessment is anticipated to be levied, but not yet levied.

“Apportionment of Costs” means an amount allocated by this Service and Assessment Plan to a Parcel within the District for future Authorized Improvement costs, other than Non-Benefitted Property, subject to a future levy of Assessments by the City and also subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

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

“Assessment” means an assessment levied against Assessed Property, other than Non-Benefitted Property to pay the costs of certain Authorized Improvements as specified herein, which Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

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

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

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

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

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

“City” means the City of Anna, Texas.

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

“County” means Collin County, Texas.

“Delinquent Collection Costs” mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Developer” means Bloomfield Homes, L.P. and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

“District” means Crystal Park Public Improvement District No. 2 containing approximately 274.396 acres located within the corporate limits of the City, and more specifically described in **Exhibit J-1** and depicted on **Exhibit A-1**.

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

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

“Improvement Area #1” means approximately 47.859 acres located within the District, more specifically described in **Exhibit J-2** and depicted on **Exhibit A-2**.

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

“Improvement Area #1 Assessed Property” means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

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

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

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

“Improvement Area #1 Bonds” means those certain “City of Anna, Texas, Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project)” that shall be secured by Improvement Area #1 Assessments.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.B** and depicted on **Exhibit G-2**.

“Improvement Area #1 Initial Parcel” means all of the Improvement Area #1 Assessed Property against which the entire Improvement Area #1 Assessment is levied, as shown on the Improvement Area #1 Assessment Roll as shown on **Exhibit F-1**.

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

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

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

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined at the time of levying the applicable Assessment and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Developer, and confirmed by the City Council, as shown on **Exhibit E**.

“Lot Type 1” means a Lot Type within Improvement Area #1 marketed to homebuilders as a 50’ Lot. The buyer disclosure for Lot Type 1 is attached in **Appendix B**.

“Lot Type 2” means a Lot Type within Improvement Area #1 marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 2 is attached in **Appendix B**.

“Major Improvements” means those Authorized Improvements that confer a special benefit to all of the Assessed Property and Apportioned Property within the District, as further described in **Section III.A** and depicted on **Exhibit G-1**.

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

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

“Non-Assessed Property” means Parcels within the boundaries of the District that accrue special benefit from the Authorized Improvements as determined by the City Council but are not assessed.

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

“Parcel” or **“Parcels”** means a specific property within the District identified by either a tax parcel identification number assigned by the Collin Central Appraisal District for real property tax purposes, by legal description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of the County, or by any other means determined by the City.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“PID Bonds” means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

“Prepayment” means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

“Prepayment Costs” means interest, including Additional Interest and Annual Collection Costs, to the date of Prepayment.

“Private Improvements” means those certain improvements benefitting the District constructed and paid for by the Developer and are not reimbursable from Assessments or PID Bonds, as further described on **Exhibit B-1**.

“Remainder Area” means approximately 226.537 acres located within the District and entirely outside of Improvement Area #1, to be developed as one or more future improvement areas.

“Remainder Area Apportioned Property” means any Parcel within the Remainder Area against which a portion of the Actual Costs of the Major Improvements are apportioned based on special conferred benefit, and against which an Assessment is expected to be levied, but not yet levied.

“Remainder Area Apportionment of Costs” means an Apportionment of Costs against a Parcel within the Remainder Area for the Remainder Area Projects, as shown on **Exhibit B-2**, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

“Remainder Area Projects” means the pro rata portion of the Major Improvements allocable to the Remainder Area based on Estimated Buildout Value.

“Service and Assessment Plan” means this Crystal Park Public Improvement District No. 2 Service and Assessment Plan as updated, amended, or supplemented from time to time.

“Service Plan” means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

“Trustee” means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 274.396 contiguous acres within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit J-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 946 Lots developed with single-family homes.

Improvement Area #1 includes approximately 47.859 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit J-2** and depicted on **Exhibit A-2**. Development of Improvement Area #1 is anticipated to include approximately 171 Lots developed with single-family homes, including 123 single-family homes that are on Lots classified as Lot Type 1, and 48 single-family homes that are on Lots classified as Lot Type 2.

SECTION III: AUTHORIZED IMPROVEMENTS

Based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property and the Apportioned Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The budget for the Authorized Improvements is shown on **Exhibit B-1**. The Apportionment of Costs of the Major Improvements is shown on **Exhibit B-2**.

A. Major Improvements

▪ *Paving/Roads/Streets*

Improvements including subgrade stabilization, reinforced concrete for roadways, headers, barricades, signs, striping, and traffic control. All related earthwork, excavation, clearing & grubbing, erosion control, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The road improvements will provide benefit to each Lot within the District.

▪ *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, water main connections, water meters, testing, related earthwork, excavation, erosion control, fire hydrants, platting, staking, and all necessary appurtenances required to provide water service to all Lots within the District.

- *Sanitary Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, encasement, manholes, sewer main connections, service connections, testing, related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide wastewater service to all Lots within the District.

- *Storm Drainage*

Improvements including trench excavation and embedment, RCP piping, curb and drop inlets, headwalls, wingwalls, manholes, rock rip rap, and trench safety as well as all related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide storm drainage for all Lots within the District.

- *Soft Costs*

Costs related to designing, constructing, and installing the Major Improvements including inspection fees, City fees, bonds, engineering, soil testing, survey, construction management, contingency, legal fees, and consultants.

B. Improvement Area #1 Improvements

- *Paving/Roads/Streets*

Improvements including subgrade stabilization, reinforced concrete for roadways, handicapped ramps, sidewalks, pavement connections, headers, barricades, CBU pads, signs, platting, staking, and streetlights. All related earthwork, excavation, clearing & grubbing, tree removal, erosion control, intersections, signage, lighting, screening walls, and re-vegetation of all disturbed areas within the right-of-way are included. The road improvements will provide benefit to each Lot within Improvement Area #1.

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, water main connections, water meters, service connections, testing, related earthwork, excavation, erosion control, fire hydrants, platting, staking, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sanitary Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, encasement, boring, manholes, sewer main connections, service connections, testing, related earthwork, excavation, erosion control, platting, staking, and all necessary

appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

Improvements including trench excavation and embedment, curb and drop inlets, RCP & RCB piping and boxes, headwalls, manholes, rock rip rap, concrete outfalls, storm drain connections, trench safety, and testing as well as all related earthwork, excavation, erosion control, encasement, platting, staking, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

- *Soft Costs*

Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, erosion control, inspection fees, City fees, bonds, engineering, soil testing, survey, construction management, contingency, legal fees, and consultants.

C. Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

Equals the amount required to be deposited for the purpose of paying capitalized interest on a series of PID Bonds under an applicable Indenture in connection with the issuance of such PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds, including the fee of counsel to the Underwriter.

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to City fees, attorney's fees, financial advisory fees, consultant fees, initial trustee fees, appraisal fees, printing costs, publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

D. Other Costs

- *Deposit to Administrative Fund*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the initial Service Plan for the Improvement Area #1. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements and Private Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in an Annual Service Plan Update.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property and Apportioned Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and

justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer, and all future owners and developers of the Assessed Property and Apportioned Property.

A. Assessment Methodology

Acting in its legislative capacity and based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs related to the Authorized Improvements shall be allocated as follows:

- The costs of the Major Improvements shall be allocated to Improvement Area #1 and apportioned to the Remainder Area based upon Estimated Buildout Value of each Parcel or Assessed Property to the Estimated Buildout Value of the District. Currently, the Remainder Area is allocated 83.87% of the Major Improvements costs, and Improvement Area #1 is allocated 16.13% of the Major Improvements costs. The Remainder Area and Improvement Area #1's shares of the Major Improvements are illustrated in **Exhibit B-2**.
- By the adoption of this Service and Assessment Plan, the costs of the Improvement Area #1 Authorized Improvements are allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property. The Improvement Area #1 Initial Parcel is the only Parcel within Improvement Area #1, and as such, the Improvement Area #1 Initial Parcel is allocated 100% of the Improvement Area #1 Authorized Improvements.

B. Assessments

By the adoption of this Service and Assessment Plan, the Improvement Area #1 Assessment shall be levied on the Improvement Area #1 Initial Parcel in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2**. Upon division or subdivision of the Improvement Area #1 Initial Parcel, the Improvement Area #1 Assessment will be reallocated pursuant to **Section VI**.

The Maximum Assessment for each Lot Type is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1 and Lot Type 2, respectively, exceed the corresponding Maximum Assessment for each Lot Type classification.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City Council has found and determined the following:

- *Improvement Area #1*
 - The costs of the Improvement Area #1 Authorized Improvements equal \$11,495,192 as shown on **Exhibit B-1**; and
 - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #1 Authorized Improvements; and
 - By the adoption of this Service and Assessment Plan, the Improvement Area #1 Initial Parcel is allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Authorized Improvements, which equals \$7,456,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**; and
 - The special benefit ($\geq \$11,495,192$) received by the Improvement Area #1 Initial Parcel from the Improvement Area #1 Authorized Improvements is equal to or greater than the amount of the Improvement Area #1 Assessment (\$7,456,000) levied on the Improvement Area #1 Initial Parcel for the Improvement Area #1 Authorized Improvements; and
 - At the time the City Council adopted this Service and Assessment Plan, the Developer owned 100% of the Improvement Area #1 Initial Parcel. The Developer acknowledges that the Improvement Area #1 Authorized Improvements confer a special benefit on the Improvement Area #1 Initial Parcel and consents to the imposition of the Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance; (2) the Service and Assessment Plan and the applicable Assessment Ordinance; and (3)

the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Initial Parcel.

▪ *Remainder Area*

- The costs of the Major Improvements allocable to the Remainder Area equal \$5,359,126 as shown on **Exhibit B-1**; and
- The Remainder Area receives special benefit from the Remainder Area Projects equal to or greater than the Actual Cost of the Remainder Area Projects allocable to the Remainder Area Apportioned Property; and
- By the approval of this Service and Assessment Plan by the City Council, the Remainder Area Apportioned Property is apportioned 83.87% of the Major Improvements, which equals \$5,359,126 as shown on **Exhibit B-2**, of which all or a portion is anticipated to be reimbursed by Assessments levied at a later date; and
- At the time the City Council approved this Service and Assessment Plan, the Developer owned 100% of the Remainder Area. The Developer acknowledges that the Major Improvements confer a special benefit on the Remainder Area and consents to the apportionment of the Remainder Area Apportionment of Costs in anticipation of a future levy of Assessments by the City Council to pay for all or a portion of the Remainder Area Apportionment of Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein; (2) this Service and Assessment Plan; and (3) the Apportionment of Costs on the Remainder Area Apportioned Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

The interest rate on Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent

required by any Indenture, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in this **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. *Upon Division Prior to Recording of Subdivision Plat*

Upon the division of any Assessed Property (without the recording of a subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Developer, relying on information from homebuilders, market studies, appraisals, Official Public Records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Values for Lot Type 1 and Lot Type 2 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates, but **Exhibit E** may be updated in future Annual Service Plan Updates to account for additional Lot Types. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the

Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with the same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of newly subdivided Lots with the same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of the County regarding the Lot. The Estimated Buildout Values for Lot Type 1 and Lot Type 2 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Lot or Parcel, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.C.**

B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefitted Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable “Notice of Assessment Termination,” a form of which is attached hereto as **Exhibit H.**

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment for that Lot Type, then (1) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City, or cause to be paid to the City, the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City’s approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Assessments for any Lot exceed the Maximum Assessment.

D. Reduction of Assessments

If as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement the Actual Costs of any Authorized Improvements are less than the Assessments, then (i) in the event PID Bonds have not been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that

PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds that are not expected to be used for the purposes of the project fund as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of any Assessed Property may, at any time, pay all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

If an Assessment on an Assessed Property is prepaid in part with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the estimated Improvement Area #1 Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the Parcel not including any Non-Benefitted Property or Non-Assessed Property, as shown by the Collin Central Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes due and owing to the City. To the extent permitted by the PID Act or other applicable law, the City Council may provide for other means of collecting Annual Installments, but in no case shall the City take any action, or fail to take any action, that would cause it to be in default under any Indenture. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve said owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

Subject to applicable law, if any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a **“Taking”**), the portion of the Assessed Property that was taken or transferred (the **“Taken Property”**) shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the **“Remaining Property”**), following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner of the Remaining Property will remain liable to pay, pursuant to the terms of this Service and Assessment Plan, as updated, and the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the applicable Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres constituting the Remaining Property shall be subject to the \$100 Assessment (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment, as applicable, on the Remaining Property by \$10, then the owner shall be required

to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to \$90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of each year following City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such

corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

D. Form of Buyer Disclosure/Filing Requirements

Per Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto as **Appendix B**. Within seven days of approval by the City Council, the City shall file and record in the real property records of the County the executed ordinance approving this Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this Service and Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

E. Severability

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

Exhibit A-1	Map of the District
Exhibit A-2	Map of Improvement Area #1
Exhibit A-3	Improvement Area #1 Lot Type Classification Map
Exhibit B-1	Project Costs
Exhibit B-2	Apportionment of Costs
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Improvement Area #1 Assessment Roll
Exhibit F-2	Improvement Area #1 Annual Installments
Exhibit G-1	Maps of Major Improvements
Exhibit G-2	Maps of Improvement Area #1 Improvements
Exhibit H	Form of Notice of Assessment Termination
Exhibit I	Debt Service Schedule for Improvement Area #1 Bonds
Exhibit J-1	District Boundary Description
Exhibit J-2	Improvement Area #1 Boundary Description

APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

Appendix A	Engineer's Report
Appendix B	Buyer Disclosures

EXHIBIT A-1 – MAP OF THE DISTRICT

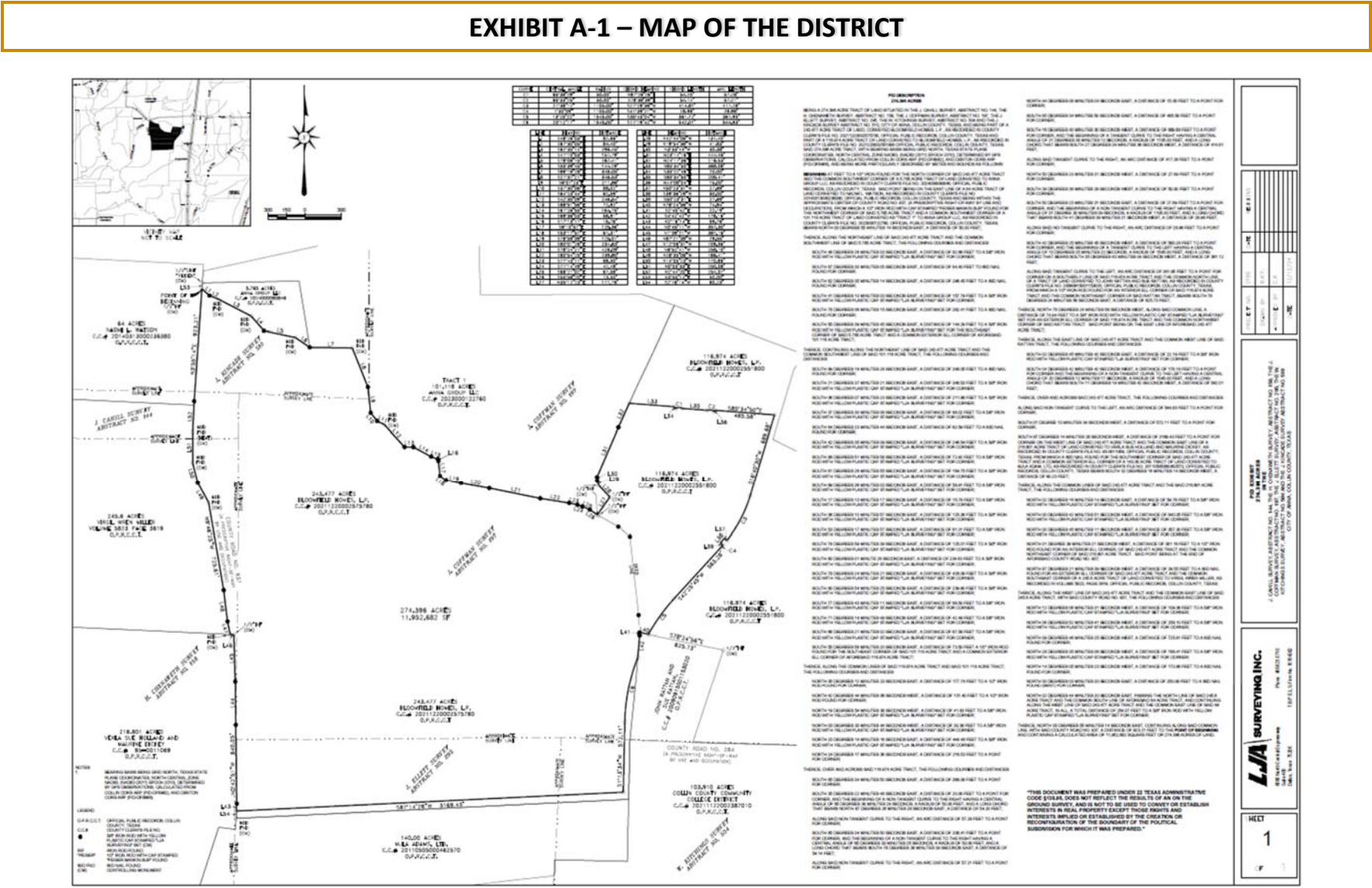


EXHIBIT A-2 – MAP OF IMPROVEMENT AREA #1

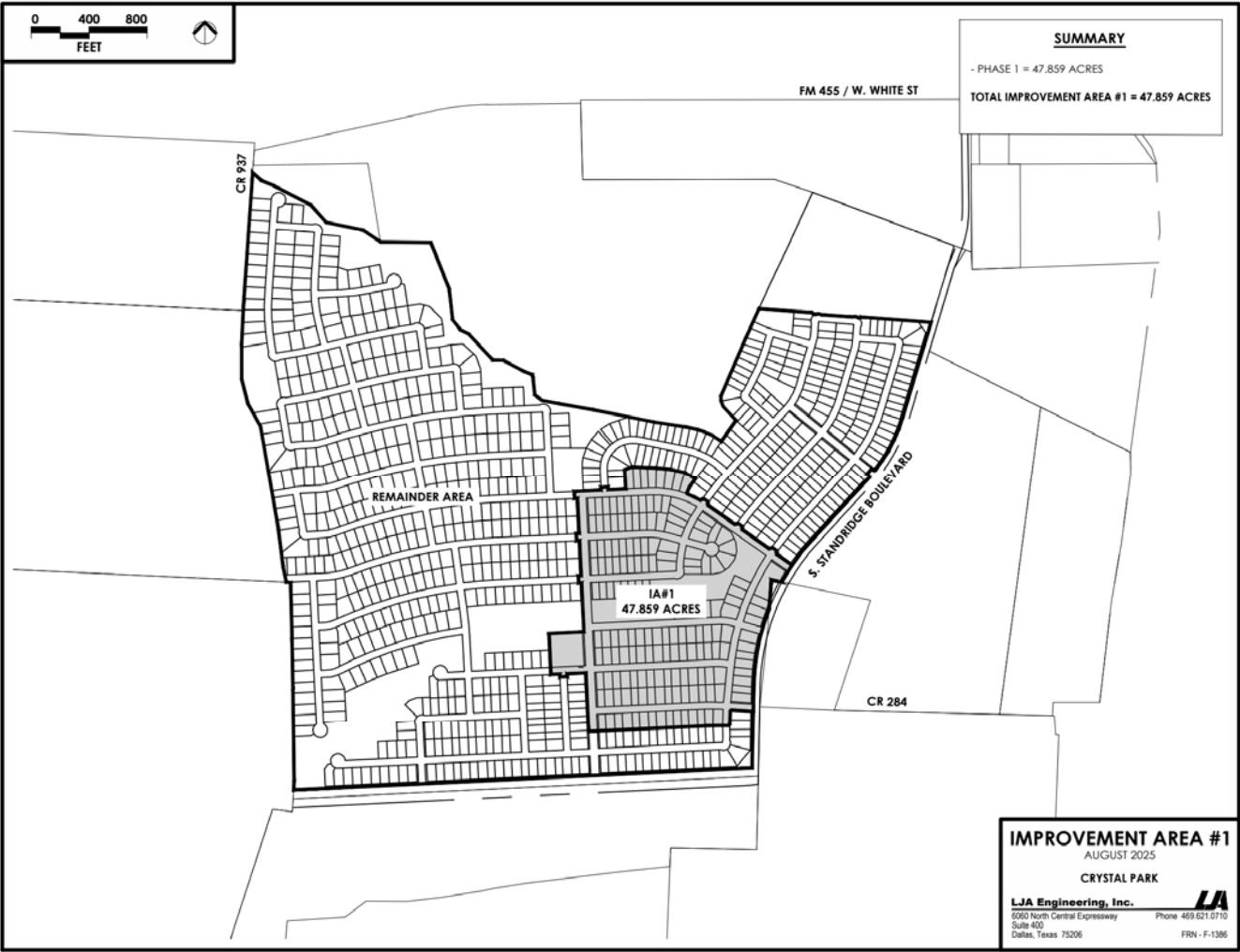


EXHIBIT A-3 – IMPROVEMENT AREA #1 LOT TYPE CLASSIFICATION MAP

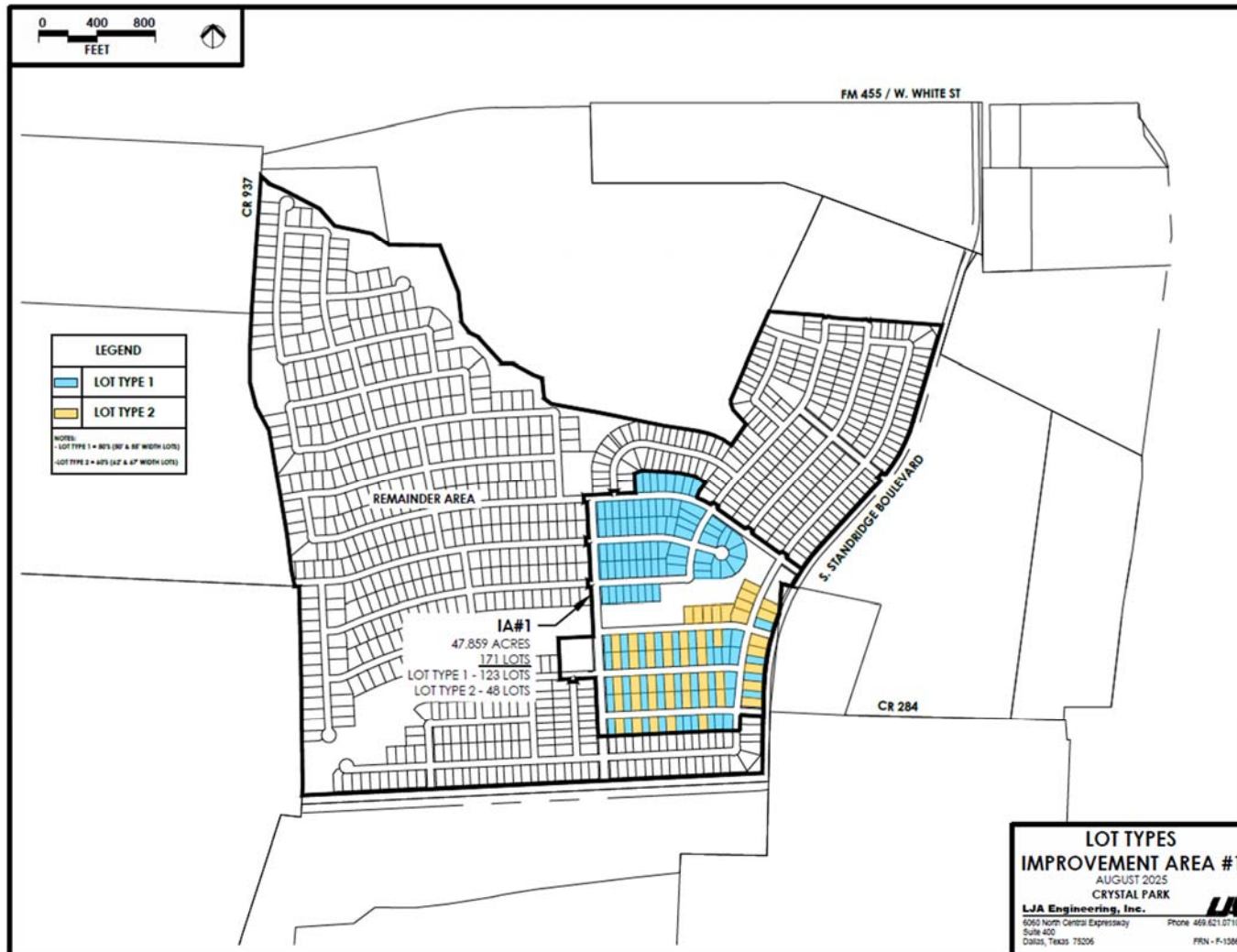


EXHIBIT B-1 – PROJECT COSTS

	Total Costs ^[a]	Privately Funded ^[c]	District Eligible Costs	Improvement Area #1		Remainder Area	
				%	Cost	%	Cost
Major Improvements ^[b]							
Paving/Roads/Streets	\$ 1,494,196	\$ -	\$ 1,494,196	16.13%	\$ 240,982	83.87%	\$ 1,253,214
Water	701,239	-	701,239	16.13%	113,095	83.87%	588,144
Sanitary Sewer	1,966,601	-	1,966,601	16.13%	317,171	83.87%	1,649,430
Drainage	501,400	-	501,400	16.13%	80,865	83.87%	420,534
Soft Costs	1,726,204	-	1,726,204	16.13%	278,400	83.87%	1,447,804
	\$ 6,389,640	\$ -	\$ 6,389,640		\$ 1,030,513		\$ 5,359,126
Improvement Area #1 Improvements							
Paving/Roads/Streets	\$ 3,185,946	\$ -	\$ 3,185,946	100.00%	\$ 3,185,946	0.00%	\$ -
Water	1,048,203	-	1,048,203	100.00%	1,048,203	0.00%	-
Sanitary Sewer	1,037,400	-	1,037,400	100.00%	1,037,400	0.00%	-
Drainage	1,309,055	-	1,309,055	100.00%	1,309,055	0.00%	-
Soft Costs	2,150,076	-	2,150,076	100.00%	2,150,076	0.00%	-
	\$ 8,730,679	\$ -	\$ 8,730,679		\$ 8,730,679		\$ -
Private Improvements ^[d]							
Private Improvements	\$ 2,864,044	\$ 2,864,044	\$ -	0.00%	\$ -	0.00%	\$ -
	\$ 2,864,044	\$ 2,864,044	\$ -		\$ -		\$ -
Bond Issuance Costs ^[e]							
Debt Service Reserve Fund	\$ 548,614	\$ -	\$ 548,614		\$ 548,614		\$ -
Capitalized Interest	326,815	-	326,815		326,815		-
Underwriter Discount ^[f]	223,680	-	223,680		223,680		-
Cost of Issuance	554,891	-	554,891		554,891		-
	\$ 1,654,000	\$ -	\$ 1,654,000		\$ 1,654,000		\$ -
Other Costs ^[e]							
Deposit to Administrative Fund	\$ 80,000	\$ -	\$ 80,000		\$ 80,000		\$ -
	\$ 80,000	\$ -	\$ 80,000		\$ 80,000		\$ -
Total	\$ 19,718,363	\$ 2,864,044	\$ 16,854,319		\$ 11,495,192		\$ 5,359,126

Footnotes:

[a] Per Engineer's Report attached hereto as **Appendix A**.

[b] The Major Improvements are allocated pro rata between Improvement Area #1 and the Remainder Area based on the ratio of Estimated Buildout Value of each area to the Estimated Buildout Value of the District.

[c] Not reimbursable to the Developer through Assessments or the issuance of PID Bonds.

[d] Includes the cost of excavation, retaining walls, landscaping, screening, entryways, franchise fees, and soft costs necessary to reach final Lot completion. Does not include the cost of the Amenity Center.

[e] Preliminary estimates only and subject to change upon the issuance of PID Bonds.

[f] Includes the fee of counsel to the Underwriter.

EXHIBIT B-2 –ALLOCATION OF AUTHORIZED IMPROVEMENTS

Improvement Area	Units ^[a]	Estimated Buildout Value ^[a]	Major Improvements ^[b]		Total Apportionment for Future Funding ^[c]
			%	Costs	
Improvement Area #1	171	\$ 90,300,000.00	16.13%	\$ 1,030,513.43	
Remainder Area	775	\$ 469,600,000.00	83.87%	\$ 5,359,126.30	\$ 5,359,126.30
Total	946	\$ 559,900,000.00		\$ 6,389,639.73	

Footnotes:

[a] As provided by the Developer.

[b] The costs of the Major Improvements apportioned pro rata based on Estimated Buildout Value between Improvement Area #1 and the Remainder Area.

[c] Reimbursable in part or in full from future Assessments levied on the Remainder Area

EXHIBIT C – SERVICE PLAN

		Improvement Area #1				
Annual Installment Due		1/31/2026	1/31/2027	1/31/2028	1/31/2029	1/31/2030
Principal		\$ -	\$ 104,000.00	\$ 110,000.00	\$ 116,000.00	\$ 123,000.00
Interest		326,815.12	440,649.60	434,503.20	428,002.20	421,146.60
Capitalized Interest	(1)	(326,815.12)	-	-	-	-
		\$ -	\$ 544,649.60	\$ 544,503.20	\$ 544,002.20	\$ 544,146.60
Additional Interest	(2)	\$ -	\$ 37,280.00	\$ 36,760.00	\$ 36,210.00	\$ 35,630.00
Annual Collection Costs	(3)	\$ -	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29
Total Annual Installment Due	(4) = (1) + (2) + (3)	\$ -	\$ 622,729.60	\$ 622,879.20	\$ 622,660.52	\$ 623,073.89

EXHIBIT D – SOURCES AND USES OF FUNDS

	Privately Funded	Improvement Area #1	Remainder Area	Total
Sources of Funds				
Improvement Area #1 Bonds	\$ -	\$ 7,456,000	\$ -	\$ 7,456,000
Remainder Area Apportionment of Costs ^[a]	-	-	5,359,126	5,359,126
Developer Contribution - Improvement Area #1 ^[b]	-	4,039,192	-	4,039,192
Developer Contribution - Private Improvements ^[b]	2,864,044	-	-	2,864,044
Total Sources of Funds	\$ 2,864,044	\$ 11,495,192	\$ 5,359,126	\$ 19,718,363
Uses of Funds				
Major Improvements	\$ -	\$ 1,030,513	\$ 5,359,126	\$ 6,389,640
Improvement Area #1 Improvements	-	8,730,679	-	8,730,679
Private Improvements ^[b]	2,864,044	-	-	2,864,044
	\$ 2,864,044	\$ 9,761,192	\$ 5,359,126	\$ 17,984,363
<i>Bond Issuance Costs^[c]</i>				
Debt Service Reserve Fund	\$ -	\$ 548,614	\$ -	\$ 548,614
Capitalized Interest	-	326,815	-	326,815
Underwriter Discount ^[d]	-	223,680	-	223,680
Cost of Issuance	-	554,891	-	554,891
	\$ -	\$ 1,654,000	\$ -	\$ 1,654,000
<i>Other Costs^[c]</i>				
Deposit to Administrative Fund	\$ -	\$ 80,000	\$ -	\$ 80,000
	\$ -	\$ 80,000	\$ -	\$ 80,000
Total Uses of Funds	\$ 2,864,044	\$ 11,495,192	\$ 5,359,126	\$ 19,718,363

Footnotes:

- [a] Apportioned Costs expected to be levied in part or in full at a later date.
 [b] Not reimbursable to the Developer through Assessments or the issuance of PID Bonds.
 [c] Preliminary estimates only and subject to change upon the issuance of PID Bonds.
 [d] Includes the fee of counsel to the Underwriter.

EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

Lot Type	Units ^[a]	Estimated Appraised Value ^[b]		Estimated Buildout Value ^[a]		Assessment		Average Annual Installment		PID TRE
		Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	
Improvement Area #1										
Lot Type 1	123	\$ 92,254	\$ 11,347,269	\$ 500,000	\$ 61,500,000	\$ 41,285	\$ 5,078,007	\$ 3,446.95	\$ 423,975.13	\$ 0.68939
Lot Type 2	48	\$ 108,890	\$ 5,226,731	\$ 600,000	\$ 28,800,000	\$ 49,542	\$ 2,377,993	\$ 4,136.34	\$ 198,544.45	\$ 0.68939
Improvement Area #1 Subtotal	171		\$ 16,574,000		\$ 90,300,000		\$ 7,456,000		\$ 622,519.58	\$ 0.68939

Footnotes:

[a] As provided by the Developer.

[b] Based on the draft appraisal.

EXHIBIT F-1 –IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026 ^[b]
1002239	Improvement Area #1 Initial Parcel	\$ 7,456,000.00	\$ -
Total		\$ 7,456,000.00	\$ -

Footnotes:

[a] The entire Improvement Area #1 is contained within Property ID 1002239. For billing purposes, the Annual Installment due 1/31/2026 shall be allocated pro rata based on acreage.

[b] Includes one year of Capitalized Interest.

EXHIBIT F-2 –IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

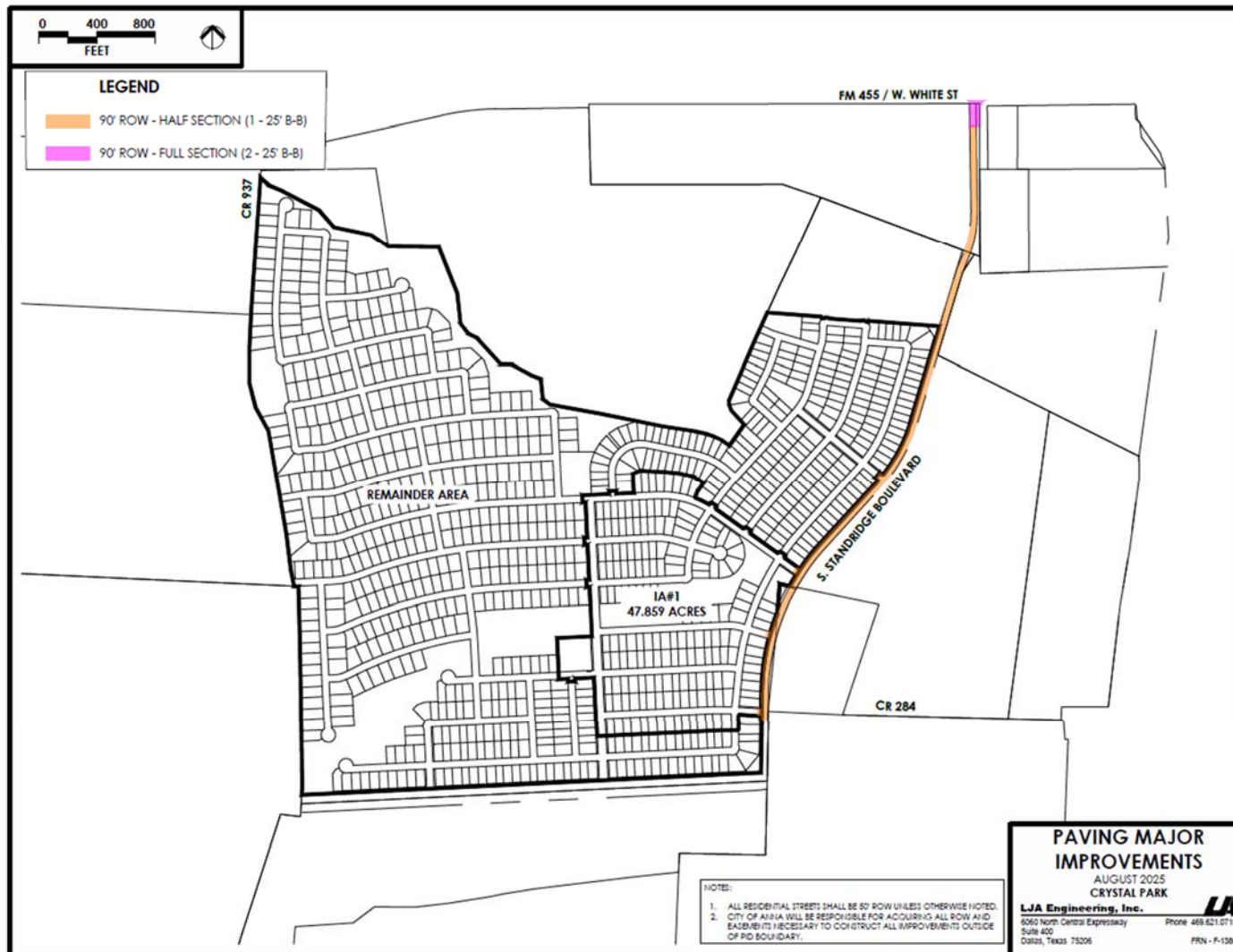
Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Reserve Fund	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2026	\$ -	\$ 326,815	\$ (326,815)	\$ -	\$ -	\$ -	\$ -
2027	\$ 104,000	\$ 440,650	\$ -	\$ -	\$ 37,280	\$ 40,800	\$ 622,730
2028	\$ 110,000	\$ 434,503	\$ -	\$ -	\$ 36,760	\$ 41,616	\$ 622,879
2029	\$ 116,000	\$ 428,002	\$ -	\$ -	\$ 36,210	\$ 42,448	\$ 622,661
2030	\$ 123,000	\$ 421,147	\$ -	\$ -	\$ 35,630	\$ 43,297	\$ 623,074
2031	\$ 130,000	\$ 413,877	\$ -	\$ -	\$ 35,015	\$ 44,163	\$ 623,056
2032	\$ 137,000	\$ 406,194	\$ -	\$ -	\$ 34,365	\$ 45,047	\$ 622,606
2033	\$ 145,000	\$ 398,098	\$ -	\$ -	\$ 33,680	\$ 45,947	\$ 622,725
2034	\$ 153,000	\$ 389,528	\$ -	\$ -	\$ 32,955	\$ 46,866	\$ 622,349
2035	\$ 162,000	\$ 380,486	\$ -	\$ -	\$ 32,190	\$ 47,804	\$ 622,480
2036	\$ 171,000	\$ 370,912	\$ -	\$ -	\$ 31,380	\$ 48,760	\$ 622,051
2037	\$ 182,000	\$ 360,806	\$ -	\$ -	\$ 30,525	\$ 49,735	\$ 623,065
2038	\$ 192,000	\$ 350,049	\$ -	\$ -	\$ 29,615	\$ 50,730	\$ 622,394
2039	\$ 203,000	\$ 338,702	\$ -	\$ -	\$ 28,655	\$ 51,744	\$ 622,101
2040	\$ 215,000	\$ 326,705	\$ -	\$ -	\$ 27,640	\$ 52,779	\$ 622,124
2041	\$ 228,000	\$ 313,998	\$ -	\$ -	\$ 26,565	\$ 53,835	\$ 622,398
2042	\$ 242,000	\$ 300,524	\$ -	\$ -	\$ 25,425	\$ 54,911	\$ 622,860
2043	\$ 256,000	\$ 286,221	\$ -	\$ -	\$ 24,215	\$ 56,010	\$ 622,446
2044	\$ 271,000	\$ 271,092	\$ -	\$ -	\$ 22,935	\$ 57,130	\$ 622,157
2045	\$ 288,000	\$ 255,076	\$ -	\$ -	\$ 21,580	\$ 58,272	\$ 622,928
2046	\$ 305,000	\$ 238,055	\$ -	\$ -	\$ 20,140	\$ 59,438	\$ 622,633
2047	\$ 323,000	\$ 220,029	\$ -	\$ -	\$ 18,615	\$ 60,627	\$ 622,271
2048	\$ 343,000	\$ 200,940	\$ -	\$ -	\$ 17,000	\$ 61,839	\$ 622,779
2049	\$ 363,000	\$ 180,669	\$ -	\$ -	\$ 15,285	\$ 63,076	\$ 622,030
2050	\$ 385,000	\$ 159,215	\$ -	\$ -	\$ 13,470	\$ 64,337	\$ 622,023
2051	\$ 409,000	\$ 136,462	\$ -	\$ -	\$ 11,545	\$ 65,624	\$ 622,631
2052	\$ 434,000	\$ 112,290	\$ -	\$ -	\$ 9,500	\$ 66,937	\$ 622,727
2053	\$ 460,000	\$ 86,641	\$ -	\$ -	\$ 7,330	\$ 68,275	\$ 622,246
2054	\$ 488,000	\$ 59,455	\$ -	\$ -	\$ 5,030	\$ 69,641	\$ 622,126
2055	\$ 518,000	\$ 30,614	\$ -	\$ (548,614)	\$ 2,590	\$ 71,034	\$ 73,624
Total	\$ 7,456,000	\$ 8,637,753	\$ (326,815)	\$ (548,614)	\$ 703,125	\$ 1,582,723	\$ 17,504,172

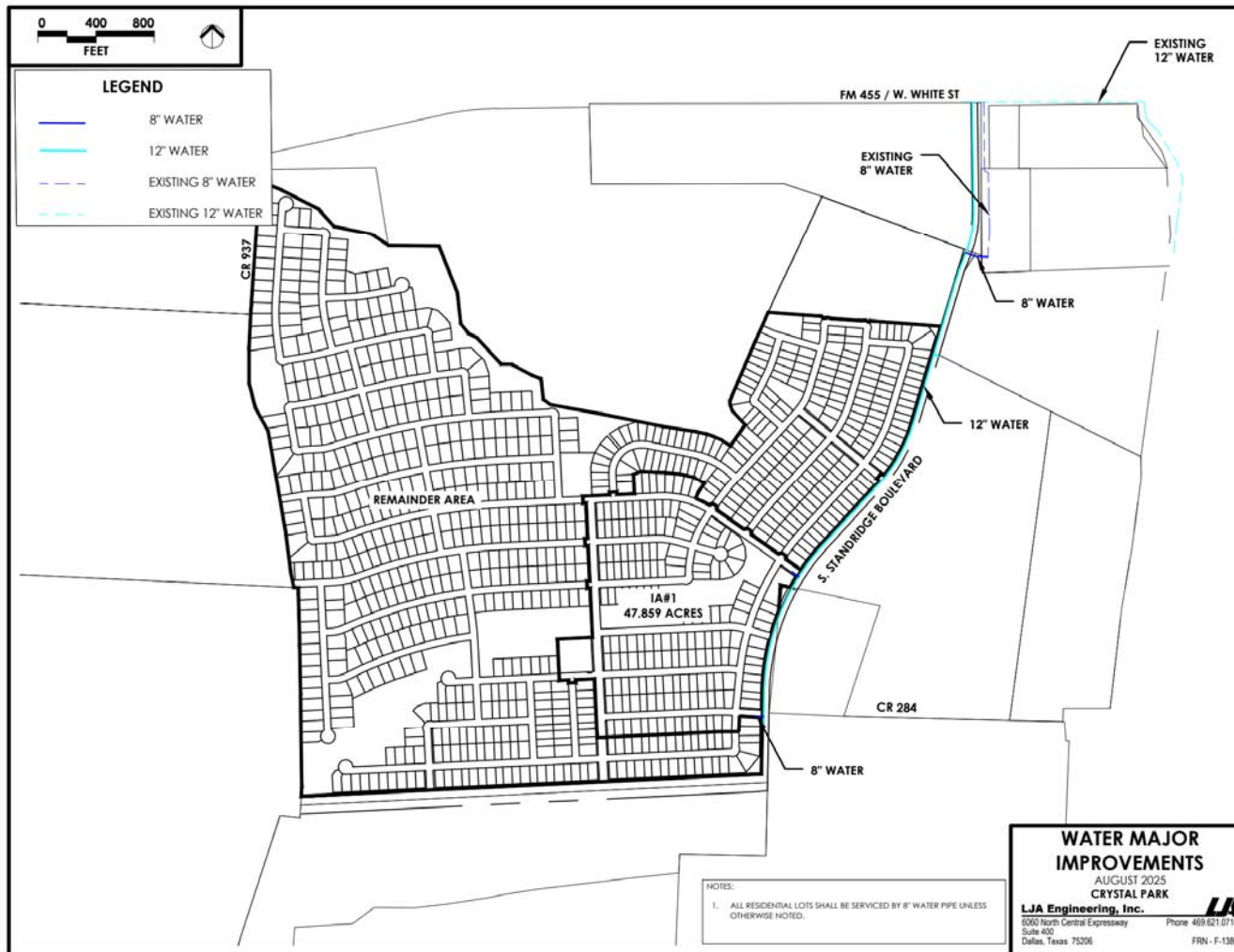
Footnotes:

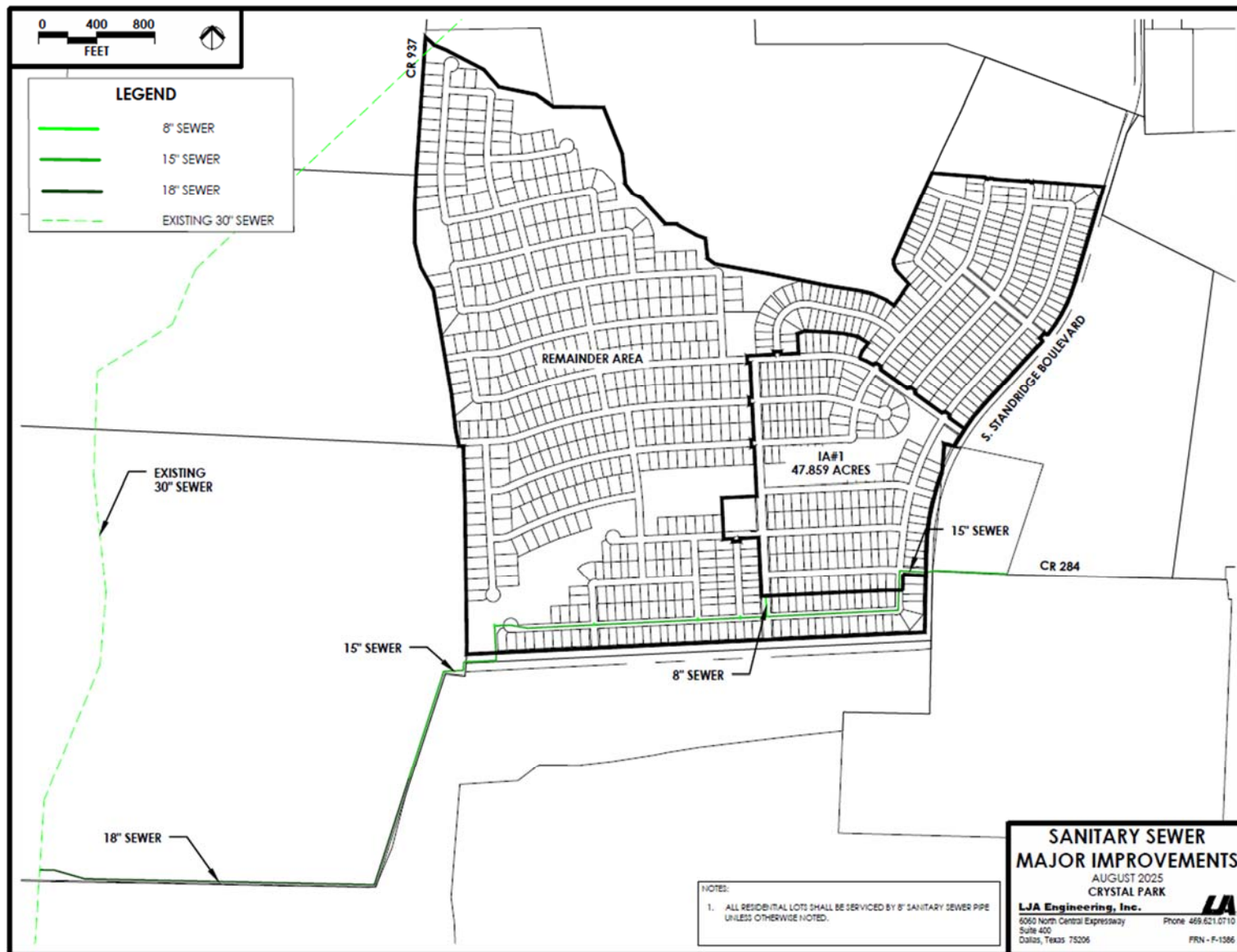
[a] Interest is calculated at a 5.910% rate for illustrative purposes and shall be updated based on PID Bond pricing.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-1 – MAPS OF MAJOR IMPROVEMENTS







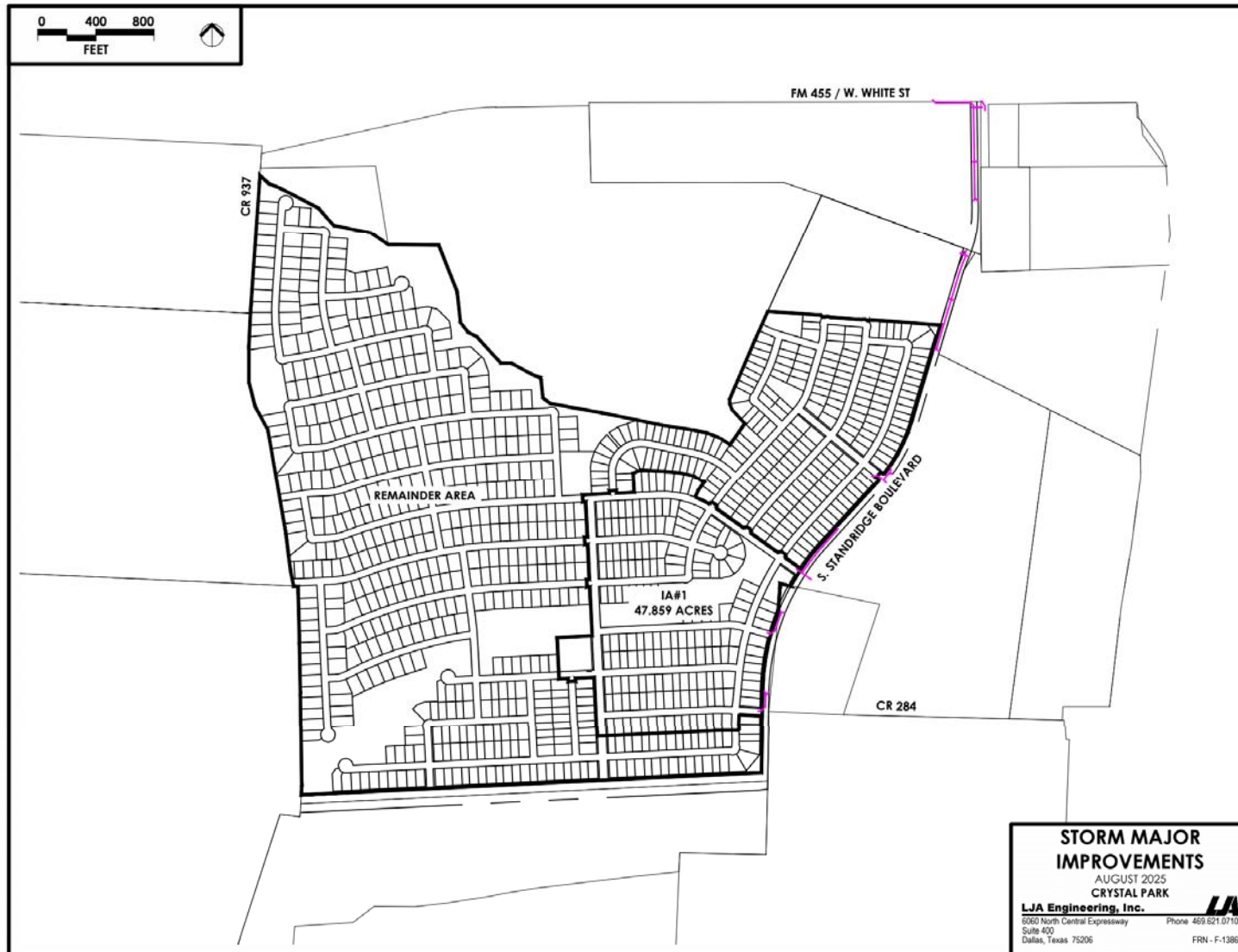
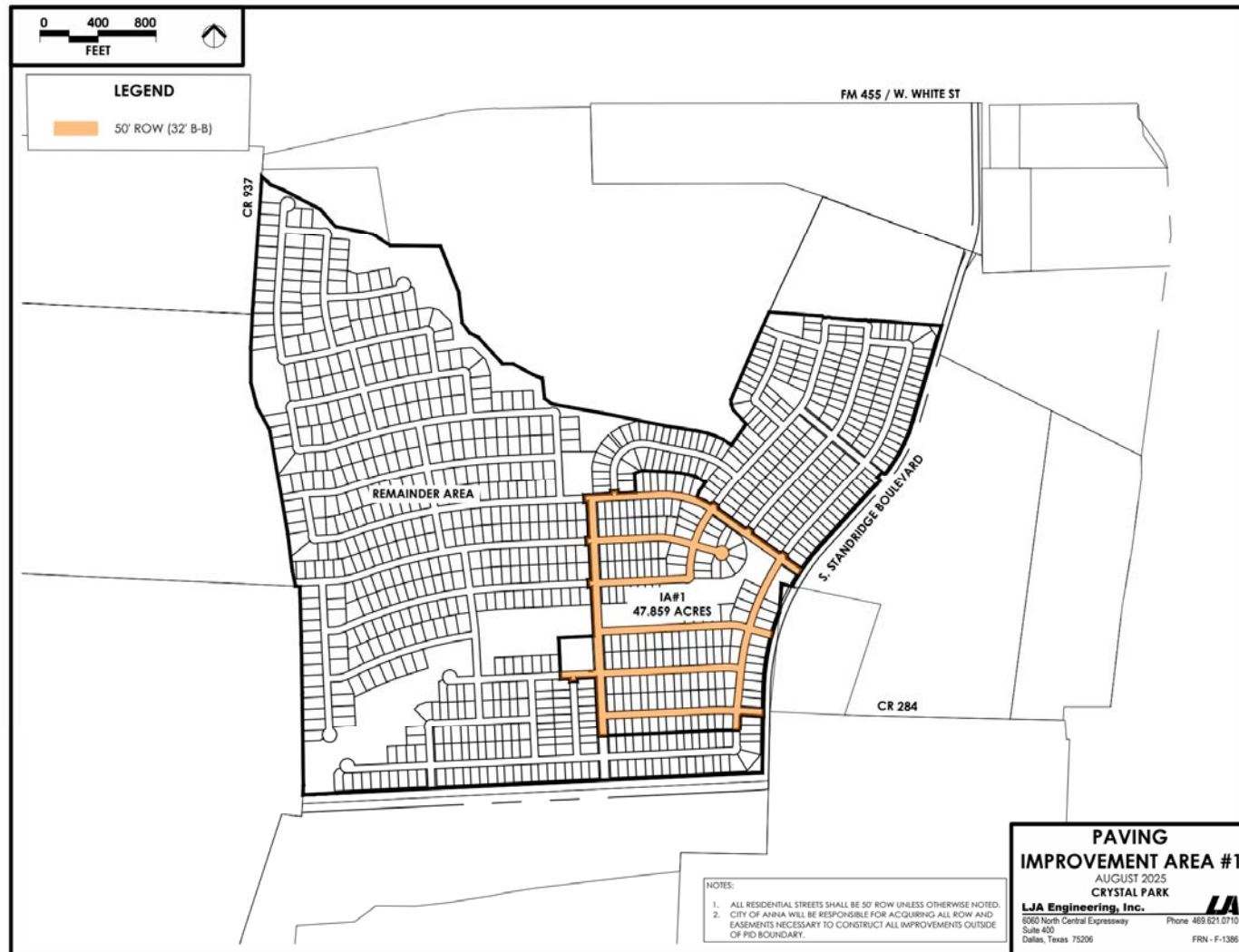
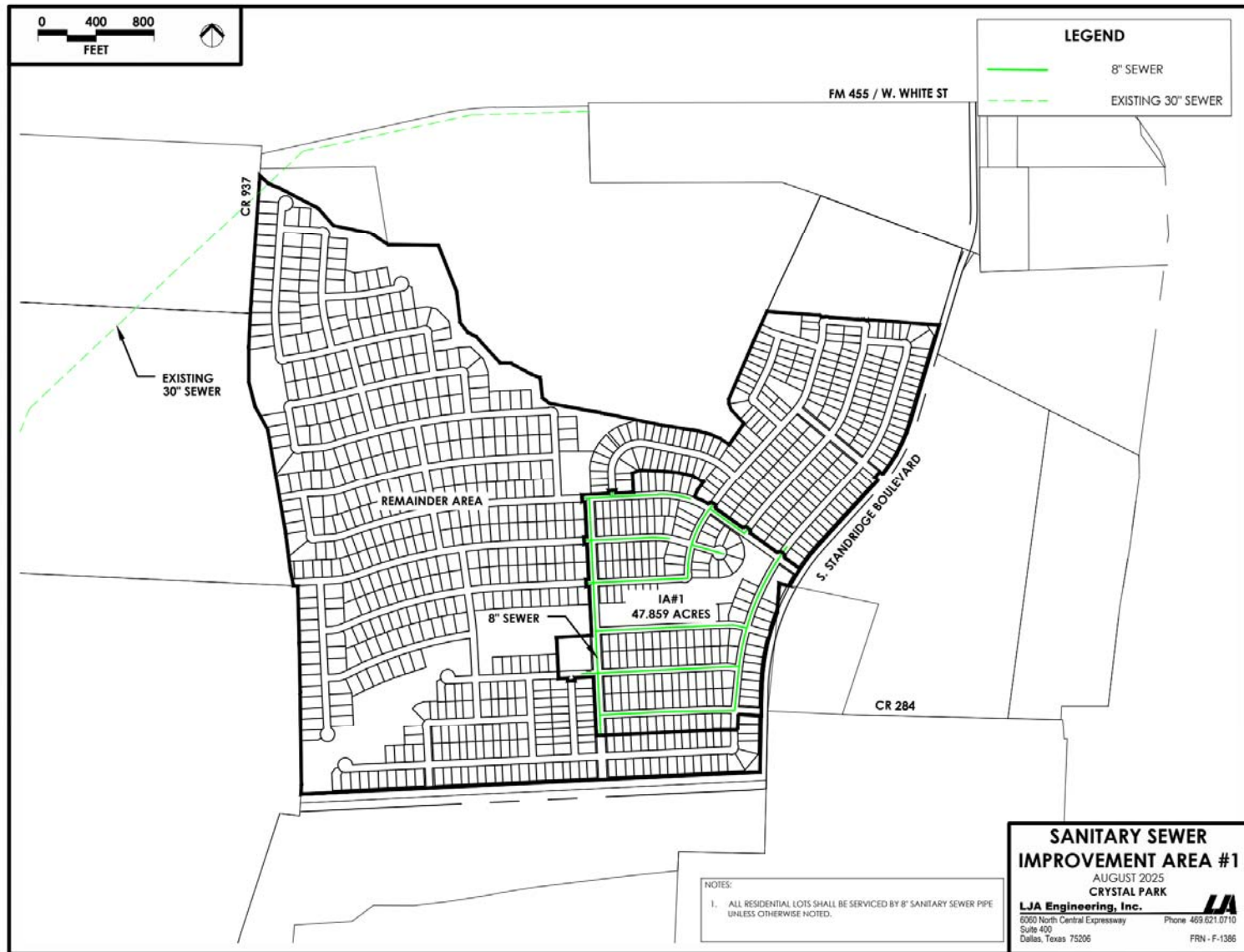
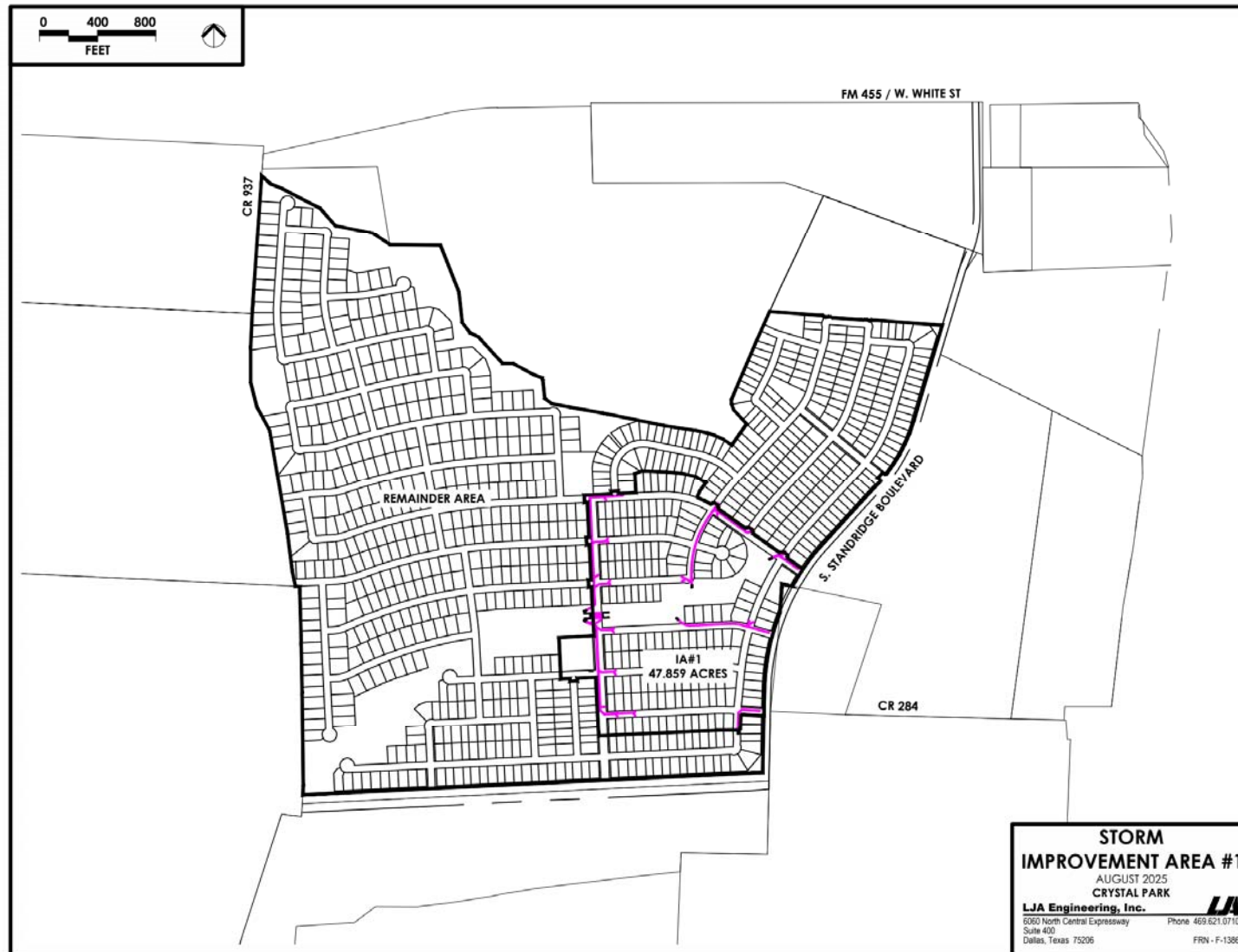


EXHIBIT G-2 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS







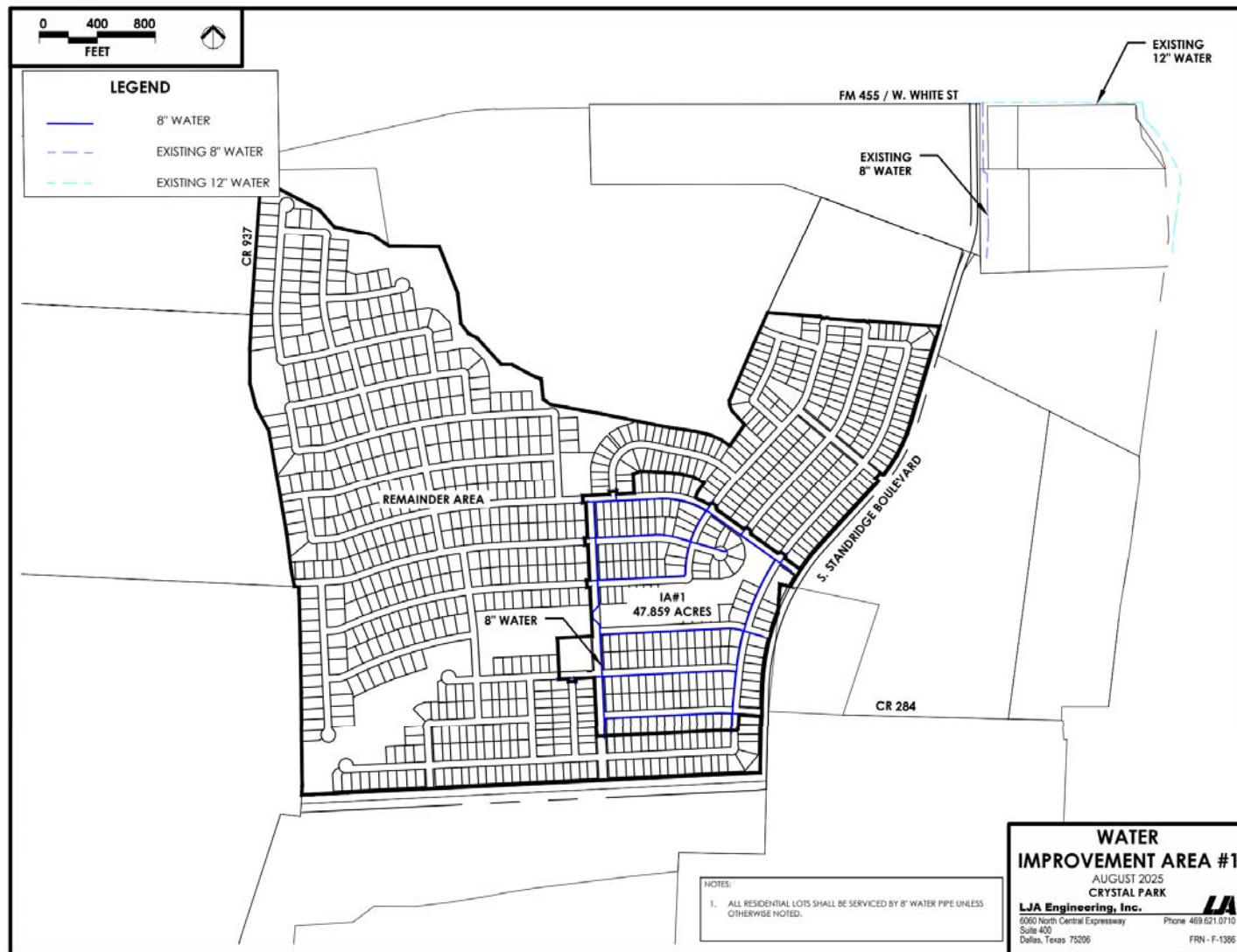


EXHIBIT H – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Collin County Clerk's Office
Honorable [County Clerk]
Collin County Administration Building
2300 Bloomdale Rd, Suite 2106
McKinney, TX 75071

Re: City of Anna Lien Release documents for filing

Dear Ms./Mr. [County Clerk]

Enclosed is a lien release that the City of Anna/County of Collin is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Anna/County of Collin
Attn: City Secretary
120 W. 7th Street
Anna, TX 75409

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

AFTER RECORDING RETURN TO:

[City Secretary Name]

120 W. 7th Street
Anna, TX 75409

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

STATE OF TEXAS	§	
	§	KNOWN ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN	§	

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Anna, Texas, a Texas home rule municipality (the "City").

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council" of the City is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits of the City; and

WHEREAS, on February 5, 2025, the City Council of the City approved Resolution No. 2025-02-1744 creating Crystal Park Public Improvement District No. 2 (the "District"); and

WHEREAS, the District consists of approximately 274.396 contiguous acres within the corporate limits of the City; and

WHEREAS, on _____, 2025 the City Council, approved Ordinance No. _____, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the real property located with the District, the Assessment Ordinance being recorded on _____, as Instrument No. _____ in the Official Public Records of _____ County, Texas; and

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") and further imposed a lien to secure the payment of the Lien Amount (the "Lien") against the following property located within the District, to wit:

[legal description], an addition to the City of Anna, Collin County, Texas, according to the map or plat thereof recorded as Instrument No. _____ in the Map Records of Collin County, Texas (the "Property");

and

WHEREAS, the Lien Amount has been paid in full.

RELEASE

NOW THEREFORE, for and in consideration of the full payment of the Lien Amount, the City hereby releases and discharges, and by these presents does hereby release and discharge, the Lien to the extent that it affects and encumbers the Property.

EXECUTED to be **EFFECTIVE** this the ____ day of _____, 20__.

CITY OF ANNA, TEXAS,
A Texas home rule municipality,

By: _____
[Manager Name], City Manager

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 20__, by the City Manager for the City of Anna, Texas, a Texas home rule municipality, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT I – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

[To be provided at PID Bond pricing.]

EXHIBIT J-1 – DISTRICT LEGAL DESCRIPTION

PID DESCRIPTION

274.396 ACRES

BEING A 274.396 ACRE TRACT OF LAND SITUATED IN THE J. CAHILL SURVEY, ABSTRACT NO. 144, THE H. CHENAWETH SURVEY, ABSTRACT NO. 158, THE J. COFFMAN SURVEY, ABSTRACT NO. 197, THE J. ELLETT SURVEY, ABSTRACT NO. 295, THE W. KITCHINGS SURVEY, ABSTRACT NO. 504 AND THE J. KINCADE SURVEY ABSTRACT NO. 510, CITY OF ANNA, COLLIN COUNTY, TEXAS, AND BEING PART OF A 243.477 ACRE TRACT OF LAND, CONVEYED BLOOMFIELD HOMES, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 20211220002575780, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS AND PART OF A 116.974 ACRE TRACT OF LAND CONVEYED TO BLOOMFIELD HOMES, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 2021220002551800 OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID 274.396 ACRE TRACT, WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD83, (NAD83 (2011) EPOCH 2010), DETERMINED BY GPS OBSERVATIONS, CALCULATED FROM COLLIN CORS ARP (PID-DF8982), AND DENTON CORS ARP (PID-DF8986), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT FEET TO A 1/2" IRON FOUND FOR THE NORTH CORNER OF SAID 243.477 ACRE TRACT AND THE COMMON SOUTHWEST CORNER OF A 5.765 ACRE TRACT OF LAND CONVEYED TO ANNA GROUP LLC, AS RECORDED IN COUNTY CLERK'S FILE NO. 2024000080846, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID POINT BEING ON THE EAST LINE OF A 64 ACRE TRACT OF LAND CONVEYED TO NAOMI L. WATSON, AS RECORDED IN COUNTY CLERK'S FILE NO. 20140313000236380, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS AND BEING WITHIN THE APPROXIMATE CENTER OF COUNTY ROAD NO. 937, (A PRESCRIPTIVE RIGHT-OF-WAY BY USE AND OCCUPATION), FROM WHICH A 1/2" IRON ROD WITH CAP STAMPED "PEISER.MANKIN.SUR" FOUND FOR THE NORTHWEST CORNER OF SAID 5.765 ACRE TRACT AND A COMMON SOUTHWEST CORNER OF A 101.118 ACRE TRACT OF LAND CONVEYED AS "TRACT 1" TO ANNA GROUP LLC, AS RECORDED IN COUNTY CLERK'S FILE NO. 2023000122760, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, BEARS NORTH 03 DEGREES 55 MINUTES 14 SECONDS EAST, A DISTANCE OF 50.00 FEET;

THENCE, ALONG THE NORTHEAST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON SOUTHWEST LINE OF SAID 5.765 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 48 DEGREES 26 MINUTES 03 SECONDS EAST, A DISTANCE OF 82.66 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 67 DEGREES 30 MINUTES 05 SECONDS EAST, A DISTANCE OF 84.40 FEET TO 60D NAIL FOUND FOR CORNER;
SOUTH 62 DEGREES 35 MINUTES 14 SECONDS EAST, A DISTANCE OF 296.45 FEET TO A 60D NAIL FOUND FOR CORNER;
SOUTH 41 DEGREES 10 MINUTES 03 SECONDS EAST, A DISTANCE OF 157.79 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 78 DEGREES 06 MINUTES 15 SECONDS EAST, A DISTANCE OF 262.41 FEET TO A 60D NAIL FOUND FOR CORNER;
SOUTH 55 DEGREES 39 MINUTES 45 SECONDS EAST, A DISTANCE OF 144.29 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR THE SOUTHEAST CORNER OF SAID 5.765 ACRE TRACT AND A COMMON EXTERIOR ELL CORNER OF AFORESAID

101.118 ACRE TRACT;

THENCE, CONTINUING ALONG THE NORTHEAST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON SOUTHWEST LINE OF SAID 101.118 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 89 DEGREES 18 MINUTES 28 SECONDS EAST, A DISTANCE OF 348.05 FEET TO A 60D NAIL FOUND FOR CORNER;
SOUTH 21 DEGREES 37 MINUTES 21 SECONDS EAST, A DISTANCE OF 346.53 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 06 DEGREES 07 MINUTES 23 SECONDS EAST, A DISTANCE OF 211.96 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 37 DEGREES 30 MINUTES 06 SECONDS EAST, A DISTANCE OF 88.02 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 64 DEGREES 23 MINUTES 44 SECONDS EAST, A DISTANCE OF 62.59 FEET TO A 60D NAIL FOUND FOR CORNER;
SOUTH 42 DEGREES 35 MINUTES 09 SECONDS EAST, A DISTANCE OF 246.54 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 88 DEGREES 51 MINUTES 58 SECONDS EAST, A DISTANCE OF 72.92 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 61 DEGREES 26 MINUTES 55 SECONDS EAST, A DISTANCE OF 164.75 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 69 DEGREES 36 MINUTES 03 SECONDS EAST, A DISTANCE OF 58.91 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 17 DEGREES 13 MINUTES 17 SECONDS EAST, A DISTANCE OF 15.78 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 06 DEGREES 10 MINUTES 57 SECONDS EAST, A DISTANCE OF 125.36 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 53 DEGREES 17 MINUTES 57 SECONDS EAST, A DISTANCE OF 61.31 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 78 DEGREES 59 MINUTES 39 SECONDS EAST, A DISTANCE OF 125.01 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 80 DEGREES 01 MINUTE 26 SECONDS EAST, A DISTANCE OF 234.63 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 78 DEGREES 24 MINUTES 21 SECONDS EAST, A DISTANCE OF 426.09 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 80 DEGREES 54 MINUTES 25 SECONDS EAST, A DISTANCE OF 239.90 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 77 DEGREES 43 MINUTES 11 SECONDS EAST, A DISTANCE OF 68.50 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 71 DEGREES 14 MINUTES 49 SECONDS EAST, A DISTANCE OF 42.49 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 66 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 67.58 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
SOUTH 55 DEGREES 56 MINUTES 20 SECONDS EAST, A DISTANCE OF 73.50 FEET TO A 1/2" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAID 101.118 ACRE TRACT AND A COMMON EXTERIOR ELL CORNER OF AFORESAID 116.974 ACRE TRACT;

THENCE, ALONG THE COMMON LINES OF SAID 116.974 ACRE TRACT AND SAID 101.118 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 35 DEGREES 12 MINUTES 23 SECONDS EAST, A DISTANCE OF 177.76 FEET TO A 1/2" IRON ROD FOUND FOR CORNER;
NORTH 42 DEGREES 44 MINUTES 06 SECONDS WEST, A DISTANCE OF 131.40 FEET TO A 1/2" IRON ROD FOUND FOR CORNER;
NORTH 19 DEGREES 54 MINUTES 38 SECONDS WEST, A DISTANCE OF 41.83 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 03 DEGREES 33 MINUTES 44 SECONDS WEST, A DISTANCE OF 30.38 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 23 DEGREES 14 MINUTES 16 SECONDS EAST, A DISTANCE OF 444.46 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 24 DEGREES 17 MINUTES 36 SECONDS EAST, A DISTANCE OF 216.53 FEET TO A POINT FOR CORNER;

THENCE, OVER AND ACROSS SAID 116.974 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:
SOUTH 85 DEGREES 34 MINUTES 50 SECONDS EAST, A DISTANCE OF 368.08 FEET TO A POINT FOR CORNER;

SOUTH 35 DEGREES 22 MINUTES 48 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 65 DEGREES 38 MINUTES 29 SECONDS, A RADIUS OF 50.00 FEET, AND A LONG CHORD THAT BEARS NORTH 87 DEGREES 26 MINUTES 26 SECONDS EAST, A DISTANCE OF 54.20 FEET;
ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 57.28 FEET TO A POINT FOR CORNER;
SOUTH 85 DEGREES 34 MINUTES 50 SECONDS EAST, A DISTANCE OF 208.41 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 65 DEGREES 33 MINUTES 25 SECONDS, A RADIUS OF 50.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 78 DEGREES 38 MINUTES 39 SECONDS EAST, A DISTANCE OF 54.14 FEET;
ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 57.21 FEET TO A POINT FOR CORNER;
NORTH 44 DEGREES 08 MINUTES 04 SECONDS EAST, A DISTANCE OF 15.00 FEET TO A POINT FOR CORNER;
SOUTH 85 DEGREES 34 MINUTES 50 SECONDS EAST, A DISTANCE OF 485.58 FEET TO A POINT FOR CORNER;
SOUTH 16 DEGREES 40 MINUTES 30 SECONDS WEST, A DISTANCE OF 689.68 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 21 DEGREES 38 MINUTES 12 SECONDS, A RADIUS OF 1105.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 27 DEGREES 29 MINUTES 36 SECONDS WEST, A DISTANCE OF 414.81 FEET;
ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 417.28 FEET TO A POINT FOR CORNER;
NORTH 50 DEGREES 23 MINUTES 31 SECONDS WEST, A DISTANCE OF 27.69 FEET TO A POINT FOR CORNER;
SOUTH 39 DEGREES 36 MINUTES 29 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT

FOR CORNER;

SOUTH 50 DEGREES 23 MINUTES 31 SECONDS EAST, A DISTANCE OF 27.69 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01 DEGREE 30 MINUTES 09 SECONDS, A RADIUS OF 1105.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 41 DEGREES 39 MINUTES 21 SECONDS WEST, A DISTANCE OF 28.98 FEET; ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 28.98 FEET TO A POINT FOR CORNER;

SOUTH 42 DEGREES 25 MINUTES 45 SECONDS WEST, A DISTANCE OF 563.28 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 13 DEGREES 25 MINUTES 22 SECONDS, A RADIUS OF 1545.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 35 DEGREES 43 MINUTES 04 SECONDS WEST, A DISTANCE OF 361.12 FEET;

ALONG SAID TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 361.95 FEET TO A POINT FOR CORNER ON A SOUTHERLY LINE OF SAID 116.974 ACRE TRACT AND THE COMMON NORTH LINE OF A TRACT OF LAND CONVEYED TO JOHN RATTAN AND SUE RATTAN, AS RECORDED IN COUNTY CLERK'S FILE NO. 20090915001153020, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, FROM WHICH A 1/2" IRON ROD FOUND FOR AN INTERIOR ELL CORNER OF SAID 116.974 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF SAID RATTAN TRACT, BEARS SOUTH 78 DEGREES 24 MINUTES 56 SECONDS EAST, A DISTANCE OF 625.73 FEET;

THENCE, NORTH 78 DEGREES 24 MINUTES 56 SECONDS WEST, ALONG SAID COMMON LINE, A DISTANCE OF 74.94 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR AN EXTERIOR ELL CORNER OF SAID 116.974 ACRE TRACT AND THE COMMON NORTHWEST CORNER OF SAID RATTAN TRACT. SAID POINT BEING ON THE EAST LINE OF AFORESAID 243.477 ACRE TRACT;

THENCE, ALONG THE EAST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON WEST LINE OF SAID RATTAN TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 02 DEGREES 45 MINUTES 42 SECONDS EAST, A DISTANCE OF 22.19 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;

SOUTH 04 DEGREES 42 MINUTES 42 SECONDS WEST, A DISTANCE OF 178.16 FEET TO A POINT FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 20 DEGREES 12 MINUTES 17 SECONDS, A RADIUS OF 1545.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 11 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 542.01 FEET;

THENCE, OVER AND ACROSS SAID 243.477 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES: ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 544.83 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREE 13 MINUTES 34 SECONDS WEST, A DISTANCE OF 572.11 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 3169.43 FEET TO A POINT FOR

CORNER ON THE WEST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON EAST LINE OF A 216.801 ACRE TRACT OF LAND CONVEYED TO VERLA SUE HOLLAND AND MAURINE DICKEY, AS RECORDED IN COUNTY CLERK'S FILE NO. 95-0011069, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY,

TEXAS, FROM WHICH A 60D NAIL FOUND FOR THE SOUTHWEST CORNER OF SAID 243.477 ACRE TRACT AND A COMMON EXTERIOR ELL CORNER OF A 140.00 ACRE TRACT OF LAND CONVEYED TO MJLA ADAM, LTD, AS RECORDED IN COUNTY CLERK'S FILE NO. 20110505000462570, OFFICIAL PUBLIC

RECORDS, COLLIN COUNTY, TEXAS BEARS SOUTH 02 DEGREES 16 MINUTES 14 SECONDS WEST, A DISTANCE OF 60.23 FEET;

THENCE, ALONG THE COMMON LINES OF SAID 243.477 ACRE TRACT AND THE SAID 216.801 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 02 DEGREES 16 MINUTES 14 SECONDS EAST, A DISTANCE OF 59.76 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 00 DEGREES 42 MINUTES 51 SECONDS WEST, A DISTANCE OF 640.05 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 00 DEGREES 45 MINUTES 11 SECONDS WEST, A DISTANCE OF 357.30 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 01 DEGREE 39 MINUTES 21 SECONDS WEST, A DISTANCE OF 381.16 FEET TO A 1/2" IRON ROD FOUND FOR AN INTERIOR ELL CORNER, OF SAID 243.477 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF SAID 216.801 ACRE TRACT. SAID POINT BEING AT THE END OF AFORESAID COUNTY ROAD NO. 937;
NORTH 87 DEGREES 21 MINUTES 39 SECONDS WEST, A DISTANCE OF 29.55 FEET TO A 60D NAIL FOUND FOR AN EXTERIOR ELL CORNER OF SAID 243.477 ACRE TRACT AND THE COMMON SOUTHEAST CORNER OF A 245.6 ACRE TRACT OF LAND CONVEYED TO VIRGIL WREN MILLER, AS RECORDED IN VOLUME 5823, PAGE 3619, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS;

THENCE, ALONG THE WEST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON EAST LINE OF SAID 245.6 ACRE TRACT, WITH SAID COUNTY ROAD NO. 937, THE FOLLOWING COURSES AND DISTANCES:

NORTH 12 DEGREES 06 MINUTES 31 SECONDS WEST, A DISTANCE OF 109.36 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 06 DEGREES 52 MINUTES 41 SECONDS WEST, A DISTANCE OF 258.10 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 09 DEGREES 46 MINUTES 25 SECONDS WEST, A DISTANCE OF 725.61 FEET TO A 60D NAIL FOUND FOR CORNER;
NORTH 28 DEGREES 35 MINUTES 06 SECONDS WEST, A DISTANCE OF 186.41 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;
NORTH 14 DEGREES 05 MINUTES 23 SECONDS WEST, A DISTANCE OF 170.86 FEET TO A 60D NAIL FOUND FOR CORNER;
NORTH 00 DEGREES 03 MINUTES 33 SECONDS EAST, A DISTANCE OF 250.08 FEET TO A 60D NAIL FOUND (BENT) FOR CORNER;
NORTH 02 DEGREES 44 MINUTES 20 SECONDS EAST, PASSING THE NORTH LINE OF SAID 245.6 ACRE TRACT AND THE COMMON SOUTH LINE OF AFORESAID 64 ACRE TRACT, AND CONTINUING ALONG THE WEST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON EAST LINE OF SAID 64 ACRE TRACT, IN ALL, A TOTAL DISTANCE OF 254.07 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;

THENCE, NORTH 03 DEGREES 55 MINUTES 14 SECONDS EAST, CONTINUING ALONG SAID COMMON LINE, WITH SAID COUNTY ROAD NO. 937, A DISTANCE OF 923.21 FEET TO THE **POINT OF BEGINNING**

AND CONTAINING A CALCULATED AREA OF 11,952,682 SQUARE FEET OR 274.396 ACRES OF LAND.

EXHIBIT J-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

IA#1 DESCRIPTION 47.859 ACRES

BEING A 47.859 ACRE TRACT OF LAND SITUATED IN THE J. COFFMAN SURVEY, ABSTRACT NO. 197, THE J. ELLETT SURVEY, ABSTRACT NO. 295, AND THE W. KITCHINGS SURVEY, ABSTRACT NO. 504, CITY OF ANNA, COLLIN COUNTY, TEXAS, AND BEING PART OF A 243.477 ACRE TRACT OF LAND CONVEYED TO BLOOMFIELD HOMES, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 20211220002575780, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS AND PART OF A 116.974 ACRE TRACT OF LAND, CONVEYED TO BLOOMFIELD HOMES, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 20211220002551800, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID 47.859 ACRE TRACT, WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD83, (NAD83 (2011) EPOCH 2010), DETERMINED BY GPS OBSERVATIONS, CALCULATED FROM COLLIN CORS ARP (PID-DF8982), AND DENTON CORS ARP (PID-DF8986), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT FOR CORNER ON A SOUTHERLY LINE OF SAID 116.974 ACRE TRACT AND THE COMMON NORTH LINE OF A TRACT OF LAND CONVEYED TO JOHN RATTAN AND SUE RATTAN, AS RECORDED IN COUNTY CLERK'S FILE NO. 20090915001153020, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, FROM WHICH A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAID RATTAN TRACT, BEARS SOUTH 78 DEGREES 24 MINUTES 56 SECONDS EAST, A DISTANCE OF 625.73 FEET;

THENCE, NORTH 78 DEGREES 24 MINUTES 56 SECONDS WEST, ALONG SAID COMMON LINE, A DISTANCE OF 74.94 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR THE NORTHWEST CORNER OF SAID RATTAN TRACT AND THE COMMON SOUTHWEST CORNER OF SAID 116.974 ACRE TRACT, SAID POINT BEING ON THE EAST LINE OF AFORESAID 243.477 ACRE TRACT AND BEING WITHIN COUNTY ROAD NO. 286, (A PRESCRIPTIVE RIGHT-OF-WAY BY USE AND OCCUPATION);

THENCE, ALONG THE EAST LINE OF SAID 243.477 ACRE TRACT AND THE COMMON WEST LINE OF SAID RATTAN TRACT, WITH SAID COUNTY ROAD, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 02 DEGREES 45 MINUTES 42 SECONDS EAST, A DISTANCE OF 22.19 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LJA SURVEYING" SET FOR CORNER;

SOUTH 04 DEGREES 42 MINUTES 42 SECONDS WEST, A DISTANCE OF 178.16 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 20 DEGREES 12 MINUTES 17 SECONDS, A RADIUS OF 1545.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 11 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 542.01 FEET;

THENCE, OVER AND ACROSS SAID 243.477 ACRE TRACT AND SAID 116.974 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 544.83 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREE 13 MINUTES 34 SECONDS WEST, A DISTANCE OF 177.99 FEET TO A POINT FOR CORNER;

NORTH 86 DEGREES 17 MINUTES 22 SECONDS WEST, A DISTANCE OF 158.65 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02 DEGREES 56 MINUTES 48 SECONDS, A RADIUS OF 2181.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 01 DEGREE 34 MINUTES 49 SECONDS WEST, A DISTANCE OF 112.16 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 112.17 FEET TO A POINT FOR CORNER;

NORTH 89 DEGREES 53 MINUTES 35 SECONDS WEST, A DISTANCE OF 115.83 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 860.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 410.00 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 130.00 FEET TO A POINT FOR CORNER;

SOUTH 02 DEGREES 45 MINUTES 32 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 61.47 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 284.52 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 241.47 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 337.72 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 242.00 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 242.00 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 14 MINUTES 28 SECONDS WEST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 185.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

SOUTH 02 DEGREES 45 MINUTES 32 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

NORTH 87 DEGREES 14 MINUTES 28 SECONDS EAST, A DISTANCE OF 121.00 FEET TO A POINT FOR CORNER;

NORTH 02 DEGREES 45 MINUTES 32 SECONDS WEST, A DISTANCE OF 136.71 FEET TO A POINT FOR CORNER;

NORTH 68 DEGREES 44 MINUTES 29 SECONDS EAST, A DISTANCE OF 53.22 FEET TO A POINT FOR CORNER;

SOUTH 87 DEGREES 13 MINUTES 36 SECONDS EAST, A DISTANCE OF 168.84 FEET TO A POINT FOR CORNER;

SOUTH 84 DEGREES 21 MINUTES 59 SECONDS EAST, A DISTANCE OF 100.54 FEET TO A POINT FOR CORNER;

SOUTH 78 DEGREES 16 MINUTES 07 SECONDS EAST, A DISTANCE OF 98.29 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 08 MINUTES 22 SECONDS EAST, A DISTANCE OF 87.00 FEET TO A POINT FOR CORNER;

SOUTH 37 DEGREES 11 MINUTES 39 SECONDS WEST, A DISTANCE OF 26.08 FEET TO A POINT FOR CORNER;

SOUTH 36 DEGREES 02 MINUTES 33 SECONDS WEST, A DISTANCE OF 45.78 FEET TO A POINT FOR CORNER;

SOUTH 20 DEGREES 59 MINUTES 39 SECONDS WEST, A DISTANCE OF 50.15 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 10 DEGREES 06 MINUTES 33 SECONDS, A RADIUS OF 625.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 63 DEGREES 57 MINUTES 04 SECONDS EAST, A DISTANCE OF 110.13 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 110.27 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 00 DEGREES 32 MINUTES 18 SECONDS, A RADIUS OF 2315.00 FEET, AND A LONG CHORD THAT BEARS NORTH 35 DEGREES 01 MINUTE 09 SECONDS EAST, A DISTANCE OF 21.75 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 21.75 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 42 MINUTES 41 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES 30 MINUTES 30 SECONDS, A RADIUS OF 2265.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 35 DEGREES 02 MINUTES 03 SECONDS WEST, A DISTANCE OF 20.10 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 20.10 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 29 MINUTES 02 SECONDS EAST, A DISTANCE OF 242.02 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 00 DEGREES 33 MINUTES 36 SECONDS, A RADIUS OF 2023.00 FEET, AND A LONG CHORD THAT BEARS NORTH 34 DEGREES 58 MINUTES 19 SECONDS EAST, A DISTANCE OF 19.77 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 19.77 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 44 MINUTES 53 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES 34 MINUTES 51 SECONDS, A RADIUS OF 1973.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 34 DEGREES 57 MINUTES 41 SECONDS WEST, A DISTANCE OF 20.00 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 29 MINUTES 02 SECONDS EAST, A DISTANCE OF 242.03 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 00 DEGREES 39 MINUTES 11 SECONDS, A RADIUS OF 1731.00 FEET, AND A LONG CHORD THAT BEARS NORTH 34 DEGREES 52 MINUTES 46 SECONDS EAST, A DISTANCE OF 19.73 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 19.73 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 47 MINUTES 39 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES 40 MINUTES 54 SECONDS, A RADIUS OF 1681.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 34 DEGREES 51 MINUTES 54 SECONDS WEST, A DISTANCE OF 20.00 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 20.00 FEET TO A POINT FOR CORNER;

SOUTH 54 DEGREES 29 MINUTES 02 SECONDS EAST, A DISTANCE OF 137.33 FEET TO A POINT FOR CORNER, AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 05 DEGREES 02 MINUTES 07 SECONDS, A RADIUS OF 1545.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 31 DEGREES 31 MINUTES 26 SECONDS WEST, A DISTANCE OF 135.73 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 135.78 FEET TO THE **POINT OF BEGINNING** AND CONTAINING A CALCULATED AREA OF 2,084,737 SQUARE FEET OR 47.859 ACRES OF LAND.

APPENDIX A – ENGINEER’S REPORT

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APPENDIX B – BUYER DISCLOSURES

Forms of the buyer disclosures for the following Lot Types are found in this appendix:

Improvement Area #1

- Improvement Area #1 Initial Parcel
- Lot Type 1
- Lot Type 2

[Remainder of page left intentionally blank.]

CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1
INITIAL PARCEL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF ANNA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$7,456,000.00

As the purchaser of the real property described above, you are obligated to pay assessments to City of Anna, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Crystal Park 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 of Anna. The exact amount of each annual installment will be approved each year by the Anna 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 City of Anna.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 INITIAL PARCEL

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2026	\$ -	\$ 326,815	\$ (326,815)	\$ -	\$ -	\$ -
2027	\$ 104,000	\$ 440,650	\$ -	\$ 37,280	\$ 40,800	\$ 622,730
2028	\$ 110,000	\$ 434,503	\$ -	\$ 36,760	\$ 41,616	\$ 622,879
2029	\$ 116,000	\$ 428,002	\$ -	\$ 36,210	\$ 42,448	\$ 622,661
2030	\$ 123,000	\$ 421,147	\$ -	\$ 35,630	\$ 43,297	\$ 623,074
2031	\$ 130,000	\$ 413,877	\$ -	\$ 35,015	\$ 44,163	\$ 623,056
2032	\$ 137,000	\$ 406,194	\$ -	\$ 34,365	\$ 45,047	\$ 622,606
2033	\$ 145,000	\$ 398,098	\$ -	\$ 33,680	\$ 45,947	\$ 622,725
2034	\$ 153,000	\$ 389,528	\$ -	\$ 32,955	\$ 46,866	\$ 622,349
2035	\$ 162,000	\$ 380,486	\$ -	\$ 32,190	\$ 47,804	\$ 622,480
2036	\$ 171,000	\$ 370,912	\$ -	\$ 31,380	\$ 48,760	\$ 622,051
2037	\$ 182,000	\$ 360,806	\$ -	\$ 30,525	\$ 49,735	\$ 623,065
2038	\$ 192,000	\$ 350,049	\$ -	\$ 29,615	\$ 50,730	\$ 622,394
2039	\$ 203,000	\$ 338,702	\$ -	\$ 28,655	\$ 51,744	\$ 622,101
2040	\$ 215,000	\$ 326,705	\$ -	\$ 27,640	\$ 52,779	\$ 622,124
2041	\$ 228,000	\$ 313,998	\$ -	\$ 26,565	\$ 53,835	\$ 622,398
2042	\$ 242,000	\$ 300,524	\$ -	\$ 25,425	\$ 54,911	\$ 622,860
2043	\$ 256,000	\$ 286,221	\$ -	\$ 24,215	\$ 56,010	\$ 622,446
2044	\$ 271,000	\$ 271,092	\$ -	\$ 22,935	\$ 57,130	\$ 622,157
2045	\$ 288,000	\$ 255,076	\$ -	\$ 21,580	\$ 58,272	\$ 622,928
2046	\$ 305,000	\$ 238,055	\$ -	\$ 20,140	\$ 59,438	\$ 622,633
2047	\$ 323,000	\$ 220,029	\$ -	\$ 18,615	\$ 60,627	\$ 622,271
2048	\$ 343,000	\$ 200,940	\$ -	\$ 17,000	\$ 61,839	\$ 622,779
2049	\$ 363,000	\$ 180,669	\$ -	\$ 15,285	\$ 63,076	\$ 622,030
2050	\$ 385,000	\$ 159,215	\$ -	\$ 13,470	\$ 64,337	\$ 622,023
2051	\$ 409,000	\$ 136,462	\$ -	\$ 11,545	\$ 65,624	\$ 622,631
2052	\$ 434,000	\$ 112,290	\$ -	\$ 9,500	\$ 66,937	\$ 622,727
2053	\$ 460,000	\$ 86,641	\$ -	\$ 7,330	\$ 68,275	\$ 622,246
2054	\$ 488,000	\$ 59,455	\$ -	\$ 5,030	\$ 69,641	\$ 622,126
2055	\$ 518,000	\$ 30,614	\$ -	\$ 2,590	\$ 71,034	\$ 622,238
Total	\$ 7,456,000	\$ 8,637,753	\$ (326,815)	\$ 703,125	\$ 1,582,723	\$ 18,052,786

Footnotes:

[a] Interest is calculated at a 5.910% rate for illustrative purposes and shall be updated based on PID Bond pricing.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1
LOT TYPE 1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF ANNA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 1 PRINCIPAL ASSESSMENT: \$41,284.61

As the purchaser of the real property described above, you are obligated to pay assessments to City of Anna, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Crystal Park 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 of Anna. The exact amount of each annual installment will be approved each year by the Anna 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 City of Anna.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 1

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2026	\$ -	\$ 1,809.61	\$ (1,809.61)	\$ -	\$ -	\$ -
2027	\$ 575.86	\$ 2,439.92	\$ -	\$ 206.42	\$ 225.91	\$ 3,448.12
2028	\$ 609.08	\$ 2,405.89	\$ -	\$ 203.54	\$ 230.43	\$ 3,448.94
2029	\$ 642.30	\$ 2,369.89	\$ -	\$ 200.50	\$ 235.04	\$ 3,447.73
2030	\$ 681.06	\$ 2,331.93	\$ -	\$ 197.29	\$ 239.74	\$ 3,450.02
2031	\$ 719.82	\$ 2,291.68	\$ -	\$ 193.88	\$ 244.54	\$ 3,449.92
2032	\$ 758.58	\$ 2,249.14	\$ -	\$ 190.28	\$ 249.43	\$ 3,447.43
2033	\$ 802.88	\$ 2,204.31	\$ -	\$ 186.49	\$ 254.42	\$ 3,448.09
2034	\$ 847.18	\$ 2,156.86	\$ -	\$ 182.48	\$ 259.50	\$ 3,446.01
2035	\$ 897.01	\$ 2,106.79	\$ -	\$ 178.24	\$ 264.69	\$ 3,446.73
2036	\$ 946.84	\$ 2,053.77	\$ -	\$ 173.75	\$ 269.99	\$ 3,444.36
2037	\$ 1,007.75	\$ 1,997.82	\$ -	\$ 169.02	\$ 275.39	\$ 3,449.97
2038	\$ 1,063.12	\$ 1,938.26	\$ -	\$ 163.98	\$ 280.90	\$ 3,446.26
2039	\$ 1,124.03	\$ 1,875.43	\$ -	\$ 158.67	\$ 286.51	\$ 3,444.64
2040	\$ 1,190.48	\$ 1,809.00	\$ -	\$ 153.05	\$ 292.24	\$ 3,444.76
2041	\$ 1,262.46	\$ 1,738.64	\$ -	\$ 147.09	\$ 298.09	\$ 3,446.28
2042	\$ 1,339.98	\$ 1,664.03	\$ -	\$ 140.78	\$ 304.05	\$ 3,448.84
2043	\$ 1,417.50	\$ 1,584.84	\$ -	\$ 134.08	\$ 310.13	\$ 3,446.54
2044	\$ 1,500.55	\$ 1,501.06	\$ -	\$ 126.99	\$ 316.33	\$ 3,444.94
2045	\$ 1,594.68	\$ 1,412.38	\$ -	\$ 119.49	\$ 322.66	\$ 3,449.21
2046	\$ 1,688.82	\$ 1,318.13	\$ -	\$ 111.52	\$ 329.11	\$ 3,447.58
2047	\$ 1,788.48	\$ 1,218.32	\$ -	\$ 103.07	\$ 335.70	\$ 3,445.58
2048	\$ 1,899.22	\$ 1,112.62	\$ -	\$ 94.13	\$ 342.41	\$ 3,448.39
2049	\$ 2,009.97	\$ 1,000.38	\$ -	\$ 84.63	\$ 349.26	\$ 3,444.24
2050	\$ 2,131.78	\$ 881.59	\$ -	\$ 74.58	\$ 356.24	\$ 3,444.20
2051	\$ 2,264.67	\$ 755.60	\$ -	\$ 63.93	\$ 363.37	\$ 3,447.57
2052	\$ 2,403.10	\$ 621.76	\$ -	\$ 52.60	\$ 370.64	\$ 3,448.10
2053	\$ 2,547.07	\$ 479.74	\$ -	\$ 40.59	\$ 378.05	\$ 3,445.44
2054	\$ 2,702.10	\$ 329.21	\$ -	\$ 27.85	\$ 385.61	\$ 3,444.77
2055	\$ 2,868.22	\$ 169.51	\$ -	\$ 14.34	\$ 393.32	\$ 3,445.39
Total	\$ 41,284.61	\$ 47,828.09	\$ (1,809.61)	\$ 3,893.27	\$ 8,763.69	\$ 99,960.05

Footnotes:

[a] Interest is calculated at a 5.910% rate for illustrative purposes and shall be updated based on PID Bond pricing.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1
LOT TYPE 2 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF ANNA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 2 PRINCIPAL ASSESSMENT: \$49,541.53

As the purchaser of the real property described above, you are obligated to pay assessments to City of Anna, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Crystal Park 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 of Anna. The exact amount of each annual installment will be approved each year by the Anna 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 City of Anna.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 2

Installment Due 1/31	Principal	Interest ^[a]	Capitalized Interest	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2026	\$ -	\$ 2,171.53	\$ (2,171.53)	\$ -	\$ -	\$ -
2027	\$ 691.03	\$ 2,927.90	\$ -	\$ 247.71	\$ 271.10	\$ 4,137.74
2028	\$ 730.90	\$ 2,887.06	\$ -	\$ 244.25	\$ 276.52	\$ 4,138.73
2029	\$ 770.76	\$ 2,843.87	\$ -	\$ 240.60	\$ 282.05	\$ 4,137.28
2030	\$ 817.28	\$ 2,798.32	\$ -	\$ 236.74	\$ 287.69	\$ 4,140.03
2031	\$ 863.79	\$ 2,750.02	\$ -	\$ 232.66	\$ 293.44	\$ 4,139.90
2032	\$ 910.30	\$ 2,698.97	\$ -	\$ 228.34	\$ 299.31	\$ 4,136.92
2033	\$ 963.46	\$ 2,645.17	\$ -	\$ 223.79	\$ 305.30	\$ 4,137.71
2034	\$ 1,016.61	\$ 2,588.23	\$ -	\$ 218.97	\$ 311.40	\$ 4,135.21
2035	\$ 1,076.41	\$ 2,528.14	\$ -	\$ 213.89	\$ 317.63	\$ 4,136.08
2036	\$ 1,136.21	\$ 2,464.53	\$ -	\$ 208.50	\$ 323.99	\$ 4,133.23
2037	\$ 1,209.30	\$ 2,397.38	\$ -	\$ 202.82	\$ 330.46	\$ 4,139.97
2038	\$ 1,275.75	\$ 2,325.91	\$ -	\$ 196.78	\$ 337.07	\$ 4,135.51
2039	\$ 1,348.84	\$ 2,250.51	\$ -	\$ 190.40	\$ 343.82	\$ 4,133.56
2040	\$ 1,428.57	\$ 2,170.80	\$ -	\$ 183.65	\$ 350.69	\$ 4,133.71
2041	\$ 1,514.95	\$ 2,086.37	\$ -	\$ 176.51	\$ 357.71	\$ 4,135.54
2042	\$ 1,607.97	\$ 1,996.83	\$ -	\$ 168.94	\$ 364.86	\$ 4,138.60
2043	\$ 1,701.00	\$ 1,901.80	\$ -	\$ 160.90	\$ 372.16	\$ 4,135.85
2044	\$ 1,800.66	\$ 1,801.27	\$ -	\$ 152.39	\$ 379.60	\$ 4,133.93
2045	\$ 1,913.62	\$ 1,694.85	\$ -	\$ 143.39	\$ 387.19	\$ 4,139.06
2046	\$ 2,026.58	\$ 1,581.76	\$ -	\$ 133.82	\$ 394.94	\$ 4,137.09
2047	\$ 2,146.18	\$ 1,461.99	\$ -	\$ 123.69	\$ 402.83	\$ 4,134.69
2048	\$ 2,279.07	\$ 1,335.15	\$ -	\$ 112.96	\$ 410.89	\$ 4,138.07
2049	\$ 2,411.96	\$ 1,200.46	\$ -	\$ 101.56	\$ 419.11	\$ 4,133.09
2050	\$ 2,558.14	\$ 1,057.91	\$ -	\$ 89.50	\$ 427.49	\$ 4,133.04
2051	\$ 2,717.61	\$ 906.72	\$ -	\$ 76.71	\$ 436.04	\$ 4,137.08
2052	\$ 2,883.72	\$ 746.11	\$ -	\$ 63.12	\$ 444.76	\$ 4,137.72
2053	\$ 3,056.48	\$ 575.69	\$ -	\$ 48.70	\$ 453.66	\$ 4,134.53
2054	\$ 3,242.52	\$ 395.05	\$ -	\$ 33.42	\$ 462.73	\$ 4,133.72
2055	\$ 3,441.86	\$ 203.41	\$ -	\$ 17.21	\$ 471.99	\$ 4,134.47
Total	\$ 49,541.53	\$ 57,393.71	\$ (2,171.53)	\$ 4,671.93	\$ 10,516.43	\$ 119,952.06

Footnotes:

[a] Interest is calculated at a 5.910% rate for illustrative purposes and shall be updated based on PID Bond pricing.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice
of Obligation to Pay Improvement District Assessment

EXHIBIT B
CITY OF ANNA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Anna, Texas on *November 17, 2025 at 6:00 p.m. at the Anna Municipal Complex, City Council Chambers, 120 W. 7th Street, Anna, Texas 75409.* The public hearing will be held to consider proposed assessments to be levied against the assessable property within Crystal Park Public Improvement District No. 2 (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities and facilities related thereto; (v) acquisition of real property, interests in real property, or contract rights in connection with the Authorized Improvements (as defined below); (vi) payment of costs, including, without limitation, design, engineering, permitting, legal, required payment, performance and maintenance bonds, bidding, support, construction, construction management, administrative and inspection costs, associated with developing and financing the public improvements listed in (i) through (v) above; (vii) projects similar to those listed in subsections (i) - (v) above or authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (viii) any additional improvement projects authorized in the Act; (ix) payment of costs associated with special supplemental services for improvement and promotion of the District as approved by the City including services related to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and (x) payment of costs associated with developing and financing the public improvements listed in (i) - (ix) above, as well as the interest, costs of issuance, reserve funds, or credit enhancement of bonds issued for the purposes described in (i) through (ix) above, and costs of establishing, administering and operating the District (collectively, the "Authorized Improvements"); and (b) the payment of expenses incurred in the establishment, administration, and operation of the District, including maintenance costs, costs of issuance, funding debt service and capitalized interest reserves and credit enhancement fees of any bonds issued by or on behalf of the District, if necessary. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the property in the District.

The total costs of the Improvement Area #1 Projects, including the costs of creating the District and issuing the bonds, is approximately \$11,495,192.

The boundaries of the District include approximately 274.396 acres of land located within the city limits of the City and as more particularly described by a metes and bounds description available for public inspection at the office of the City Secretary, 120 W. 7th Street, Anna, Texas 75409.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Improvement Area #1 Assessment Roll (the "Assessment Roll"), which Assessment Roll includes the assessments to be levied against each parcel in Improvement Area #1 of the District for the Improvement Area #1 Projects, is available for public inspection at the office of the City Secretary, 120 W.7th Street, Anna, Texas 75409.



Item No. 6.j.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Joey Grisham

AGENDA ITEM:

Approve a Resolution approving a Preliminary Limited Offering Memorandum for the sale of "City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project). (Director of Economic Development Joey Grisham)

SUMMARY:

The Preliminary Limited Offering Memorandum (PLOM) for the City of Anna, Texas, Special Assessment Revenue Bonds Series 2025 (Crystal Park PID Improvement Area #1) is submitted in preparation for the sale of bonds as contemplated in the development agreement and PID creation documents.

FINANCIAL IMPACT:

N/A

BACKGROUND:

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Vibrant.

ATTACHMENTS:

1. Resolution Approving PLOM (Crystal Park PID No. 2) v1

CITY OF ANNA, TEXAS

RESOLUTION NO. 2025-10-_____

RESOLUTION APPROVING A PRELIMINARY LIMITED OFFERING MEMORANDUM FOR THE SALE OF "CITY OF ANNA, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025 (CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1 PROJECT)"

WHEREAS, the City of Anna, Texas (the "City") intends to issue its City of Anna, Texas Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project) (the "Bonds") to finance certain public improvements within the City;

WHEREAS, FMSbonds, Inc. (the "Underwriter"), with assistance from its counsel, City Staff, the City's Bond Counsel, and City's Financial Advisor, has prepared a Preliminary Limited Offering Memorandum for dissemination to potential purchasers of the Bonds prior to the availability of the final Limited Offering Memorandum for the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF ANNA, TEXAS:

1. The Preliminary Limited Offering Memorandum for the Bonds, substantially in the form attached hereto as Exhibit A, is hereby approved with such changes, addenda, supplements or amendments as may be approved by the Finance Director in consultation with the City's consultants retained by the City to assist in the issuance of the Bonds including Bond Counsel and the Financial Advisor, and the Underwriter is hereby authorized to distribute such document among potential purchasers of the Bonds and other interested persons in connection with the initial marketing and placement of the Bonds; provided that such Preliminary Limited Offering Memorandum shall not be released to the public without the approval of the Finance Director, which approval shall be made in consultation with the City's consultants retained by the City to assist in the issuance of the Bonds including Bond Counsel and the Financial Advisor.

2. Pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (17 C.F.R. § 240.15c2-12) ("Rule 15c2-12"), the City hereby deems the Preliminary Limited Offering Memorandum to be final as of its date, except for the omission of no more than the following information as permitted by Rule 15c2-12: the offering prices of the Bonds, interest rates for the Bonds, selling compensation of the Underwriter, the aggregate principal amount of the Bonds, the principal amount per maturity of the Bonds, the delivery date for the Bonds, ratings for the Bonds, and the identity of the ultimate purchasers.

PASSED AND APPROVED THIS 27TH DAY OF OCTOBER, 2025.

ATTEST:

Pete Cain, Mayor
City of Anna, Texas

Carrie Land, City Secretary
City of Anna, Texas

(CITY SEAL)

EXHIBIT A

PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [____], 2025

THE BONDS ARE INITIALLY OFFERED ONLY TO “ACCREDITED INVESTORS” (AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933) AND “QUALIFIED INSTITUTIONAL BUYERS” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933). SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.”

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the City, interest on the Bonds (as defined below) will be excludable from gross income for purposes of federal income taxation under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under “TAX MATTERS” herein, including the alternative minimum tax on certain corporations.

\$7,456,000*

CITY OF ANNA, TEXAS,

(a municipal corporation of the State of Texas located in Collin County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

(CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1 PROJECT)

Dated Date: Delivery Date (defined below)

Due: September 15, as shown on the inside cover

Interest to Accrue from Delivery Date

The City of Anna, Texas, Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project) (the “Bonds”), are being issued by the City of Anna, Texas (the “City”). The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$100,000 of principal amount and any integral multiple of \$1,000 in excess thereof. The Bonds will bear interest at the rates set forth on the inside cover page hereof, and such interest will be calculated on the basis of a 360-day year of twelve 30-day months, and will be payable on each March 15 and September 15, commencing March 15, 2026, until maturity or earlier redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. No physical delivery of the Bonds will be made to the beneficial owners thereof. For so long as the book-entry only system is maintained, the principal of and interest on the Bonds will be paid from the sources described herein by Regions Bank, an Alabama state banking corporation, as trustee (the “Trustee”), to DTC as the registered owner thereof. See “BOOK-ENTRY ONLY SYSTEM.”

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), an ordinance expected to be adopted by the City Council of the City (the “City Council”) on November 17, 2025, and an Indenture of Trust between the City and the Trustee (the “Indenture”). ***Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.***

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Improvement Area #1 Project Costs, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Improvement Area #1 Projects, (iii) funding a reserve fund for the payment of principal of and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS” and “APPENDIX B – Form of Indenture.”

The Bonds, when issued and delivered, will constitute valid and binding special, limited obligations of the City secured by a first lien on, security interest in, and pledge of the Trust Estate, consisting primarily of revenue from Improvement Area #1 Assessments levied against Improvement Area #1 Assessed Property in Improvement Area #1 of the District in accordance with the Service and Assessment Plan, and other assets comprising the Trust Estate, all to the extent and upon the conditions described in the Indenture. The Bonds are not payable from funds raised or to be raised from taxation. See “SECURITY FOR THE BONDS.”

The Bonds are subject to redemption at the times, in the amounts, and at the redemption prices more fully described under the subcaption “DESCRIPTION OF THE BONDS – Redemption Provisions.”

The Bonds involve a significant degree of risk, are speculative in nature, and are not suitable for all investors. See “BONDHOLDERS’ RISKS” and “SUITABILITY FOR INVESTMENT.” The Underwriter is limiting this offering to Qualified Institutional Buyers and Accredited Investors. The limitation of the initial offering to Qualified Institutional Buyers and Accredited Investors does not denote restrictions on transfers in any secondary market for the Bonds. Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should consult with their legal and financial advisors before considering a purchase of the Bonds, and should be willing to bear the risks of loss of their investment in the Bonds. The Bonds are not credit enhanced or rated and no application has been made for a rating on the Bonds.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM FIRST LIEN ON, SECURITY INTEREST IN, AND PLEDGE OF THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY’S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE. SEE “SECURITY FOR THE BONDS.”

This cover page contains certain information for quick reference only. It is not a summary of the Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

The Bonds are offered for delivery when, as, and if issued by the City and accepted by FMSbonds, Inc. (the “Underwriter”), subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, as to the validity of the Bonds and the excludability of interest thereon from gross income for federal income tax purposes. See “APPENDIX D – Form of Opinion of Bond Counsel.” Certain legal matters will be passed upon for the City by its counsel, Wolfe, Tidwell & McCoy, LLP, for the Underwriter by its counsel, Norton Rose Fulbright US LLP, Austin, Texas, and for the Developer by its counsel, Greenberg Traurig, LLP. It is expected that the Bonds will be delivered in book-entry form through the facilities of DTC on or about December 18, 2025 (the “Delivery Date”).

FMSbonds, Inc.

* Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS, AND CUSIP NUMBERS

CUSIP Prefix: _____^(a)

\$7,456,000*
CITY OF ANNA, TEXAS,
(a municipal corporation of the State of Texas located in Collin County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #1 PROJECT)

\$ _____ % Term Bonds, Due September 15, 20 __, Priced to Yield ____%; CUSIP Suffix: _____^{(a) (c)}

\$ _____ % Term Bonds, Due September 15, 20 __, Priced to Yield ____%; CUSIP Suffix: _____^{(a) (b) (c)}

\$ _____ % Term Bonds, Due September 15, 20 __, Priced to Yield ____%; CUSIP Suffix: _____^{(a) (b) (c)}

^(a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. None of the City, the City's Financial Advisor, or the Underwriter takes any responsibility for the accuracy of such numbers.

^(b) The Bonds are subject to redemption before their respective scheduled maturity dates, in whole or in part, at the option of the City, on any date on or after September 15, 20 __, at the redemption prices set forth herein under "DESCRIPTION OF THE BONDS – Redemption Provisions."

^(c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described herein under "DESCRIPTION OF THE BONDS – Redemption Provisions."

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**CITY OF ANNA, TEXAS
CITY COUNCIL**

<u>Name</u>	<u>Place</u>	Term Expires <u>(May)</u>
Pete Cain	Mayor	2027
Kevin Toten	Place 1, Mayor Pro Tem	2027
Nathan Bryan	Place 2	2027
Stan Carver II	Place 3, Deputy Mayor Pro Tem	2026
Kelly Patterson-Herndon	Place 4	2028
Elden Baker	Place 5	2026
Manny Singh	Place 6	2028

**ACTING CITY
MANAGER**
Marc Marchand

CITY SECRETARY
Carrie Land

FINANCE DIRECTOR
Terri Doby

ADMINISTRATOR
P3Works, LLC

FINANCIAL ADVISOR TO THE CITY
Hilltop Securities Inc.

BOND COUNSEL
McCall, Parkhurst & Horton L.L.P.

UNDERWRITER'S COUNSEL
Norton Rose Fulbright US LLP

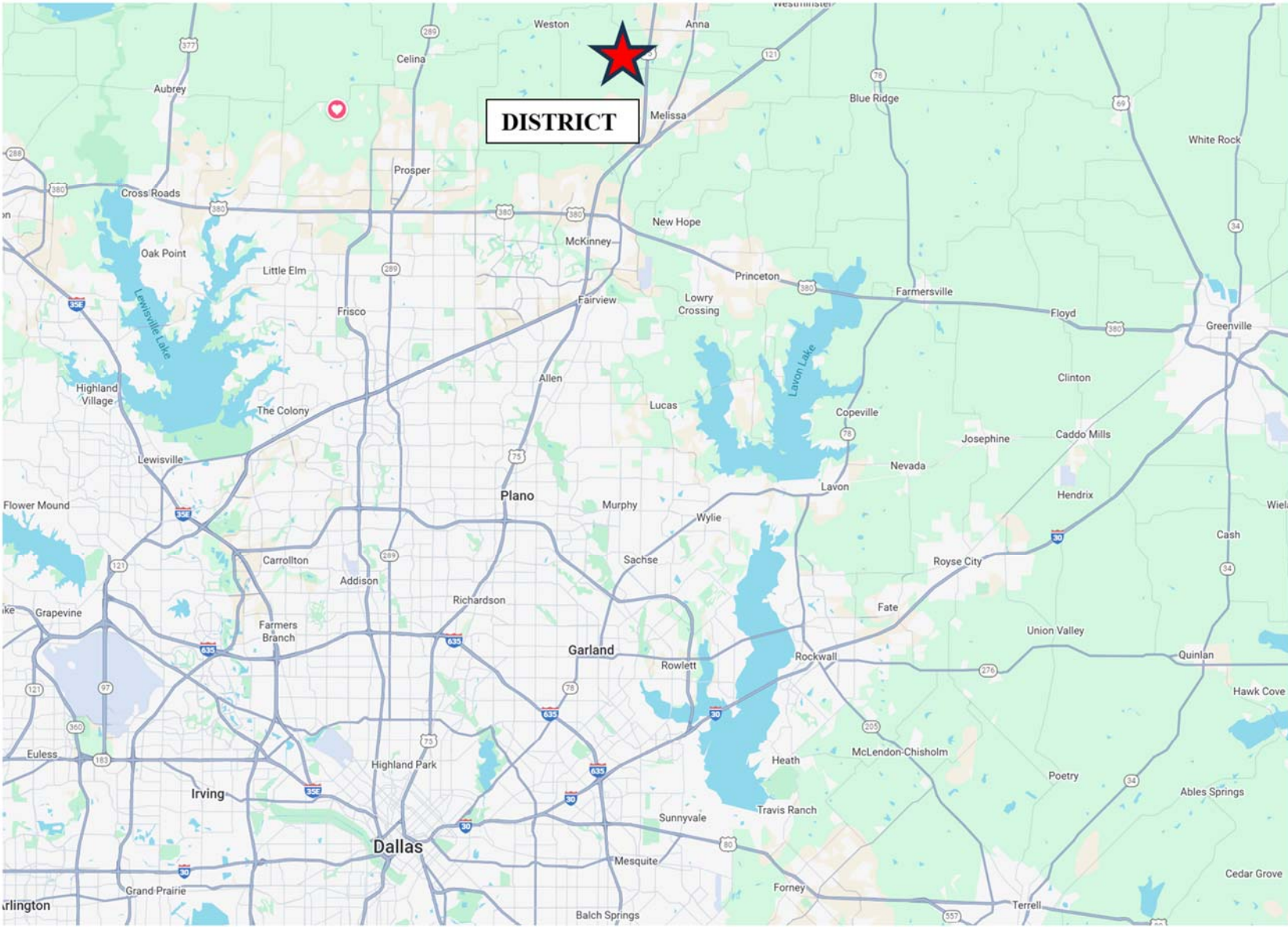
For additional information regarding the City, please contact:

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Acting City Manager
City of Anna, Texas
120 W. 7th Street
Anna, Texas 75409
(972) 924-3325
mmarchand@annatexas.gov

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Andre Ayala
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(214) 953-4000
Andre.Ayala@hilltopsecurities.com

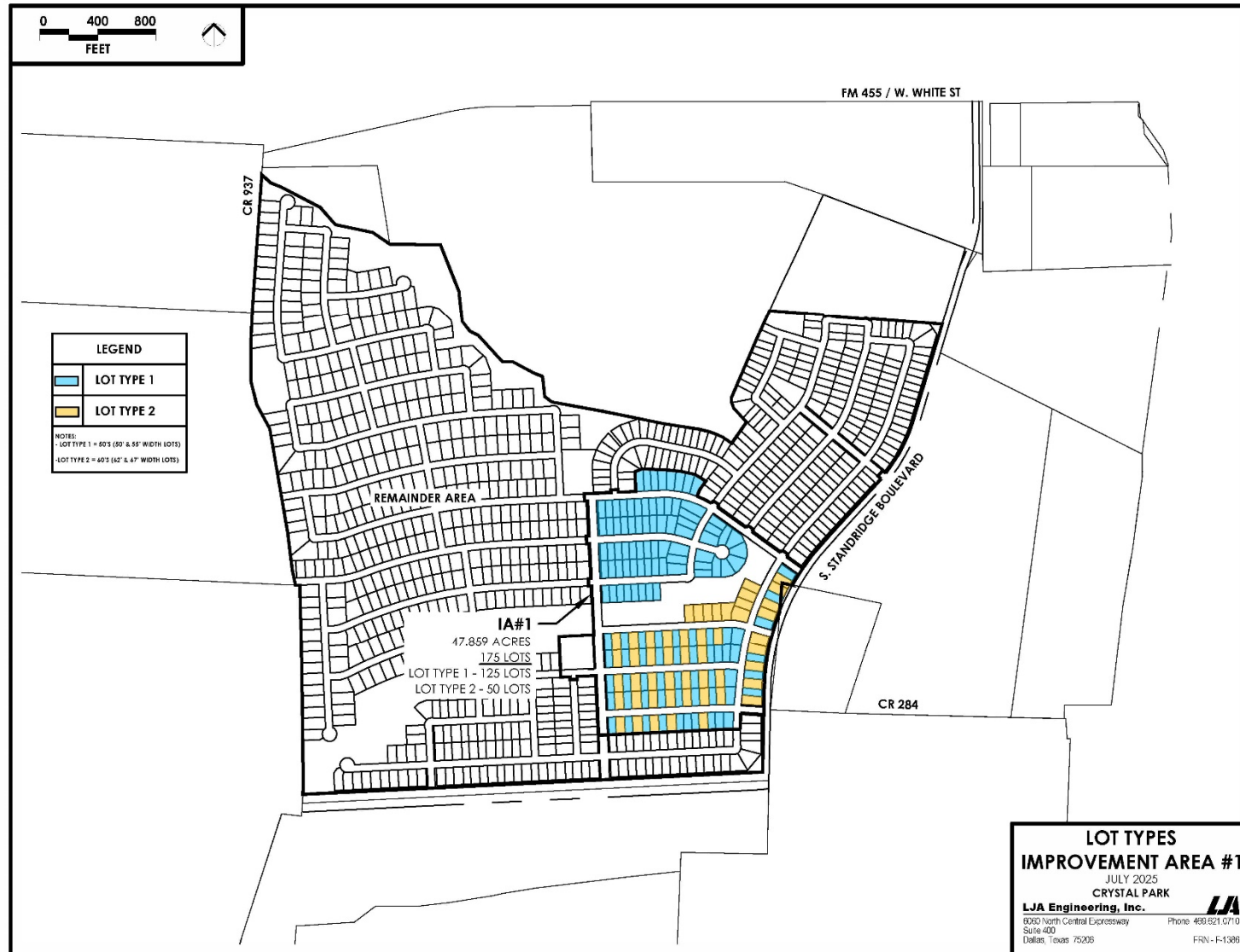
REGIONAL LOCATION MAP OF THE DISTRICT



AREA LOCATION MAP OF THE DISTRICT



MAP SHOWING BOUNDARIES OF THE DISTRICT, IMPROVEMENT AREA #1, AND THE REMAINDER AREA



USE OF LIMITED OFFERING MEMORANDUM

FOR PURPOSES OF COMPLIANCE WITH RULE 15C2-12 OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AS AMENDED AND IN EFFECT ON THE DATE OF THIS PRELIMINARY LIMITED OFFERING MEMORANDUM (THE “RULE” OR “RULE 15C2-12”), THIS DOCUMENT CONSTITUTES AN “OFFICIAL STATEMENT” OF THE CITY WITH RESPECT TO THE BONDS THAT HAS BEEN “DEEMED FINAL” BY THE CITY AS OF ITS DATE EXCEPT FOR THE OMISSION OF NO MORE THAN THE INFORMATION PERMITTED BY RULE 15C2-12.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY OR THE UNDERWRITER TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY EITHER OF THE FOREGOING. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY AND THERE SHALL BE NO OFFER, SOLICITATION OR SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED AND SOLD ONLY TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT OF 1933”), AND “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.” EACH PROSPECTIVE INITIAL PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS, MUST BE ABLE TO BEAR THE ECONOMIC AND FINANCIAL RISK OF SUCH INVESTMENT IN THE BONDS, AND MUST BE ABLE TO AFFORD A COMPLETE LOSS OF SUCH INVESTMENT. CERTAIN RISKS ASSOCIATED WITH THE PURCHASE OF THE BONDS ARE SET FORTH UNDER “BONDHOLDERS’ RISKS.” EACH INITIAL PURCHASER, BY ACCEPTING THE BONDS, AGREES THAT IT WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGMENTS AND REPRESENTATIONS DESCRIBED UNDER THE HEADING “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS.”

THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE UNITED STATES FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION. THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY THE CITY AND OBTAINED FROM SOURCES, INCLUDING THE DEVELOPER, WHICH ARE BELIEVED BY THE CITY AND THE UNDERWRITER TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY OR THE DEVELOPER SINCE THE DATE HEREOF.

NEITHER THE CITY NOR THE UNDERWRITER MAKE ANY REPRESENTATION AS TO THE ACCURACY, COMPLETENESS, OR ADEQUACY OF THE INFORMATION SUPPLIED BY THE DEPOSITORY TRUST COMPANY FOR USE IN THIS LIMITED OFFERING MEMORANDUM.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH LAWS. THE REGISTRATION OR QUALIFICATION OF THE BONDS UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THEY MAY HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF SUCH JURISDICTIONS, OR ANY OF THEIR AGENCIES, HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS LIMITED OFFERING MEMORANDUM CONSTITUTE “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 21E OF THE UNITED STATES EXCHANGE ACT OF 1934, AS AMENDED, AND SECTION 27A OF THE SECURITIES ACT OF 1933. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS “PLAN,” “EXPECT,” “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “BUDGET” OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CITY NOR THE DEVELOPER PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF THEIR EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER “CONTINUING DISCLOSURE – THE CITY” AND “– THE DEVELOPER,” RESPECTIVELY.

THE TRUSTEE HAS NOT PARTICIPATED IN THE PREPARATION OF THIS LIMITED OFFERING MEMORANDUM AND ASSUMES NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS LIMITED OFFERING MEMORANDUM OR THE RELATED TRANSACTIONS AND DOCUMENTS OR FOR ANY FAILURE BY ANY PARTY TO DISCLOSE EVENTS THAT MAY HAVE OCCURRED AND MAY AFFECT THE SIGNIFICANCE OR ACCURACY OF SUCH INFORMATION.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER’S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS LIMITED OFFERING MEMORANDUM FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, THE RULE.

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PRELIMINARY LIMITED OFFERING MEMORANDUM

\$7,456,000*

CITY OF ANNA, TEXAS,

(a municipal corporation of the State of Texas located in Collin County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

(CRYSTAL PARK PUBLIC IMPROVEMENT DISTRICT NO. 2

IMPROVEMENT AREA #1 PROJECT)

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, inside cover, and appendices hereto, is to provide certain information in connection with the issuance and sale by the City of Anna, Texas (the “City”), of its \$7,456,000* aggregate principal amount of Special Assessment Revenue Bonds, Series 2025 (Crystal Park Public Improvement District No. 2 Improvement Area #1 Project) (the “Bonds”).

INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED INITIALLY TO AND ARE BEING SOLD ONLY TO “ACCREDITED INVESTORS” AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT OF 1933”) AND “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. THE LIMITATION OF THE INITIAL OFFERING TO QUALIFIED INSTITUTIONAL BUYERS AND ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE BONDS. PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. SEE “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS,” “BONDHOLDERS’ RISKS,” AND “SUITABILITY FOR INVESTMENT.”

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), an ordinance expected to be adopted by the City Council of the City (the “City Council”) on November 17, 2025 authorizing the issuance of the Bonds (the “Bond Ordinance”), and an Indenture of Trust (the “Indenture”), between the City and Regions Bank, an Alabama state banking corporation with offices in Houston, Texas, as trustee (the “Trustee”). ***All capitalized terms used in this Limited Offering Memorandum that are not otherwise defined herein shall have the meanings set forth in the Indenture.*** See “APPENDIX B – Form of Indenture.”

The Bonds will be secured by a first lien on, security interest in, and pledge of the Trust Estate, consisting primarily of revenue from Improvement Area #1 Assessments levied against Improvement Area #1 Assessed Property located within Improvement Area #1 of the District pursuant to the Assessment Ordinance, all to the extent and upon the conditions described in the Indenture. Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Bonds.

Set forth herein are brief descriptions of the City, the District, the Developer, the Administrator, the Assessment Ordinance, the Bond Ordinance, the Service and Assessment Plan, the Development Agreement (defined herein), the CFA Agreement (defined herein), and the Appraisal (defined herein), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents and the PID Act are qualified in their entirety by reference to such documents or such PID Act and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Copies of these documents may be obtained during the period of the offering of the Bonds from the Underwriter, FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas, 75034, Phone: (214) 302-2246. The Form of Indenture appears in APPENDIX B and the Form of Service and Assessment Plan appears in APPENDIX C. The information provided under this caption “INTRODUCTION” is intended to provide a brief overview of the information provided in the other captions herein and is not intended, and should not be considered, fully representative or complete as to the subjects discussed hereunder.

* Preliminary, subject to change.

PLAN OF FINANCE

Overview

Following receipt of a petition from Bloomfield Homes, L.P., a Texas limited partnership (the “Developer”), in accordance with the PID Act, the City created the District on February 25, 2025. The District is composed of approximately 274.396 acres within the corporate boundaries of the City. It is located just west of US 75 and south of White Street, approximately 30 miles northeast of Frisco, 12 miles north of McKinney and 22 miles south of Sherman. Maps of the District and the surrounding region are included on pages iii – v.

Development Plan

The District is a master-planned community expected to be constructed in five phases (each, an “Improvement Area”) and to include approximately 946 single-family detached residential lots, expected to consist of approximately 418 50’ lots, 282 60’ lots, 151 70’ lots and 95 80’ lots, and the amenities described in “THE DEVELOPMENT – Amenities and Private Improvements” (collectively, the “Development”). See the map of the District on page v and “THE DEVELOPMENT.”

The land within the District is currently owned by the Developer. Improvement Area #1 is the first area of the District to be developed by the Developer. Improvement Area #1 consists of approximately 47.859 acres and is expected to include 171 single-family detached residential lots, consisting of 123 50’ lots and 48 60’ lots. The Developer began development of Improvement Area #1 in Q2 2025 and expects such development to be completed in Q3 2026. The Developer intends to construct homes on all lots in Improvement Area #1. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS,” “THE DEVELOPMENT” and “APPENDIX C – Form of Service and Assessment Plan.”

The Developer is constructing certain public improvements that benefit only Improvement Area #1 of the district (the “Improvement Area #1 Improvements”) and certain public improvements that benefit the entire District (the “Major Improvements”). A portion of the proceeds of the Bonds will be used to reimburse the Developer for a portion of the Actual Costs of the Improvement Area #1 Improvements and Improvement Area #1’s allocable share of the Major Improvements (collectively, the “Improvement Area #1 Projects”). The total cost of the Improvement Area #1 Projects is expected to be approximately \$9,761,192. The City will reimburse the Developer for a portion of such costs in the approximate amount of \$5,722,000* from proceeds of the Bonds. The balance of such costs, in the approximate amount of \$4,039,192*, will be funded by the Developer from proceeds of the Revolving Credit Agreement (defined herein) and will not be reimbursed by the City. As of September 30, 2025, the Developer has spent approximately \$1,089,425 on construction of the Improvement Area #1 Improvements and \$824,462 on construction of the Major Improvements. See “SOURCES AND USES OF FUNDS,” “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS,” “THE DEVELOPER – History and Financing of the District,” and “APPENDIX C – Form of Service and Assessment Plan.”

The City and the Developer expect to enter into the Crystal Park Public Improvement District No. 2 Improvement Area #1 Construction, Funding, and Acquisition Agreement (the “CFA Agreement”), which provides, in part, for the deposit of proceeds from the issuance and sale of the Bonds and the payment of costs of the Improvement Area #1 Projects, including payment to the Developer for funds expended by the Developer on the Improvement Area #1 Projects. See “APPENDIX G – Form of CFA Agreement.”

The Developer expects to request the City to issue in the future one or more series of bonds (collectively, the “Future Improvement Area Bonds”) to finance the costs of the public improvements benefitting future Improvement Areas (each such area, a “Future Improvement Area”) within the District outside of Improvement Area #1 (such land outside of Improvement Area #1 is identified as the “Remainder Area” in the map on page v) and the portion of the Major Improvements allocable to the applicable Future Improvement Area. The estimated costs of the public improvements benefitting each such Future Improvement Area will be determined as development progresses, and the Service and Assessment Plan will be updated accordingly to include a description and the costs of such public

* Preliminary; subject to change.

improvements. Such Future Improvement Area Bonds will be secured by separate assessments levied pursuant to the PID Act on assessable property within the Future Improvement Area benefitted thereby. The Developer anticipates that Future Improvement Area Bonds will be issued over a six-year period. See “THE DEVELOPMENT – Future Improvement Area Bonds.”

The Bonds

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Improvement Area #1 Project Costs, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Improvement Area #1 Projects, (iii) funding a reserve fund for the payment of principal of and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds. See “SOURCES AND USES OF FUNDS,” “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS,” and “APPENDIX B – Form of Indenture.”

Payment of the Bonds is secured by a first lien on, security interest in, and pledge of the Trust Estate, consisting primarily of Pledged Revenues derived from Improvement Area #1 Assessments to be levied against the Improvement Area #1 Assessed Property, all to the extent and upon the conditions described herein and in the Indenture. See “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES,” and “APPENDIX B – Form of Indenture.”

The Bonds, any Refunding Bonds, and any Future Improvement Area Bonds shall never constitute an indebtedness or general obligation of the City, the State of Texas (the “State”), or any other political subdivision of the State within the meaning of any constitutional provision or statutory limitation whatsoever, but the Bonds are limited and special obligations of the City payable solely from the Trust Estate as provided in the Indenture. Neither the faith and credit nor the taxing power of the City, the State, or any other political subdivision of the State is pledged to the payment of the Bonds. Neither any Refunding Bonds nor any Future Improvement Area Bonds to be issued by the City are offered pursuant to this Limited Offering Memorandum.

LIMITATIONS APPLICABLE TO INITIAL PURCHASERS

Each initial purchaser is advised that the Bonds being offered pursuant to this Limited Offering Memorandum are being offered and sold only to “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act of 1933, and “accredited investors” as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933. The limitation of the initial offering to qualified institutional buyers and accredited investors does not denote restrictions on transfers in any secondary market for the Bonds. Each initial purchaser of the Bonds (each, an “Investor”) will be deemed to have acknowledged, represented, and warranted to the City as follows:

1. The Investor has authority and is duly authorized to purchase the Bonds and to execute any instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

2. The Investor is an “accredited investor” under Rule 501 of Regulation D of the Securities Act of 1933 or a “qualified institutional buyer” under Rule 144A of the Securities Act of 1933, and therefore has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Bonds are being acquired by the Investor for investment and not with a view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds solely for its own account for investment purposes for an indefinite period of time and does not intend at this time to dispose of all or any part of the Bonds. However, the Investor may sell the Bonds at any time the Investor deems appropriate. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Investor understands that the Bonds are not registered under the Securities Act of 1933 and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will not carry a rating from any rating service.

5. The Investor acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Improvement Area #1 Projects, the Bonds, the security therefor, and such other information as the Investor has deemed necessary or desirable in connection with its decision to purchase the Bonds (collectively, the “Investor Information”). The Investor has received a copy of this Limited Offering Memorandum relating to the Bonds. The Investor acknowledges that it has assumed responsibility for its review of the Investor Information, and it has not relied upon any advice, counsel, representation, or information from the City in connection with the Investor’s purchase of the Bonds. The Investor agrees that none of the City, its councilmembers, officers, or employees shall have any liability to the Investor whatsoever for or in connection with the Investor’s decision to purchase the Bonds except for gross negligence, fraud, or willful misconduct. For the avoidance of doubt, it is acknowledged that the Underwriter is not deemed an officer or employee of the City.

6. The Investor acknowledges that the obligations of the City under the Indenture are special, limited obligations payable solely from amounts paid by the City to the Trustee pursuant to the terms of the Indenture and the City shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the City for amounts due under the Indenture. The Investor understands that the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the City, the State, or any political subdivision or taxing district thereof; that the Bonds will never represent or constitute a general obligation or a pledge of the full faith and credit of the City, the State, or any political subdivision thereof; that no right will exist to have taxes levied by the City, the State, or any political subdivision thereof for the payment of principal of and interest on the Bonds; and that the liability of the City and the State with respect to the Bonds is subject to further limitations as set forth in the Bonds and the Indenture.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor. The Investor is aware that the development of the District involves certain economic and regulatory variables and risks that could adversely affect the security for the Bonds.

8. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations, and warranties described in items 1-7 above.

DESCRIPTION OF THE BONDS

General Description

The Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Bonds will accrue from their date of delivery to the Underwriter (the “Delivery Date”) and will be computed on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will be payable on each March 15 and September 15, commencing March 15, 2026* (each an “Interest Payment Date”), until maturity or prior redemption. Regions Bank is the initial Trustee, Paying Agent, and Registrar for the Bonds.

The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$100,000 of principal and any integral multiple of \$1,000 in excess thereof (“Authorized Denominations”). The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and any attempt to accomplish either of the foregoing shall be void and of no effect. Upon initial issuance, the ownership of the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), and purchases of beneficial interests in the Bonds will be made in book-entry only form. See “BOOK-ENTRY ONLY SYSTEM” and “SUITABILITY FOR INVESTMENT.”

* Preliminary; subject to change.

Redemption Provisions

Optional Redemption. The City reserves the right and option to redeem the Bonds before their scheduled maturity date, in whole or in part, on any date on or after September 15, 20__, such redemption date or dates to be fixed by the City, at the redemption price of par plus accrued and unpaid interest to the date of redemption (the “Redemption Price”).

Extraordinary Optional Redemption. The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, at the Redemption Price, from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund from the Reserve Account of the Reserve Fund made pursuant to the Indenture) or any other transfers to the Redemption Fund under the terms of the Indenture. See “ASSESSMENT PROCEDURES – Prepayment of Improvement Area #1 Assessments” for the definition and description of Prepayments and “APPENDIX B – Form of Indenture.”

Mandatory Sinking Fund Redemption. The Bonds maturing on September 15 in the years 20__, 20__, and 20__ (the “Term Bonds”) are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedules:

\$ Term Bonds Maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	\$
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__†	

\$ Term Bonds Maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment Amount</u>
September 15, 20__	\$
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__†	

† Stated maturity.

At least thirty (30) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee will select by lot, or any by any other customary method that results in random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such mandatory sinking fund redemption, as provided in the Indenture.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 30 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The Sinking Fund Installments of Term Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced in integral multiples of \$1,000 by any portion of such Bonds, which, at least 30 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in the Indenture and not previously credited to a mandatory sinking fund redemption.

Notice of Redemption. Upon written notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register. Any such notice shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Notice of redemption having been given as provided in the Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds, and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The City has the right to rescind any optional redemption or extraordinary optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. Upon written direction from the City, the Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

Partial Redemption. If less than all of the Bonds are to be redeemed pursuant to the Indenture, Bonds may be redeemed in minimum principal amounts of \$1,000 or any integral thereof. Each Bond will be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by \$1,000. No redemption will result in a Bond in a denomination of less than an Authorized Denomination; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

If less than all of the Bonds are called for optional redemption pursuant to the Indenture, the Trustee will rely on directions provided in a City Certificate in selecting the Bonds to be redeemed.

If less than all of the Bonds are called for extraordinary optional redemption pursuant to the Indenture, the Bonds or portion of a Bond to be redeemed will be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds. If less than all Bonds within a Stated Maturity are called for extraordinary optional redemption, the Trustee shall call randomly by lot the Bonds, or portions thereof, within such Stated Maturity and in such principal amounts, for redemption.

Upon surrender of any Bond for redemption in part, the Trustee in accordance with the Indenture, will authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

BOOK-ENTRY ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Limited Offering Memorandum. The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but none of the City, the City's Financial Advisor or the Underwriter takes any responsibility for the accuracy or completeness thereof.

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC participants, (2) DTC participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Limited Offering Memorandum. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission (the "SEC"), and the current procedures of DTC to be followed in dealing with DTC participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered security certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial

Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices for the Bonds shall be sent to DTC. If less than all Bonds of the same maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant of such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest, and all other payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Paying Agent/Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest, and all other payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, the Paying Agent/Registrar or the City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City, the Trustee, or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered. Thereafter, Bond certificates may be transferred and exchanged as described in the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but none of the City, the City's Financial Advisor, or the Underwriter take any responsibility for the accuracy thereof.

NONE OF THE CITY, THE TRUSTEE, THE PAYING AGENT/REGISTRAR, THE CITY'S FINANCIAL ADVISOR, OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS. THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS, OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS PAID TO DTC

OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM. THE CURRENT RULES APPLICABLE TO DTC ARE ON FILE WITH THE SEC, AND THE CURRENT PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

Use of Certain Terms in Other Sections of this Limited Offering Memorandum. In reading this Limited Offering Memorandum it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Limited Offering Memorandum to registered owners should be read to include the person for which the participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System and (ii) except as described above, notices that are to be given to registered owners under the Indenture will be given only to DTC.

SECURITY FOR THE BONDS

The following is a summary of certain provisions contained in the Indenture. Reference is made to the Indenture for a full statement of the terms and provisions of the Bonds. Investors must read the entire Indenture to obtain information essential to the making of an informed investment decision. See “APPENDIX B – Form of Indenture.”

General

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM A FIRST LIEN ON, SECURITY INTEREST IN, AND PLEDGE OF THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY’S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE. SEE “APPENDIX B – FORM OF INDENTURE.”

The principal of, premium, if any, and interest on the Bonds are secured by a first lien on, security interest in, and pledge of the Trust Estate, consisting primarily of Pledged Revenues derived from Improvement Area #1 Assessments to be levied against Improvement Area #1 Assessed Property and other assets comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. See “APPENDIX B – Form of Indenture.” In accordance with the PID Act, the City has caused the preparation of a Service and Assessment Plan in connection with the levy of assessments in the District (including the Improvement Area #1 Assessments), and expects to adopt a final Service and Assessment Plan in connection with the authorization of the issuance of the Bonds. The Service and Assessment Plan describes the special benefit received by the property within the District, including Improvement Area #1, provides the basis and justification for the determination of special benefit on such property, establishes the methodology for the levy of Improvement Area #1 Assessments, and provides for the allocation of Pledged Revenues for payment of principal of, premium, if any, and interest on the Bonds. The Service and Assessment Plan is reviewed and updated annually for the purpose of determining the annual budget for improvements and the Improvement Area #1 Annual Installments of Improvement Area #1 Assessments due in a given year. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District, including Improvement Area #1. See “APPENDIX C – Form of Service and Assessment Plan.”

Pledged Revenues

The City is authorized by the PID Act, the Assessment Ordinance, and other provisions of law to finance the Improvement Area #1 Projects by levying Improvement Area #1 Assessments upon properties in Improvement Area #1 of the District benefitted thereby. For a description of the assessment methodology and the amounts of Improvement Area #1 Assessments levied in Improvement Area #1 of the District, see “ASSESSMENT PROCEDURES” and “APPENDIX C – Form of Service and Assessment Plan.”

Pursuant to the Indenture:

“Additional Interest” means the amount collected by the application of the Additional Interest Rate.

“Additional Interest Rate” means the 0.50% additional interest charged on the Improvement Area #1 Assessments pursuant to Section 372.018 of the PID Act.

“Annual Collection Costs” mean with respect to Improvement Area #1 Projects, the actual costs paid or incurred by or on behalf of the Developer, (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Improvement Area #1 Projects; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Improvement Area #1 Projects; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Improvement Area #1 Projects; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

“Annual Service Plan Update” means an update to the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessment Revenues” means the revenues received by the City from the collection of Improvement Area #1 Assessments, including Prepayments, Improvement Area #1 Annual Installments, and Foreclosure Proceeds.

“Delinquent Collection Costs” means costs related to the foreclosure on Improvement Area #1 Assessed Property and the costs of collection of delinquent Improvement Area #1 Assessments, delinquent Improvement Area #1 Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Foreclosure Proceeds” means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Improvement Area #1 Assessments against any Improvement Area #1 Assessed Property, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

“Improvement Area #1 Annual Installments” means, with respect to each Parcel of Improvement Area #1 Assessed Property, each annual payment of (i) the principal of and interest on the Improvement Area #1 Assessments as shown on the Improvement Area #1 Assessment Roll or in an Annual Service Plan Update, as shown in Exhibit F-2 to the Service and Assessment Plan, and calculated as provided in Section VI of the Service and Assessment Plan, (ii) Annual Collection Costs, and (iii) the Additional Interest.

“Improvement Area #1 Assessed Property” means the property located in Improvement Area #1 that benefits from the Improvement Area #1 Projects.

“Improvement Area #1 Assessment Roll” means the “Improvement Area #1 Assessment Roll” attached to the Service and Assessment Plan as Exhibit F-1, as updated, modified, or amended from time to time.

“Improvement Area #1 Assessments” means an assessment levied against Improvement Area #1 Assessed Property based on the special benefit conferred on such Improvement Area #1 Assessed Property by the Improvement Area #1 Projects.

“Other Obligations” means any bonds, temporary notes, time warrants, or an obligation under an installment sale contract or reimbursement agreement secured in whole or in part by an assessment, other than the Improvement Area #1 Assessments securing the Bonds, levied against property within Improvement Area #1 in accordance with the PID Act.

“Pledged Funds” means, collectively, the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

“Pledged Revenues” mean, collectively, the (i) Assessment Revenues (excluding the portion of the Improvement Area #1 Assessments and Improvement Area #1 Annual Installments collected for the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan), (ii) the moneys held in any of the Pledged Funds, and (iii) any additional revenues that the City may pledge to the payment of the Bonds.

“Trust Estate” means the Trust Estate described in the granting clauses of the Indenture.

The City will covenant in the Indenture that it will take and pursue all actions permissible under Applicable Laws to cause the Improvement Area #1 Assessments to be collected and the liens thereof to be enforced continuously. See “SECURITY FOR THE BONDS – Pledged Revenue Fund,” “APPENDIX B – Form of Indenture,” and “APPENDIX C – Form of Service and Assessment Plan.”

Collection and Deposit of Improvement Area #1 Assessments

The Improvement Area #1 Assessments shown on the Improvement Area #1 Assessment Roll, together with the interest thereon, shall first be applied to the payment of the principal of and interest on the Bonds as and to the extent provided in the Service and Assessment Plan and the Indenture. In the event the City owes Rebataable Arbitrage to the United States Government, the Improvement Area #1 Assessments shall first be applied to pay the full amount of Rebataable Arbitrage owed by the City, prior to any transfers to the Bond Fund.

The Improvement Area #1 Assessments to be assessed to pay debt service on the Bonds, together with interest thereon, shall be payable in Improvement Area #1 Annual Installments established by the Assessment Ordinance and the Service and Assessment Plan to correspond, as nearly as practicable, to the debt service requirements for the Bonds. An Improvement Area #1 Annual Installment of an Improvement Area #1 Assessment will be made payable in the Assessment Ordinance in each fiscal year of the City preceding the date of final maturity of the Bonds which, if collected, will be sufficient to first pay debt service requirements attributable to Improvement Area #1 Assessments in the Service and Assessment Plan. Each Improvement Area #1 Annual Installment is payable as provided in the Service and Assessment Plan and the Assessment Ordinance.

The portions of the Improvement Area #1 Annual Installments of Improvement Area #1 Assessments collected to pay Annual Collection Costs and Delinquent Collection Costs shall be deposited in the Administrative Fund and shall not constitute Pledged Revenues.

Unconditional Levy of Improvement Area #1 Assessments

The City will impose Improvement Area #1 Assessments on the Improvement Area #1 Assessed Property to pay the principal of and interest on the Bonds scheduled for payment from Pledged Revenues as described in the Indenture and in the Service and Assessment Plan and coming due during each Fiscal Year. The Improvement Area #1 Assessments are effective on the date of, and strictly in accordance with the terms of, the Assessment Ordinance. Each Improvement Area #1 Assessment may be paid in full or in part at any time, or in periodic Improvement Area #1 Annual Installments over a period of time equal to the term of the Bonds, which installments shall include interest on the Improvement Area #1 Assessments. Pursuant to the Assessment Ordinance, interest on the Improvement Area #1 Assessments will be calculated at the rate of interest on the Bonds plus the Additional Interest rate calculated on

the basis of a 360-day year of twelve 30-day months. Such rate may be adjusted as described in the Service and Assessment Plan. Each Improvement Area #1 Annual Installment, including the interest on the unpaid amount of an Improvement Area #1 Assessment, shall be calculated annually during the Annual Service Plan Update and shall be due when billed, expected to be on or about October 1 of each year. Each Improvement Area #1 Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Improvement Area #1 Annual Installments of the Improvement Area #1 Assessments will be due on or about October 1, 2026, and will be delinquent if not paid prior to February 1, 2027.

As authorized by Section 372.018(b) of the PID Act, the City will calculate and collect, each year while the Bonds are Outstanding and unpaid, a portion of each Improvement Area #1 Annual Installment to pay the Annual Collection Costs. The portion of each Improvement Area #1 Annual Installment used to pay the Annual Collection Costs shall remain in effect from year to year until all Bonds are finally paid or until the City adjusts the amount after an annual review in any year pursuant to Section 372.013 of the PID Act. The amount collected to pay Annual Collection Costs shall be due in the manner set forth in the Assessment Ordinance on or about October 1 of each year and shall be delinquent if not paid by February 1 of the following year. **Amounts collected to pay Annual Collection Costs do not secure repayment of the Bonds.**

There is no discount for the early payment of Improvement Area #1 Assessments.

The PID Act provides that the Improvement Area #1 Assessments (including any reassessment, with interest, the expense of collection and reasonable attorney's fees, if incurred) are a first and prior lien (the "Assessment Lien") against the Improvement Area #1 Assessed Property, superior to all other liens and claims, except liens or claims for State, county, school district, or municipality ad valorem taxes and are a personal liability of and charge against the owners of property, regardless of whether the owners are named. Pursuant to the PID Act, the Assessment Lien is effective from the date of the Assessment Ordinance until the Improvement Area #1 Assessments are paid (or otherwise discharged), and is enforceable by the City Council in the same manner that an ad valorem property tax levied against real property may be enforced by the City Council. See "ASSESSMENT PROCEDURES." The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the Assessment Ordinance. However, an Assessment Lien may not be foreclosed upon if any homestead rights of a property owner were properly claimed prior to the adoption of the Assessment Ordinance ("Pre-existing Homestead Rights") for as long as such rights are maintained on the property. See "BONDHOLDERS' RISKS – Assessment Limitations."

Failure to pay an Improvement Area #1 Annual Installment when due will not accelerate the payment of the remaining Improvement Area #1 Annual Installments of the Improvement Area #1 Assessments and such remaining Improvement Area #1 Annual Installments (including interest) shall continue to be due and payable at the same time and in the same amount and manner as if such default had not occurred.

Perfected Security Interest

The lien on, security interest in, and pledge of the Trust Estate to secure the Bonds shall be valid and binding and fully perfected from and after the Delivery Date, without physical delivery or transfer of control of the Trust Estate, the filing of the Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under the Indenture, and such pledge is therefore valid, effective, and perfected. If State law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under the Indenture is to be subject to the filing requirements of Chapter 9, Business and Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Pledged Revenue Fund

Periodically upon receipt thereof, the City shall transfer or cause to be transferred, pursuant to a City Certificate provided to the Trustee for deposit to the Pledged Revenue Fund the Improvement Area #1 Assessments and Improvement Area #1 Annual Installments, other than the portion of the Improvement Area #1 Assessments and

Improvement Area #1 Annual Installments allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, which shall be deposited to the Administrative Fund in accordance with the Indenture. Following such deposit to the Pledged Revenue Fund, the City shall transfer or cause to be transferred pursuant to a City Certificate provided to the Trustee the following amounts from the Pledged Revenue Fund to the following Accounts: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund, an amount sufficient to pay debt service on the Bonds next coming due, and (ii) second, if necessary, to the Reserve Account of the Reserve Fund, an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement. Notwithstanding the foregoing, the Additional Interest shall only be utilized for the purposes set forth in the Indenture and, immediately following the initial deposit to the Pledged Revenue Fund, prior to any other transfers or deposits being made as described in this paragraph, if the Delinquency and Prepayment Reserve Account of the Reserve Fund does not contain the Delinquency and Prepayment Reserve Requirement and Additional Interest is collected, then all such Additional Interest will be transferred into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement is met. In addition, in the event the City owes Rebatale Arbitrage to the United States Government pursuant to the Indenture, the City shall provide a City Certificate to the Trustee to transfer to the Rebate Fund, prior to any other transfer described in this paragraph, the full amount of Rebatale Arbitrage owed by the City, as further described in the Indenture. If any funds remain on deposit in the Pledged Revenue Fund after the foregoing deposits and the deposits of Prepayments and Foreclosure Proceeds, as described below, are made, the City shall have the option, in its sole and absolute discretion, to use such excess funds for any one or more of the following purposes: (i) to pay costs of the Improvement Area #1 Projects, (ii) to pay other costs permitted by the PID Act, or (iii) to deposit such excess into the Redemption Fund to redeem Bonds as provided in the Indenture. Along with each transfer to the Trustee, the City shall provide a certificate as to the funds, accounts, and payments into which the amounts are to be deposited or paid.

From time to time as needed to pay the obligations relating to the Bonds, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Pledged Revenue Fund and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account and any expected transfers from the Capitalized Interest Account to the Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

If, after the foregoing transfers and any transfer from the Reserve Fund as provided in the Indenture, there are insufficient funds to make the payments provided in the preceding paragraph above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

The Trustee shall transfer Prepayments to the Redemption Fund to be used to redeem Bonds pursuant the Indenture promptly after deposit of such amounts into the Pledged Revenue Fund.

Promptly after the deposit of Foreclosure Proceeds into the Pledged Revenue Fund, the Trustee shall transfer such Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Accounts within the Reserve Fund made with respect to the particular Improvement Area #1 Assessed Property to which the Foreclosure Proceeds relate (first, to replenish the Reserve Account Requirement and second, to replenish the Delinquency and Prepayment Reserve Requirement), and second, to the Redemption Fund to be used to redeem Bonds pursuant to the Indenture.

After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the Reserve Fund, the Trustee shall transfer any Pledged Revenues remaining in the Pledged Revenue Fund for the purposes set forth in the Indenture as directed by the City in a City Certificate.

Bond Fund

On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account as provided below.

If amounts in the Principal and Interest Account are insufficient for the purposes set forth above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

If, after the foregoing transfers and any transfer from the Reserve Fund as provided in the Indenture, there are insufficient funds to make the payments provided above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

Moneys in the Capitalized Interest Account shall be used for the payment of all interest due on the Bonds on March 15, 2026 and September 15, 2026.* Any amounts on deposit in the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred, at the direction of the City, to the Improvement Area #1 Bond Improvement Account of the Project Fund, or to the Redemption Fund to be used to redeem Bonds, and the Capitalized Interest Account shall be closed.

Project Fund

Money on deposit in the Project Fund shall be used for the purposes specified in the Indenture. Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates.

In order to receive the disbursement from the Costs of Issuance Account of the Project Fund or the Improvement Area #1 Bond Improvement Account of the Project Fund on the Delivery Date, related to costs of issuance of the Bonds or costs incurred in the creation of the District, the Developer shall execute a Closing Disbursement Request to be delivered to the City no less than fifteen (15) business days prior to the Delivery Date. In order to receive the disbursement for Improvement Area #1 Project Costs from the Improvement Area #1 Bond Improvement Account of the Project Fund on the Delivery Date, the Developer shall execute a Certification for Payment to be delivered to the City no later than fifteen (15) business days prior to the Delivery Date. Upon approval by the City, the City shall submit such Closing Disbursement Request, together with a City Certificate directing such disbursement, to the Trustee for disbursement to be made from the Costs of Issuance Account of the Project Fund or the Improvement Area #1 Bond Improvement Account of the Project Fund, as applicable. Disbursements from the Improvement Area #1 Bond Improvement Account of the Project Fund to pay Improvement Area #1 Project Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. The funds from the Improvement Area #1 Bond Improvement Account of the Project Fund shall be disbursed in accordance with a Certification for Payment for Improvement Area #1 Projects as described in the CFA Agreement.

Except as provided in the succeeding paragraphs below, money on deposit in the Improvement Area #1 Bond Improvement Account of the Project Fund shall be used solely to pay Improvement Area #1 Project Costs.

If the City Representative determines in his or her sole discretion that certain amounts then on deposit in the Improvement Area #1 Bond Improvement Account are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of one or more of the Improvement Area #1 Projects such that, in the opinion of the City Representative, it is unlikely that the amounts in the Improvement Area #1 Bond Improvement Account will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Area #1 Bond Improvement Account that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the identified amounts on deposit in the Improvement Area #1 Bond Improvement Account shall be transferred to the Bond Fund or to the Redemption Fund to be used to redeem Bonds pursuant to the Indenture as directed by the City Representative in a City Certificate filed with the Trustee. Upon such transfer, the Improvement Area #1 Bond Improvement Account of the Project Fund shall be closed.

* Preliminary; subject to change.

In making any determination regarding the Project Fund pursuant to the Indenture, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

Upon the filing of a City Certificate stating that all Improvement Area #1 Projects have been completed and that all Improvement Area #1 Project Costs have been paid, or that any Improvement Area #1 Projects are not required to be paid from the Project Fund pursuant to a Certification for Payment, the Trustee shall transfer the amount, if any, remaining within the Improvement Area #1 Bond Improvement Account of the Project Fund to the Bond Fund or to the Redemption Fund to be used to redeem Bonds pursuant to the Indenture as directed by the City Representative in a City Certificate filed with the Trustee. Upon such transfer, the Improvement Area #1 Bond Improvement Account of the Project Fund shall be closed.

Upon a determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Improvement Area #1 Bond Improvement Account of the Project Fund and used to pay the cost of Improvement Area #1 Project Costs or to the Principal and Interest Account and used to pay interest on the Bonds, as directed in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

In the event the Developer has not completed the Improvement Area #1 Projects by December 18, 2030, then the City shall provide written direction to the Trustee to transfer all funds on deposit in the Improvement Area #1 Bond Improvement Account to the Redemption Fund to redeem Bonds pursuant to the Indenture. Upon such transfer, the Improvement Area #1 Bond Improvement Account of the Project Fund shall be closed.

Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account)

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund, held by the Trustee for the benefit of the Bonds, and initially funded with proceeds of the Bonds in the amount of the Reserve Account Requirement. Pursuant to the Indenture, the "Reserve Account Requirement" for the Bonds shall be the least of (i) Maximum Annual Debt Service on the Bonds as of their date of issuance, (ii) 125% of average Annual Debt Service on the Bonds as of their date of issuance, and (iii) 10% of the proceeds of the Bonds; provided, however, that such amount shall be reduced by the amount of any transfers made to the Redemption Fund as a result of Prepayments; and provided further that as a result of (1) an optional redemption or (2) an extraordinary optional redemption, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the date of issuance of the Bonds, the Reserve Account Requirement is \$_____, which is an amount equal to the [Maximum Annual Debt Service] on the Bonds as of their date of issuance.

The City will agree with the Owners of the Bonds to accumulate and, when accumulated, maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in the Indenture.

The Trustee will transfer from the Pledged Revenue Fund to the Delinquency and Prepayment Reserve Account on March 15 of each year, commencing March 15, 2026, an amount the City confirms to the Trustee is equal to the Additional Interest until the Delinquency and Prepayment Reserve Requirement has been accumulated in the Delinquency and Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Delinquency and Prepayment Reserve Account is less than Delinquency and Prepayment Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement has reaccumulated in the Delinquency and Prepayment Reserve Account. In transferring the amounts pursuant to the Indenture, the Trustee may conclusively rely on a City Certificate (which shall be based on the Improvement Area #1 Annual Installments as shown on the Improvement Area #1 Assessment Roll in the Service and Assessment Plan) unless and until it receives a City Certificate directing that a different amount be used. Whenever a transfer is made from the Reserve Account to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds. The Additional Interest shall continue to be collected and deposited pursuant to the Indenture until the Bonds are no longer Outstanding.

“Delinquency and Prepayment Reserve Requirement” means an amount equal to 5.5% of the principal amount of the Outstanding Bonds to be funded from the Additional Interest deposited to the Pledged Revenue Fund and transferred to the Delinquency and Prepayment Reserve Account.

In the event of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to the Indenture, the Trustee, pursuant to a City Certificate, shall transfer from the Reserve Account of the Reserve Fund to the Redemption Fund the amount specified in such directions, which shall be an amount equal to the principal amount of Bonds to be redeemed multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall, or any additional amounts necessary to permit the Bonds to be redeemed in minimum principal amounts of \$1,000, from the Delinquency and Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the value of cash and Value of Investment Securities on deposit in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with the Indenture, unless within thirty days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due to the U.S. Government in accordance with the Code, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, (iii) to the Improvement Area #1 Bond Improvement Account of the Project Fund to pay Improvement Area #1 Project Costs if such application and the expenditure of funds is expected to occur within three years, or (iv) to the Redemption Fund to be applied to the redemption of Bonds.

Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amounts on deposit in the Delinquency and Prepayment Reserve Account exceed the Delinquency and Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess, and such excess shall be transferred, at the direction of the City pursuant to a City Certificate, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund to be used to redeem Bonds pursuant to the Indenture. In the event that the Trustee does not receive a City Certificate directing the transfer of such excess to the Administrative Fund within forty-five (45) days of providing notice to the City of such excess, the Trustee shall transfer such excess to the Redemption Fund to redeem Bonds pursuant to the Indenture and provide the City with written notification of the transfer. The Trustee shall incur no liability for the accuracy or validity of the transfer so long as the Trustee made such transfer in full compliance with the Indenture.

Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first from the Delinquency and Prepayment Reserve Account of the Reserve Fund and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Delinquency and Prepayment Reserve Account shall be transferred to the Principal and Interest Account and applied to the payment of the principal of the Bonds.

If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account the amount of such deficiency, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

If the amount held in the Reserve Fund together with the amount held in the Pledged Revenue Fund, the Bond Fund, and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next date the Bonds may be optionally redeemed by the City at a redemption price of par, together with the unpaid interest

accrued on such Bonds as of such date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds on such date.

Administrative Fund

The City will create under the Indenture an Administrative Fund held by the Trustee. Periodically, upon receipt thereof, the City shall deposit or cause to be deposited to the Administrative Fund the portion of the Improvement Area #1 Assessments and Improvement Area #1 Annual Installments allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan. Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered under the Indenture and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan, including payment of the Annual Collection Costs and Delinquent Collection Costs. See “APPENDIX C – Form of Service and Assessment Plan.”

THE ADMINISTRATIVE FUND IS NOT PART OF THE TRUST ESTATE AND IS NOT SECURITY FOR THE BONDS.

Defeasance

Any Outstanding Bonds shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding within the meaning of the Indenture (a “Defeased Debt”), when payment of the principal of, premium, if any, on such Defeased Debt, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (i) shall have been made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with the Trustee, in trust, and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment, or (B) Defeasance Securities that mature as to principal and interest in such amount and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. Neither Defeasance Securities nor moneys deposited with the Trustee nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds and shall not be part of the Trust Estate. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities. “Investment Securities” means those authorized investments described in the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended (the “PFIA”), which investments are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time. Under current State law, Investment Securities that are authorized for the investment of funds to defease public securities are (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Indenture does

not contractually limit such investments, Owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used as Defeasance Securities or that for any other Defeasance Security will be maintained at any particular rating category.

Events of Default

Each of the following occurrences or events constitutes an “Event of Default” under the Indenture:

- i. The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;
- ii. The failure of the City to enforce the collection of the Improvement Area #1 Assessments, including the prosecution of foreclosure proceedings;
- iii. Default in the performance or observance of any covenant, agreement, or obligation of the City under the Indenture, other than a default under (iv) below, and the continuation thereof for a period of ninety (90) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by the Trustee, which may give notice in its discretion and which shall give such notice at the written request of the Owners of not less than 51% in aggregate Outstanding principal amount of the Bonds; provided, however, if the default stated in the notice is capable of cure but cannot reasonably be cured within the applicable period, the City shall be entitled to a further extension of time reasonably necessary to remedy such default so long as corrective action is instituted by the City within the applicable period and is diligently pursued until such failure is corrected, but in no event for a period of time of more than one hundred eighty (180) days after such notice; and
- iv. The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days thereafter.

The Trustee shall not be charged with knowledge of (a) any events or other information, or (b) any default under the Indenture or any other agreement unless a responsible officer of the Trustee shall have actual knowledge thereof.

Remedies in Event of Default

Upon the happening and continuance of any Event of Default, then and in every such case the Trustee may proceed, and upon the written request of the Owners of not less than fifty-one percent (51%) in aggregate Outstanding principal amount of the Bonds under the Indenture shall proceed, to protect and enforce the rights of the Owners under the Indenture by action seeking mandamus or by other suit, action, or special proceeding in equity or at law in any court of competent jurisdiction for any relief to the extent permitted by Applicable Laws including, but not limited to, the specific performance of any covenant or agreement contained in the Indenture, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due in an Event of Default, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Certificate, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such liquidation or sale. The Trustee shall have no liability for its selection of Trust Estate assets to liquidate or sell.

Whenever moneys are to be applied in the Event of Default pursuant to the Indenture, irrespective of and whether other remedies authorized under the Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim, and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms the Trustee may deem appropriate, and as may be required by law and apply the proceeds thereof in accordance with the provisions of the Indenture. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the reasonable judgment of the Trustee, proper for the purpose which may be designated in such request.

Restriction on Owner's Actions

No Owner shall have any right to institute any action, suit, or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy thereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing or of which the Trustee is deemed to have notice, (ii) such default has become an Event of Default and the Owners of not less than 51% in aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit, or proceeding in its own name, (iii) the Owners have furnished to the Trustee written evidence of indemnity as provided in the Indenture, (iv) the Trustee has for sixty (60) days after such notice failed or refused to exercise the powers granted in the Indenture, or to institute such action, suit, or proceeding in its own name, (v) no written direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee in writing; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the Indenture by its, his, or their action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided in the Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request, and furnishing of indemnity set forth in the Indenture shall, at the option of the Trustee as advised by its counsel, be conditions precedent to the execution of the powers and trusts of the Indenture and to any action or cause of action for the enforcement of the Indenture or for any other remedy under the Indenture.

Subject to provisions of the Indenture with respect to certain liabilities of the City, nothing in the Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption, or the obligation of the City to pay each Bond issued thereunder to the respective Owners thereof at the time and place, from the source, and in the manner expressed therein and in the Bonds.

In case the Trustee or any Owners shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee, and the Owners shall be restored to their former positions and rights thereunder, and all rights, remedies, and powers of the Trustee shall continue as if no such proceedings had been taken.

Application of Revenues and Other Moneys After Event of Default

All moneys, securities, funds, Pledged Revenues, and other assets of the Trust Estate and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture with respect to Events of Default shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including Trustee's counsel fees, costs, and expenses), liabilities, and advances incurred or made by the Trustee, and the fees of the Trustee in carrying out the Indenture, be applied by the

Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due or Redemption Price and to the Owners entitled thereto, without any discrimination or preference.

The Trustee shall make payments to the Owners pursuant to the provisions above within thirty (30) days of receipt of such good and available funds, and the record date shall be the date the Trustee receives such good and available funds.

In the event funds are not adequate to cure any of the Events of Default described above, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of the Indenture.

The restoration of the City to its prior position after any and all defaults have been cured, as provided above, shall not extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

Investment or Deposit of Funds

Money in any Fund or Account established pursuant to the Indenture, other than the Reserve Fund, shall be invested by the Trustee in Investment Securities as directed by the City pursuant to a City Certificate filed with the Trustee; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or Account will be available at the proper time or times. Money in the Reserve Fund shall be invested in such Investment Securities as directed by the City pursuant to a City Certificate filed with the Trustee, provided that the final maturity of any individual Investment Security shall not exceed 270 days and the average weighted maturity of any investment pool or no-load money market mutual fund shall not exceed 90 days. Each such City Certificate shall be a certification, upon which the Trustee may conclusively rely without investigation or inquiry, that the investment directed therein constitutes an Investment Security and that such investments meet the maturity and average weighted maturity requirements set forth in the preceding sentence. Such investments shall be valued each year in terms of the Value of Investment Securities as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in the Funds and Accounts may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default under the Indenture. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is hereby directed to invest and re-invest cash balances in Morgan Stanley, Fidelity or Federated family of funds, but only so long as such funds are authorized investments and permitted under the PFIA, or any successor law, and only so long as such investments constitute Investment Securities and the money required to be expended from any Fund will be available at the proper time or times

Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of the Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in the Indenture any moneys are required to be transferred by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities as directed by the City in writing.

Against Encumbrances

Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance, or charge upon the Trust Estate or upon any other property pledged under the Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

So long as Bonds are Outstanding under the Indenture, the City shall not issue any bonds, notes, or other evidences of indebtedness other than the Bonds and any Refunding Bonds, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under the Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

Other Obligations or Other Liens; Refunding Bonds

The City reserves the right, subject to the provisions contained in the Indenture, to issue Other Obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from the Trust Estate, or any portion thereof.

Other than Refunding Bonds, or subordinate lien obligations permitted under the Indenture, the City will not create or voluntarily permit to be created any debt, lien, or charge on the Trust Estate, or any portion thereof, and will not do or omit to do or suffer to be done or omit to be done any matter or things whatsoever whereby the lien of the Indenture or the priority thereof might or could be lost or impaired; provided, however, that the City has reserved the right to issue bonds or other obligations secured by and payable from the Trust Estate so long as such pledge is subordinate to the pledge of the Trust Estate securing payment of the Bonds.

Notwithstanding any contrary provision of the Indenture, the City shall not issue additional bonds, notes, or other obligations under the Indenture, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under the Indenture, other than Refunding Bonds and subordinate lien obligations permitted thereunder. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds or Outstanding Refunding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State.

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SOURCES AND USES OF FUNDS

The table that follows summarizes the expected sources and uses of proceeds of the Bonds:*

Sources of Funds:

Principal Amount
Total Sources

Uses of Funds:

Deposit to Improvement Area #1 Bond Improvement Account of the Project Fund
Deposit to Costs of Issuance Account of the Project Fund
Deposit to Capitalized Interest Account of the Bond Fund
Deposit to Reserve Account of the Reserve Fund
Deposit to Administrative Fund
Underwriter's Discount ⁽¹⁾
Total Uses

⁽¹⁾ Includes Underwriter's Counsel's fee.

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* To be updated and completed upon pricing.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Bonds:*

<u>Year Ending</u> <u>(September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026 ⁽¹⁾			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
Total			

⁽¹⁾ Moneys in the Capitalized Interest Account will be used for the payment of the interest due on the Bonds on March 15, 2026 and September 15, 2026.

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* To be updated and completed upon pricing.

OVERLAPPING TAXES AND DEBT

Overlapping Taxes and Debt

The land within Improvement Area #1 of the District has been, and is expected to continue to be, subject to taxes imposed by taxing entities other than the City. Such taxes are payable in addition to the Improvement Area #1 Assessments. The District, including Improvement Area #1, is within the corporate limits of the City. The City, Collin County, Texas (the “County”), Collin County Community College District, and Anna Independent School District (“Anna ISD”) may each levy ad valorem taxes upon land in Improvement Area #1 of the District for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. The City has no control over the level of ad valorem taxes levied by such other taxing authorities. The following table shows the overlapping ad valorem tax rates currently levied on property located in Improvement Area #1 of the District.

<u>Overlapping Taxes</u>	
<u>Taxing Entity</u>	<u>Tax Year 2025 Ad Valorem Tax Rate⁽¹⁾</u>
The City	\$0.525073
Collin County	0.149343
Collin County Community College District	0.081220
Anna Independent School District	<u>1.239900</u>
Total Existing Tax Rate	1.995536
Estimated Average Improvement Area #1 Annual Installment of Improvement Area #1 Assessments in Improvement Area #1 as a tax rate equivalent ⁽²⁾	<u>\$0.689390</u>
Estimated Total Tax Rate and Average Improvement Area #1 Annual Installment in Improvement Area #1 of the District as a tax rate equivalent⁽²⁾	<u>\$2.684926</u>

⁽¹⁾ As reported by the taxing entities. Per \$100 in taxable assessed value.

⁽²⁾ Preliminary, subject to change. Derived from information presented in the Service and Assessment Plan. See “ASSESSMENT PROCEDURES – Assessment Methodology,” and “– Improvement Area #1 Assessment Amounts” and “APPENDIX C – Form of Service and Assessment Plan. Pursuant to the Development Agreement, the maximum tax rate equivalent for the Improvement Area #1 Annual Installment may not exceed \$0.69 per \$100 taxable assessed valuation, without prior written consent of the City. Sources: Collin Central Appraisal District, the City, and the Administrator.

As noted above, Improvement Area #1 of the District includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes. Set forth below is an overlapping debt table showing the outstanding indebtedness payable from ad valorem taxes with respect to property within Improvement Area #1 of the District and City debt secured by the Improvement Area #1 Assessments.

<u>Overlapping Debt</u>			
<u>Taxing or Assessing Entity</u>	<u>Total Outstanding Debt as of September 30, 2025</u>	<u>Estimated Percentage Applicable⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt</u>
The City (The Bonds)	\$ 7,456,000 ⁽²⁾	100.000%	\$ 7,456,000 ⁽²⁾
The City (Ad Valorem Taxes)	261,831,000	0.375%	980,796
Collin County	982,755,000	0.006%	60,104
Collin County Community College District	438,250,000	0.007%	29,646
Anna Independent School District	<u>444,228,846</u>	0.389%	<u>1,729,980</u>
TOTAL	<u>\$2,134,520,846</u>		<u>\$10,256,526</u>

⁽¹⁾ Based on the prospective market value for Improvement Area #1 of the District as shown in the Appraisal (as defined herein) and the Tax Year 2025 Net Taxable Assessed Valuations for the taxing entities. See “APPRAISAL” and “APPENDIX H – Appraisal.”

⁽²⁾ Assumes the Bonds are issued. Preliminary; subject to change.

Sources: Collin Central Appraisal District, Municipal Advisory Council of Texas and the Appraisal.

Agricultural Valuation

If land is devoted principally to agricultural use, a landowner can apply for an agricultural valuation on the property and pay ad valorem taxes based on the land's agricultural value. If land qualified for an agricultural valuation but the land use changes to a non-agricultural use, "rollback taxes" are assessed for each of the previous three (3) years in which the land received the lower agricultural valuation. The rollback tax is the difference between taxes paid on land's agricultural value and the taxes that the landowner would have paid if the land had been taxed on a higher market value plus interest charged for each year from the date on which taxes would have been due.

If land qualified for an agricultural valuation but the land use changes to a non-agricultural use, "rollback taxes" are assessed for each of the previous five years in which the land received the lower agricultural valuation. The rollback tax is the difference between taxes paid on land's agricultural value and the taxes that the landowner would have paid if the land had been taxed on a higher market value plus interest charged for each year from the date on which taxes would have been due. If the land use changes to a non-agricultural use on only a portion of a larger tract, the landowner can fence off the remaining land and maintain the agricultural valuation on the remaining land. In this scenario, the landowner would only be responsible for rollback taxes on that portion of the land where use changed and not the entire tract.

The Developer expects that the land within Improvement Area #1 will be removed from agricultural valuation in 2026. The Developer anticipates paying any rollback taxes due prior to the sale of lots to end-users. The land within the Remainder Area will remain entitled to valuation for ad valorem tax purposes based upon its agricultural use. In addition, the Developer entered into a farm lease agreement (the "Farm Lease") with Paul Lawrence to farm the property within the District. The Farm Lease term began on February 27, 2023 and automatically renews annually for any land remaining undeveloped until terminated by either party with 60-day written notice to the other party. The Farm Lease has terminated with respect to the land within Improvement Area #1. See "BONDHOLDERS' RISKS – Agricultural Use Valuation and Redemption Rights."

Homeowners' Association Dues

In addition to the taxes and the Improvement Area #1 Assessments described above, the Developer anticipates that each property owner in Improvement Area #1 of the District will pay a property owner's association fee (the "HOA Fee") to a homeowners' association created by the Developer (the "HOA"), in the approximate amount of \$600 annually.

ASSESSMENT PROCEDURES

General

Capitalized terms used under this caption and not otherwise defined in the Indenture or this Limited Offering Memorandum have the meanings assigned to such terms in the Service and Assessment Plan. As required by the PID Act, when the City determines to defray a portion of the costs of the Improvement Area #1 Authorized Improvements (as defined herein) through Improvement Area #1 Assessments, it must adopt a resolution generally describing the Improvement Area #1 Authorized Improvements and the land within Improvement Area #1 of the District to be subject to Improvement Area #1 Assessments to pay the cost therefor.

The City has caused the Improvement Area #1 Assessment Roll to be prepared, which shows the land within Improvement Area #1 of the District to be assessed, the amount of the benefit to and the Improvement Area #1 Assessment against each lot or parcel of land, and the number of Improvement Area #1 Annual Installments in which the Improvement Area #1 Assessment is divided. The Improvement Area #1 Assessment Roll has been or will be filed with the City Secretary and made available for public inspection. Statutory notice has been or will be given to the owners of the property to be assessed and a public hearing will be conducted to hear testimony from affected property owners as to the propriety and advisability of undertaking the Improvement Area #1 Authorized Improvements and funding a portion of the same with Improvement Area #1 Assessments. The City expects to levy the Improvement Area #1 Assessments and adopt the Assessment Ordinance on November 17, 2025. After adoption of the Assessment Ordinance, the Improvement Area #1 Assessments will become legal, valid, and binding liens upon the Improvement Area #1 Assessed Property.

Under the PID Act, the costs of the Improvement Area #1 Authorized Improvements may be assessed by the City against the Improvement Area #1 Assessed Property so long as the special benefit conferred upon the Improvement Area #1 Assessed Property by the Improvement Area #1 Authorized Improvements equals or exceeds the Improvement Area #1 Assessments. The costs of the Improvement Area #1 Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of cost on Improvement Area #1 Assessed Property similarly benefited. The allocation of benefits and assessments to the benefitted land within the District, including land in Improvement Area #1, is set forth in the Service and Assessment Plan, which should be read in its entirety. See “APPENDIX C – Form of Service and Assessment Plan.”

Assessment Methodology

The Service and Assessment Plan describes the special benefit to be received by each parcel of Improvement Area #1 Assessed Property as a result of the Improvement Area #1 Authorized Improvements, provides the basis and justification for the determination that such special benefit exceeds the Improvement Area #1 Assessments being levied, and establishes the methodology by which the City allocates the special benefit of the Improvement Area #1 Authorized Improvements to parcels of Improvement Area #1 Assessed Property in a manner that results in equal shares of costs being apportioned to parcels of Improvement Area #1 Assessed Property similarly benefited. As described in the Service and Assessment Plan, a portion of the costs of the Improvement Area #1 Authorized Improvements are being funded with proceeds of the Bonds, which are payable from Pledged Revenues, including primarily the Improvement Area #1 Assessments. As set forth in the Service and Assessment Plan, the City Council has determined that the costs of the Major Improvements shall be allocated to Improvement Area #1 and apportioned to the Remainder Area based upon Estimated Buildout Value of each Parcel or assessed property to the Estimated Buildout Value of the District. Currently, the Remainder Area is allocated 83.87% of the Major Improvements costs, and Improvement Area #1 is allocated 16.13% of the Major Improvements costs. The costs of the Improvement Area #1 Authorized Improvements are allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property. The Improvement Area #1 Initial Parcel is the only Parcel within Improvement Area #1, and as such, the Improvement Area #1 Initial Parcel will be allocated 100% of the Improvement Area #1 Authorized Improvements.

The City has determined that the foregoing method of allocation will result in the imposition of equal shares of the Improvement Area #1 Assessments on parcels of Improvement Area #1 Assessed Property similarly situated within Improvement Area #1 of the District. The Improvement Area #1 Assessments and interest thereon are expected to be paid in Improvement Area #1 Annual Installments as described above. The determination by the City of the assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers within Improvement Area #1 of the District. For further explanation of the Improvement Area #1 Assessment methodology, see “APPENDIX C – Form of Service and Assessment Plan.”

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The following table provides additional analysis with respect to assessment methodology, including the value to Improvement Area #1 Assessment burden ratio per Lot Type, equivalent tax rate per Lot Type, and leverage per Lot Type related to the Improvement Area #1 Assessments. See “APPENDIX C – Form of Service and Assessment Plan.”

**Value to Lien Analysis, Improvement Area #1 Assessment Allocation, Equivalent Tax Rate,
and Leverage per Lot Type in Improvement Area #1⁽¹⁾**

Lot Type	Planned No. of Lots ⁽²⁾	Estimated Finished Lot Value ⁽³⁾	Projected Average Home Value ⁽⁴⁾	Maximum Improvement Area #1 Assessment ⁽⁵⁾	Average Improvement Area #1 Annual Installment	Tax Rate Equivalent of Average Improvement Area #1 Annual Installment ⁽⁶⁾	Ratio of Estimated Finished Lot Value to Improvement Area #1 Assessment	Ratio of Projected Average Home Value to Improvement Area #1 Assessment
50'	123	\$ 92,254	\$500,000	\$41,285	\$3,446.95	\$0.689926	2.23 : 1	12.11 : 1
60'	48	108,890	600,000	49,542	4,136.24	0.689926	2.20 : 1	12.11 : 1

⁽¹⁾ The information in the table was obtained from and calculated using information provided in the Service and Assessment Plan. *Preliminary, subject to change.*

⁽²⁾ Based on the concept plan for the District

⁽³⁾ Derived from information in the Service and Assessment Plan based on the Appraisal. Estimates finished lot values provided by the Developer and shown in “THE DEVELOPMENT – Development Plan – Lot Prices and Expected Average Home Prices in the District” may differ from such values.

⁽⁴⁾ Developer estimates.

⁽⁵⁾ Pursuant to the Service and Assessment Plan, the maximum Improvement Area #1 Assessment (the “Maximum Assessment”) that can be levied on a Lot within Improvement Area #1 is equal to the lesser of (1) the amount calculated pursuant to Section VI.A of the Service and Assessment Plan, or (2) for each Lot Type, the amount shown on Exhibit E of the Service and Assessment Plan, as shown in this table. Numbers are rounded to the nearest whole number, as shown in the Service and Assessment Plan.

⁽⁶⁾ Per \$100 of home value. Pursuant to the Development Agreement, the maximum tax rate equivalent for the Improvement Area #1 Annual Installment may not exceed \$0.69 per \$100 taxable assessed valuation, without prior written consent of the City.

Collection and Enforcement of Improvement Area #1 Assessment Amounts

Under the PID Act, the Improvement Area #1 Annual Installments may be collected in the same manner and at the same time as ad valorem taxes of the City. The Improvement Area #1 Assessments may be enforced by the City in the same manner that an ad valorem tax lien against real property is enforced. Delinquent installments of the Improvement Area #1 Assessments incur interest, penalties, and attorney’s fees in the same manner as delinquent ad valorem taxes. Under the PID Act, the Assessment Lien is a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for State, county, school district, or municipality ad valorem taxes. See “BONDHOLDERS’ RISKS – Assessment Limitations.”

In the Indenture, the City will covenant to collect, or cause to be collected, Improvement Area #1 Assessments as provided in the Assessment Ordinance. No less frequently than annually, City staff or a designee of the City shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Improvement Area #1 Annual Installments. Each Annual Service Plan Update shall include an updated Improvement Area #1 Assessment Roll and a calculation of the Improvement Area #1 Annual Installment for each Parcel. Annual Collection Costs shall be allocated among all Parcels in proportion to the amount of the Improvement Area #1 Annual Installments for the Parcels.

In the Indenture, the City will covenant, agree, and warrant that, for so long as any Bonds are Outstanding it will take and pursue all actions permissible under Applicable Laws to cause the Improvement Area #1 Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement, or exemption in the Improvement Area #1 Assessments.

To the extent permitted by law, notice of the Improvement Area #1 Annual Installments will be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Improvement Area #1 Annual Installments are collected simultaneously with ad valorem taxes

and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Improvement Area #1 Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Improvement Area #1 Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Improvement Area #1 Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Improvement Area #1 Assessment or the corresponding Improvement Area #1 Assessed Property.

The City expects to implement the basic timeline and procedures for Improvement Area #1 Assessment collections and pursuit of delinquencies set forth in Exhibit D to the Disclosure Agreement of Issuer set forth in APPENDIX E-1 and to comply therewith to the extent that the City reasonably determines that such compliance is the most appropriate timeline and procedures for enforcing the payment of delinquent Improvement Area #1 Assessments.

The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs in connection with its covenants and agreements under the Indenture or otherwise other than funds on deposit in the Administrative Fund.

Improvement Area #1 Annual Installments will be paid to the City or its agent. Improvement Area #1 Annual Installments are due when billed each year and become delinquent on February 1 of the following year. In the event Improvement Area #1 Assessments are not timely paid, there are penalties and interest as set forth below:

Date Payment <u>Received</u>	Cumulative <u>Penalty</u>	Cumulative <u>Interest</u>	<u>Total</u>
February	6%	1%	7%
March	7%	2%	9%
April	8%	3%	11%
May	9%	4%	13%
June	10%	5%	15%
July	12%	6%	18%

After July, the penalty remains at 12%, and interest accrues at the rate of 1% each month. In addition, if an account is delinquent in July, a 20% attorney's collection fee may be added to the total penalty and interest charge. In general, property subject to lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. An automatic stay by creditors or other entities, including governmental units, could prevent governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In most cases, post-petition Improvement Area #1 Assessments are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Improvement Area #1 Assessment Amounts

Improvement Area #1 Assessment Amounts. The Maximum Assessments have been established by the methodology described in the Service and Assessment Plan. The Improvement Area #1 Assessment Roll sets forth for each year the Improvement Area #1 Annual Installment for each Improvement Area #1 Assessed Property consisting of (i) the annual portion allocable to principal and interest on the Improvement Area #1 Assessment, (ii) the Additional Interest, and (iii) the annual payment allocable to Annual Collection Costs. The Improvement Area #1 Annual Installments for the Improvement Area #1 Assessments may not exceed the amounts shown on the Improvement Area #1 Assessment Roll. The Improvement Area #1 Assessments will be levied against the parcels comprising the Improvement Area #1 Assessed Property as indicated on the Improvement Area #1 Assessment Roll. See "APPENDIX C – Form of Service and Assessment Plan."

The Improvement Area #1 Annual Installments shown on the Improvement Area #1 Assessment Roll will be reduced to equal the actual costs of repaying the Bonds (which amount will include Additional Interest) and actual Annual Collection Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

Method of Apportionment of Improvement Area #1 Assessments. For purposes of the Service and Assessment Plan, the City Council has determined that the Improvement Area #1 Assessments shall be initially allocated to the Parcels consisting of the Improvement Area #1 Assessed Property, which currently consists of the Improvement Area #1 Initial Parcel.

Upon Division Prior to Recording of Subdivision Plat. Upon the division of any Improvement Area #1 Assessed Property prior to the recording of a subdivision plat, the Administrator shall reallocate the Improvement Area #1 Assessment for the Improvement Area #1 Assessed Property prior to the division among the newly divided Improvement Area #1 Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Improvement Area #1 Assessment for the newly divided Improvement Area #1 Assessed Property

B = the Improvement Area #1 Assessment for the Improvement Area #1 Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Improvement Area #1 Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Improvement Area #1 Assessed Properties

The calculation of the Improvement Area #1 Assessment of an Improvement Area #1 Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Improvement Area #1 Assessed Property, as relying on information from homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Improvement Area #1 Assessed Property. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Improvement Area #1 Assessments for all newly divided Improvement Area #1 Assessed Properties shall equal the Improvement Area #1 Assessment for the Improvement Area #1 Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Improvement Area #1 Assessed Property. The reallocation of an Improvement Area #1 Assessment for an Improvement Area #1 Assessed Property that is a homestead under Texas law may not exceed the Improvement Area #1 Assessment prior to the reallocation. Any reallocation shall be reflected in the next Annual Service Plan Update immediately following such reallocation

Upon Subdivision by a Recorded Subdivision Plat. Upon the subdivision of any Improvement Area #1 Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Improvement Area #1 Assessment for the Improvement Area #1 Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Improvement Area #1 Assessment for the newly subdivided Lot

B = the Improvement Area #1 Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots of the same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property
E = the number of newly subdivided Lots of the same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value for each Lot to be created after recording the subdivision plat as of the date the subdivision plat is anticipated to be recorded. The calculation of the Improvement Area #1 Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Improvement Area #1 Assessments for all newly subdivided Lots shall not exceed the Improvement Area #1 Assessment for the portion of the Improvement Area #1 Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Improvement Area #1 Assessed Property. The reallocation of an Improvement Area #1 Assessment for an Improvement Area #1 Assessed Property that is a homestead under Texas law may not exceed the Improvement Area #1 Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update immediately following such reallocation.

Upon Consolidation. If two or more Lots or Parcels are consolidated into a single Parcel or Lot, the Administrator shall allocate the Improvement Area #1 Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Improvement Area #1 Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory prepayment of Improvement Area #1 Assessments.

Reduction of Assessments. If, as a result of cost savings or the failure to construct all or a portion of an Improvement Area #1 Project, the Actual Costs of any Improvement Area #1 Projects are less than the Improvement Area #1 Assessments, the Trustee shall apply amounts on deposit in the Project Fund that are not expected to be used for purposes of the Project Fund to redeem outstanding Bonds. Excess Bond proceeds shall be applied to redeem outstanding Bonds. See "SECURITY FOR THE BONDS – Project Fund."

Prepayment of Improvement Area #1 Assessments

Voluntary Prepayments. Pursuant to the PID Act and the Indenture, the owner of any Assessed Property may voluntarily prepay (a "Prepayment") all or part of any Improvement Area #1 Assessment levied against any Lot or Parcel, together with accrued interest to the date of payment, at any time. Upon receipt of such Prepayment, such amounts will be applied towards the redemption or payment of the Bonds. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Improvement Area #1 Assessment are not to be considered a Prepayment, but rather are to be treated as payment of regularly scheduled Improvement Area #1 Assessments.

Mandatory Prepayment. If an Improvement Area #1 Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Improvement Area #1 Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefitted Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Improvement Area #1 Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Improvement Area #1 Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment.

True-Up of Improvement Area #1 Assessments if Maximum Assessment Exceeded at Plat. Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Improvement Area #1 Assessment per Lot for any Lot Type will exceed the Maximum Assessment for that Lot Type, then (1) the Improvement Area #1 Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City, or cause to be paid to the City, the amount

the Improvement Area #1 Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City's approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Improvement Area #1 Assessments for any Lot exceed the Maximum Assessment. See "ASSESSMENT PROCEDURES – Assessment Methodology – Value to Lien Analysis, Improvement Area #1 Assessment Allocation, Equivalent Tax Rate, and Leverage per Lot Type in Improvement Area #1."

Prepayment as a Result of an Eminent Domain Proceeding or Taking. Subject to applicable law, if any portion of any Parcel of Improvement Area #1 Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Improvement Area #1 Assessed Property is made to an entity with the authority to condemn all or a portion of the Improvement Area #1 Assessed Property in lieu of or as a part of an eminent domain proceeding (a "Taking"), the portion of the Improvement Area #1 Assessed Property that was taken or transferred (the "Taken Property") shall be reclassified as Non-Benefitted Property.

For the Improvement Area #1 Assessed Property that is subject to the Taking as described in the preceding paragraph, the Improvement Area #1 Assessment that was levied against the Improvement Area #1 Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Improvement Area #1 Assessed Property (the Improvement Area #1 Assessed Property less the Taken Property) (the "Remaining Property"), following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Improvement Area #1 Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner of the Remaining Property will remain liable to pay, pursuant to the terms of the Service and Assessment Plan, as updated, and the PID Act, the Improvement Area #1 Assessment that remains due on the Remaining Property, subject to an adjustment in the Improvement Area #1 Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Improvement Area #1 Assessment that remains due on the Remaining Property exceeds the applicable Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Improvement Area #1 Assessment against the Remaining Property does not exceed such Maximum Assessment, in which case the Improvement Area #1 Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Improvement Area #1 Assessment on the Remaining Property.

In all instances the Improvement Area #1 Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Improvement Area #1 Assessment required to buy down the outstanding Improvement Area #1 Assessment to the applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Improvement Area #1 Assessment on both the Taken Property and the Remaining Property until such time that such Improvement Area #1 Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Improvement Area #1 Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding Bonds.

Priority of Lien

The Improvement Area #1 Assessments or any reassessment, the expense of collection, and reasonable attorney's fees, if incurred, constitute a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for the State, county, school district, or municipality ad valorem taxes, and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the Assessment Ordinance until the Improvement Area #1 Assessment is paid, and may be enforced by the City in the same manner as an ad valorem tax levied against real property may be enforced by the

City. The owner of any property assessed may pay the entire Improvement Area #1 Assessment levied against any lot or parcel, together with accrued interest to the date of payment, at any time.

Foreclosure Proceedings

In the event of delinquency in the payment of any Improvement Area #1 Annual Installment, except for unpaid Improvement Area #1 Assessments on homestead property (unless the lien associated with the assessment attached prior to the date the property became a homestead), the City is empowered to order institution of an action in state district court to foreclose the lien of such delinquent Improvement Area #1 Annual Installment. In such action the real property subject to the delinquent Improvement Area #1 Annual Installments may be sold at judicial foreclosure sale for the amount of such delinquent Improvement Area #1 Annual Installments, plus penalties and interest.

Any sale of property for nonpayment of an installment or installments of an Improvement Area #1 Assessment will be subject to the lien established for remaining unpaid installments of the Improvement Area #1 Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent installments of the Improvement Area #1 Assessments against such property as they become due and payable. Judicial foreclosure proceedings are not mandatory. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and in such event there could be an additional delay in payment of the principal of and interest on Bonds or such payment may not be made in full. The City is not required under any circumstance to purchase the property or to pay the delinquent Improvement Area #1 Assessment on the corresponding Improvement Area #1 Assessed Property.

In the Indenture, the City will covenant to take and pursue all actions permissible under Applicable Laws to cause the Improvement Area #1 Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement, or exemption in the Improvement Area #1 Assessments, provided that the City is not required to expend any funds for collection and enforcement of Improvement Area #1 Assessments other than funds on deposit in the Administrative Fund. Pursuant to the Indenture, Foreclosure Proceeds (excluding Delinquent Collection Costs) constitute Pledged Revenues to be deposited into the Pledged Revenue Fund upon receipt by the City and distributed in accordance with the Indenture. See “APPENDIX B – Form of Indenture.” See also “APPENDIX E-1 – Form of Disclosure Agreement of Issuer” for a description of the expected timing of certain events with respect to collection of the delinquent Improvement Area #1 Assessments.

In the Indenture, the City creates the Delinquency and Prepayment Reserve Account under the Reserve Fund and will fund such account as provided in the Indenture. The City will not be obligated to fund foreclosure proceedings out of any funds other than in the Administrative Fund. If funds in the Administrative Fund are insufficient to pay foreclosure costs, the owners of the Bonds may be required to pay amounts necessary to continue foreclosure proceedings. See “SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account),” “APPENDIX B – Form of Indenture,” and “APPENDIX C – Form of Service and Assessment Plan.”

THE CITY

Background

The City located in north Collin County, 40 miles north of Dallas and 12 miles northwest of the City of McKinney. Access to the City is provided by State Highway 121, State Highway 5, US-75, and Farm Road 455. The City covers approximately 16 square miles. Some of the services that the City provides are public safety (police and fire protection), streets, water and sanitary sewer utilities, planning and zoning, and general administrative services. The 2020 Census population for the City was 16,896, and the current estimated population is 32,000.

City Government

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1913, and first adopted its Home Rule Charter on May 7, 2005. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Councilmembers elected for staggered three-year terms. The City Manager is the Chief Administrative Officer for the City.

The current members of the City Council and principal administrators of the City are listed on page ii hereof.

For more information regarding the City and surrounding areas, see "APPENDIX A – General Information Regarding the City and Surrounding Areas."

Water and Wastewater

The City will provide both water and wastewater service to the District. The City's existing water and wastewater systems are sufficient to serve all of the property in Improvement Area #1 of the District.

The City is currently served by ground water, through nine water wells located at five different sites. The well systems can produce a total of 3.4 million gallons per day. The City has a total elevated storage capacity of 1,500,000 gallons of water and five ground storage tanks with total storage capacity of 4,000,000 gallons.

In partnership with the Cities of Melissa, Van Alstyne, and Howe, the City is connected to a large diameter water transmission line managed by the Greater Texoma Utility Authority ("GTUA"). The GTUA line provides a connection to the North Texas Municipal Water District's ("NTMWD") water distribution system, providing the City with access to treated surface water. This surface water line is part of the City's long term water supply plan. Currently the City has a maximum allowable take of 5,040 gpm from the GTUA connection, providing the City with a maximum peak flow of treated water supply at 6,706 gpm. Both GTUA and the City continue to work on capital projects which will increase the maximum treated water supply and storage. GTUA expanded their Bloomdale Pump Station vault, which increased the GTUA total maximum flow to over 9,000 gpm. The City has completed an expansion of the Collin Pump Station site, which brought the existing 1-million-gallon ground storage tank and new pumps online with adjacent wells to maximize storage and flow. The City is currently constructing a 4-million-gallon ground storage tank at the Collin Pump Station site to further increase storage capacity. Additional water system expansion projects are identified in the City of Anna's Capital Improvement Plan ("CIP"), and in the GTUA/CGMA CIP, which are both being updated this year.

The City's sanitary sewer system consists of seven lift stations and one wastewater treatment facility at the John R. Geren (Slayter Creek) Wastewater Treatment Plant. In addition, the City has two large diameter sewer transmission lines that transport wastewater directly into the NTMWD's wastewater system to the South (Wilson Creek plant). The City's wastewater treatment facility is located on Slayter Creek, just north of the confluence of Slayter Creek and Throckmorton Creek. The total treatment capacity of the City's facility is approximately 0.50 million gallons per day. A portion of the NTMWD regional sewer is located along Throckmorton Creek, in the south-central part of the City and the other is located near Clemmons Creek in the southeastern part of the City. The City's wastewater treatment plant is currently near capacity. The transmission lines will soon near capacity. The City completed the Slayter Creek Interceptor Sewer project which now conveys wastewater flows in excess of the Slayter Creek Wastewater Treatment capacity to the NTMWD regional wastewater system. The City issued certificates of obligation in 2024, which are being used for the construction of a new Hurricane Creek Regional Wastewater Treatment Plant, which will significantly expand the City's ability to collect and treat wastewater as required for new development west of US 75. The temporary treatment plant has been operational since March 2025 and can treat up to 0.5 million gallons per day while the remaining phases are finished. The full first phase of the new plant will have a capacity to treat 2 million gallons per day of wastewater, with plans to gradually expand the plant's capacity up to 16 million gallons per day. The City will utilize the new plant to treat sewage for its own residents, as well as provide wholesale sewage treatment for the City of Van Alstyne, the City of Weston, and for various water districts located in the area. A large diameter trunk sewer is complete and in place from FM 455 to the Hurricane Creek Wastewater Treatment Plant. The City issued certificates of obligation earlier this year, which will be used to construct additional

segments of the trunk line further to the north, from FM 455 to the northern City limit. This will allow new developments in Anna and Van Alstyne to flow sewer to the new treatment plant.

THE DISTRICT

General

The PID Act authorizes municipalities, such as the City, to create public improvement districts within their boundaries or extraterritorial jurisdiction, and to impose assessments within the public improvement district to pay for certain improvements. The District was created by resolution of the City adopted on February 25, 2025 (the “Creation Resolution”), for the purpose of undertaking and financing the cost of certain public improvements within the District, including the Improvement Area #1 Projects, authorized by the PID Act and approved by the City Council that confer a special benefit on the District property being developed. The District is not a separate political subdivision of the State and is governed by the City Council. A map of the property within the District is included on page v hereof.

Powers and Authority

Pursuant to the PID Act, the City may establish and create the District and undertake, or reimburse a developer for the costs of, improvement projects that confer a special benefit on property located within the District, whether located within the City limits or the City’s extraterritorial jurisdiction. The PID Act provides that the City may levy and collect assessments on property in the District, or portions thereof, payable in periodic installments based on the benefit conferred by an improvement project to pay all or part of its cost.

Pursuant to the PID Act and the Creation Resolution, the City has the power to undertake, or reimburse a developer for the costs of, the financing, acquisition, construction, or improvement of the Improvement Area #1 Projects. See “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS.” Pursuant to the authority granted by the PID Act and the Creation Resolution, the City has determined to undertake the construction, acquisition, or purchase of certain road, water, sanitary sewer, and storm drainage improvements benefitting Improvement Area #1 of the District comprising the Improvement Area #1 Projects and to finance a portion of the costs thereof through the issuance of the Bonds. The City has further determined to provide for the payment of debt service on the Bonds through Pledged Revenues and other assets comprising the Trust Estate. See “ASSESSMENT PROCEDURES” and “APPENDIX C – Form of Service and Assessment Plan.”

THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS

General

The “Improvement Area #1 Authorized Improvements” consist of (1) the Improvement Area #1 Projects, which include the Improvement Area #1 Improvements and Improvement Area #1’s allocable share of the Major Improvements, (2) the deposit to Administrative Fund related to the Bonds, and (3) the Bond Issuance Costs (described below) incurred in connection with the issuance of the Bonds.

A portion of the costs the Improvement Area #1 Authorized Improvements will be funded with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Authorized Improvements will be paid by the Developer under the terms of the CFA Agreement and the Service and Assessment Plan without reimbursement by the City. See “APPENDIX C – Form of Service and Assessment Plan.”

Major Improvements

Paving/Roads/Streets. Improvements including subgrade stabilization, reinforced concrete for roadways, headers, barricades, signs, striping, and traffic control. All related earthwork, excavation, clearing and grubbing, erosion control, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The road improvements will provide benefit to each Lot within the District.

Water. Improvements including trench excavation and embedment, trench safety, PVC piping, water main connections, water meters, testing, related earthwork, excavation, erosion control, fire hydrants,

platting, staking, and all necessary appurtenances required to provide water service to all Lots within the District.

Sanitary Sewer. Improvements including trench excavation and embedment, trench safety, PVC piping, encasement, manholes, sewer main connections, service connections, testing, related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide wastewater service to all Lots within the District.

Storm Drainage. Improvements including trench excavation and embedment, RCP piping, curb and drop inlets, headwalls, wingwalls, manholes, rock rip rap, and trench safety as well as all related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide storm drainage for all Lots within the District.

Soft Costs. Costs related to designing, constructing, and installing the Major Improvements including inspection fees, City fees, bonds, engineering, soil testing, survey, construction management, contingency, legal fees, and consultants.

Improvement Area #1 Improvements

Paving/Roads/Streets. Improvements including subgrade stabilization, reinforced concrete for roadways, handicapped ramps, sidewalks, pavement connections, headers, barricades, CBU pads, signs, platting, staking, and streetlights. All related earthwork, excavation, clearing and grubbing, tree removal, erosion control, intersections, signage, lighting, screening walls, and re-vegetation of all disturbed areas within the right-of-way are included. The road improvements will provide benefit to each Lot within Improvement Area #1.

Water. Improvements including trench excavation and embedment, trench safety, PVC piping, water main connections, water meters, service connections, testing, related earthwork, excavation, erosion control, fire hydrants, platting, staking, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

Sanitary Sewer. Improvements including trench excavation and embedment, trench safety, PVC piping, encasement, boring, manholes, sewer main connections, service connections, testing, related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

Storm Drainage. Improvements including trench excavation and embedment, curb and drop inlets, RCP and RCB piping and boxes, headwalls, manholes, rock rip rap, concrete outfalls, storm drain connections, trench safety, and testing as well as all related earthwork, excavation, erosion control, encasement, platting, staking, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #1.

Soft Costs. Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including land planning and design, erosion control, inspection fees, City fees, bonds, engineering, soil testing, survey, construction management, contingency, legal fees, and consultants.

Bond Issuance Costs

Debt Service Reserve Fund. Equals the amount to be deposited in the Reserve Account under the Indenture in connection with the issuance of the Bonds.

Capitalized Interest. Equals the amount required to be deposited for the purpose of paying capitalized interest on the Bonds under the Indenture.

Underwriter's Discount. Equals a percentage of the par amount of the Bonds related to the costs of underwriting the Bonds, including Underwriter's counsel fee.

Cost of Issuance. Includes costs of issuing the Bonds, including but not limited to City fees, attorney's fees, financial advisory fees, consultant fees, initial trustee fee, appraisal fees, printing costs,

publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of the Bonds.

Other Costs

Deposit to Administrative Fund. Equals the amount necessary to fund the first year's Annual Collection Costs for the Bonds.

Costs of the Improvement Area #1 Authorized Improvements

The following table reflects the expected total costs of the Improvement Area #1 Authorized Improvements.

Expected Costs of Improvement Area #1 Authorized Improvements⁽¹⁾

Improvement Area #1 Authorized Improvements	Total Expected Costs of Improvement Area #1 Authorized Improvements
Major Improvements⁽²⁾	
Paving/Roads/Streets	\$ 240,982
Water	113,095
Sanitary Sewer	317,171
Storm Drainage	80,865
Soft Costs	278,400
<i>Subtotal</i>	<i>\$ 1,030,513</i>
Improvement Area #1 Improvements	
Paving/Roads/Streets	\$ 3,185,946
Water	1,048,203
Sanitary Sewer	1,037,400
Storm Drainage	1,309,055
Soft Costs	2,150,076
<i>Subtotal</i>	<i>\$ 8,730,679</i>
Initial Administrative Fund Deposit	
<i>Subtotal</i>	<i>\$ 80,000</i>
Bond Issuance Costs	
Debt Service Reserve	\$ 548,614
Capitalized Interest	326,815
Underwriter's Discount	223,680
Costs of Issuance	554,891
<i>Subtotal</i>	<i>\$ 1,654,000</i>
Total⁽³⁾	\$11,495,192

⁽¹⁾ Derived from information in the Service and Assessment Plan. *Preliminary; subject to change.*

⁽²⁾ Represents Improvement Area #1's allocable share of the Major Improvements.

⁽³⁾ Totals may not add due to rounding.

The total costs of the Improvement Area #1 Authorized Improvements are expected to be approximately \$11,495,192*. Only a portion of the costs of the Improvement Area #1 Authorized Improvements, in the approximate amount of \$7,456,000*, are expected to be paid with proceeds of the Bonds. The balance of the costs of the Improvement Area #1 Authorized Improvements, in the total approximate amount of \$4,039,192*, have been or will be financed by the Developer and will not be reimbursed by the City. As of September 30, 2025, the Developer has

* Preliminary; subject to change.

spent approximately \$1,089,425 on construction of the Improvement Area #1 Improvements and \$824,462 on construction of the Major Improvements.

Ownership and Maintenance of Improvement Area #1 Projects

The Improvement Area #1 Projects will be dedicated to and accepted by the City and will constitute a portion of the City's infrastructure improvements. The City will provide for the ongoing operation, maintenance, and repair of the Improvement Area #1 Projects constructed and conveyed, as outlined in the Service and Assessment Plan.

THE DEVELOPMENT

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Financial Advisor, and the Underwriter, and none of the City, the City's Financial Advisor, or the Underwriter have any way of guaranteeing the accuracy of such information.

Development Plan

The District is an approximately 274.396-acre master-planned community expected to be constructed in five Improvement Areas and to include approximately 946 single-family detached residential lots, expected to consist of approximately 418 50' lots, 282 60' lots, 151 70' lots and 95 80' lots, an amenity center, and a variety of trails and public open space. The Development is situated just west of US 75 and south of White Street. The Development is located within the City's corporate limits, approximately 30 miles northeast of Frisco, 12 miles north of McKinney and 22 miles south of Sherman.

The Developer expects to complete lot development in the Development in five phases with final development of lots expected in Q3 2032. Improvement Area #1 is the first area of the District to be developed by the Developer. The Developer began construction of the Improvement Area #1 Projects in Q2 2025 and expects to complete construction of the Improvement Area #1 Projects and other improvements necessary for delivery of lots in Improvement Area #1 in Q3 2026. See "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS."

The following table reflects the Developer's expected completion schedules for lots in each Improvement Area of the District.

Expected Lot Completion within the District

<u>Improvement Area</u>	<u>Expected Completion Date</u>
#1	Q3 2026
#2	Q4 2027
#3	Q2 2029
#4	Q1 2031
#5	Q3 2032

Improvement Area #1 consists of approximately 47.859 acres and is expected to include 171 single-family detached residential lots, consisting of 123 50' lots and 48 60' lots. The Developer intends to construct homes on all lots in Improvement Area #1. The Developer's expectations regarding absorption of homes in Improvement Area #1 is shown in the following table.

Expected Absorption of Homes in Improvement Area #1 of the District

<u>Expected Sale Dates to Homeowners</u>	<u>50' Lot</u>	<u>60' Lot</u>	<u>Total Lots</u>
2027	90	30	120
2028	33	18	51
Total	123	48	171

The Developer's expectation regarding single-family residential lot prices and expected average home prices in the District are as follows.

Lot Prices and Expected Average Home Prices in the District

<u>Lot Size</u>	<u>Number of Lots</u>	<u>Base Lot Price⁽¹⁾</u>	<u>Expected Average Home Price⁽²⁾</u>
<i><u>Improvement Area #1</u></i>			
50'	123	\$100,000	\$500,000
60'	<u>48</u>	\$120,000	\$600,000
Total	171		
<i><u>Improvement Area #2</u></i>			
50'	65	\$100,000	\$500,000
60'	<u>104</u>	\$120,000	\$600,000
Total	169		
<i><u>Improvement Area #3</u></i>			
60'	130	\$120,000	\$600,000
70'	69	\$140,000	\$700,000
80'	<u>23</u>	\$160,000	\$800,000
Total	222		
<i><u>Improvement Area #4</u></i>			
50'	<u>230</u>	\$100,000	\$500,000
Total	230		
<i><u>Improvement Area #5</u></i>			
70'	82	\$140,000	\$700,000
80'	<u>72</u>	\$160,000	\$800,000
Total	154		

⁽¹⁾ Developer estimates. Estimates may differ from the values in the Appraisal. See "APPRAISAL" and "APPENDIX H – Appraisal."

⁽²⁾ Developer estimates.

Amenities and Private Improvements

In addition to the Improvement Area #1 Projects, the Development Agreement obligates the Developer to construct seven of the following 12 amenities: (i) approximately 4,000 square foot swimming pool; (ii) mechanical aquatic play feature; (iii) pool house with restrooms; (iv) playground (2-5 years of age); (v) playground (5-8 years of age); (vi) sand volleyball court; (vii) basketball court; (viii) approximately 1,000 square foot putting green; (ix) outdoor workout equipment along hike and bike trails; (x) 20 ft. radius pavilion; (xi) dog park; and (xii) park benches, trash cans, and pet stations along the trail and in the dog park (collectively, the "Amenities").

The Developer is also required to construct certain trails, with a minimum of 8' in width, within the Development (the "Community Trails"). At the City's sole discretion, the Developer shall: (a) dedicate the Community Trails to the City in fee simple and the City shall maintain the Community Trails as part of the City's park system; or (2) grant a public access easement over the Community Trails allowing access by the general public and the HOA shall maintain the Community Trails. The Community Trails, if dedicated to the City in fee simple, may-to the extent permitted under City Regulations-be used to offset a portion of applicable parkland dedication or improvement requirements or fees required in lieu thereof, of any kind, including requirements for the payment of park fees.

The Development Agreement requires the Developer to complete the swimming pool, aquatic play feature, pool house with restrooms, and the hike and bike trails for the first phase of development of the District concurrently with construction of homes in the first phase of development. The cost of the Amenities allocable to Improvement Area #1 is expected to be approximately \$2,400,000 (including approximately \$1,500,000 for the amenity center), and

will be paid entirely by the Developer, without reimbursement by the City, from proceeds of the Revolving Credit Agreement.

The Amenities will be owned, operated, and maintained by the HOA. The HOA will provide for the ongoing operation, maintenance, and repair of the Amenities through the administration of the HOA Fee to be paid by each lot owner within the District. See “OVERLAPPING TAXES AND DEBT – Homeowners’ Association Dues.”

In addition, the Developer is responsible for paying the costs of certain private improvements benefitting Improvement Area #1 (consisting of excavation, retaining walls, landscaping, screening, entryways, franchise fees, and soft costs) (the “Private Improvements”) in the approximate amount of \$2,864,044, which will be paid entirely by the Developer, without reimbursement by the City, from proceeds of the Revolving Credit Agreement. The Developer must complete the Private Improvements for each Improvement Area on or before 150 days after final City acceptance of the public infrastructure for such Improvement Area. The Private Improvements will be owned, operated, and maintained by the HOA.

Future Improvement Area Bonds

The Developer expects to request the City to issue Future Improvement Area Bonds to finance the costs of the public improvements benefitting the Future Improvement Areas and the portion of the Major Improvements allocable to the applicable Future Improvement Area. The estimated costs of the public improvements benefitting the Future Improvement Areas will be determined as development progresses, and the Service and Assessment Plan will be updated accordingly. Such Future Improvement Area Bonds will be secured by separate assessments levied pursuant to the PID Act on assessable property within the Future Improvement Areas. The Developer anticipates that Future Improvement Area Bonds will be issued over a six-year period.

The Bonds and any Future Improvement Area Bonds issued by the City are separate and distinct issues of securities. The City reserves the right to issue Future Improvement Area Bonds for any purpose permitted by the PID Act, including those described above.

Development Agreement

Pursuant to the Crystal Park Development Agreement by and among the City, the Developer, and Marquin Miller, F.A. Miller and Virgil Wren Miller (collectively, the “Millers”), effective as of January 11, 2022, as amended (the “Development Agreement”), the Developer has the right to construct public improvements for the District, including the Improvement Area #1 Projects, according to certain rules and regulations of the City, and to be reimbursed for a portion of the costs of such construction through the proceeds of assessments and/or PID Bonds (defined below). The Developer Agreement covers the land within the District and approximately 116 acres adjacent to the District (the “Adjacent Land” and, together with the land in the District, the “Property”). Of the Adjacent Land, the Millers own approximately 30 acres, the Developer owns approximately 27 acres and the Mixed-Use Owners (as defined herein) own approximately 59 acres. The Developer does not currently have any plans for development of its portion of the Adjacent Land. The remaining portions of the Adjacent Land are expected to be developed by other developers as commercial and multifamily developments.

The Development Agreement provides certain requirements to be met for the issuance of the Bonds and any additional bonds issued for the payment of additional Authorized Improvements (defined in the Development Agreement and the PID Act) (collectively, “PID Bonds”), including (i) the maximum equivalent tax rate, including the PID assessments associated with the PID Bonds may not exceed \$0.69 per \$100 taxable assessed valuation without prior written consent of the City; (ii) the ratio of the appraised value of the property being financed, as confirmed by an independent appraisal, to the par amount of the PID Bonds proposed to be issued with respect to such property must be at least 2:1, unless a lower ratio is approved by the City; and (iii) PID Bonds may be issued up to a maximum principal amount of \$50,000,000.

In addition to construction of the Improvement Area #1 Projects, the Amenities and the Community Trails, the Development Agreement obligates the Developer to:

- Construct (i) the two-lane portion of Standridge Parkway immediately adjacent to the Property necessary to connect the Property to FM 455, provided that Developer shall construct four lanes of Standridge Parkway to connect the adjacent parcels (the “Master Thoroughfare”) and (ii) the two-lane portion of a connector road immediately adjacent to the Property to connect the southern portion of the Property to the Highway 75 frontage road (the “East/West Connector”) the costs of which, to the extent not included in the costs of Authorized Improvements, shall be reimbursed to the Developer through Impact Fee Credits (as defined in the Development Agreement). ***The Master Thoroughfare is considered a Major Improvement a portion of the costs for which are expected to be reimbursed with proceeds of the Bonds and Future Improvement Area Bonds. The East/West Connector is not being constructed at this time. The Developer expects to construct the East/West Connector with the second Improvement Area. The Developer expects that the East/West Connector will be a future additional major improvement, the costs of which will be an Authorized Improvement in the Service and Assessment Plan, and that a portion of the costs of such construction are expected to be reimbursed to the Developer through Future Improvement Area Bonds. The Developer expects to contribute the portion of the costs of the East/West Collector allocable to Improvement Area #1.***
- When and if requested by Anna ISD, the Developer shall convey a tract of land within the Property of at least 9.5 acres (the “School Site”) to Anna ISD. Such conveyance may require that should construction of a school within the School Site not commence within ten years from such conveyance, the School Site shall revert to Developer in fee simple. ***Anna ISD has not requested conveyance of the School Site. If requested, the Developer expects the School Site to be located in the Adjacent Land owned by the Developer.***
- Pay to the City, simultaneously with the closing of each series of PID Bonds issued, \$3,400 times the number of residential lots in the applicable phase of development for which the PID Bonds are being issued (the “City PID Fee”). The aggregate amount of the City PID Fee shall not exceed \$3,304,800 (972 single- family residential lots multiplied by \$3,400) and shall not be refundable for any reason.
- Create a mandatory homeowners’ association over the District and any other property to be developed as a single-family development and a mandatory property owners’ association over property to be developed as commercial or multifamily.

Under the Development Agreement, the Developer and the City acknowledged that the City is expected to build a treatment plant including a lift station on property to be situated to the southwest of the Property (the “Treatment Facilities”). If the Treatment Facilities are not completed and operational at the time of the issuance of the first building permit for the District, the City shall provide pump and haul services to the District at the City’s cost until the Treatment Facilities are completed. The City has completed the Treatment Facilities. The Developer is required to construct an off-site line to connect the Property to the Treatment Facilities (the “Off-site Sewer Line”) and an off-site water line (the “Off-site Water Line” and, together with the Off-Site Sewer Line, the “Off-Site Improvements”), and such Off-Site Improvements shall be an Authorized Improvement to the extent they confer a special benefit on the property within the District; provided that, to the extent the City requires the Developer to oversize the Off-Site Improvements beyond what is necessary to serve the Property, such portion of the Off-Site Improvements shall not constitute an Authorized Improvement, and the City shall pay the cost of such oversizing. The Developer is currently constructing the Off-site Improvements as part of the Major Improvements, and expects that the costs of the Off-Site Improvements will be reimbursed with proceeds of the Bonds, Future Improvement Area Bonds and Impact Fee Credits.

CFA Agreement

The City and the Developer expect to enter into the CFA Agreement, effective November 17, 2025, which provides, in part, for the deposit of proceeds of the Bonds and the payment of a portion of the costs of the Improvement Area #1 Projects, and other matters related thereto. Pursuant to the CFA Agreement, the Developer is responsible for overseeing the construction and development of the Improvement Area #1 Projects in accordance with the Development Agreement and the CFA Agreement. The City’s obligation to pay or reimburse the Developer for the

Improvement Area #1 Project Costs is limited to the lesser of the Actual Costs or Budgeted Costs, and any Cost Overruns (as each of such terms are defined in the CFA Agreement) are the Developer's responsibility. See "APPENDIX G – Form of CFA Agreement."

Photographs of Improvement Area #1

Photographs of current development in Improvement Area #1 can be found in APPENDIX F.

Zoning/Permitting

The District is currently zoned as a planned development district pursuant to Ordinance No. 969-2022 adopted by the City Council on March 22, 2022 (the "PDD Ordinance"). The PDD Ordinance, which also covers the Adjacent Land, allows certain restricted commercial, single-family residential, and single-family residential zero lot line uses and establishes guidelines pertaining to purpose, height, area, setbacks, aesthetics, landscaping, and use. Because the District lies within the city limits of the City, the City's zoning and subdivision regulations control the aspects of development not specifically set forth in the PDD Ordinance or the Development Agreement.

Education

Students in the District will attend schools in Anna ISD. Anna ISD serves the City and other portions of the County. Anna ISD enrolls over 4,500 students in one high school, a middle school, four elementary schools, and a special programs center. Students in the District are expected to attend Sue Evelyn Rattan Elementary School (approximately 2.5 miles from the District), Clemons Creek Middle School (approximately 5.7 miles from the District), and Anna High School (approximately 3.5 miles from the District).

GreatSchools.org currently rates Sue Evelyn Rattan Elementary School 7 out of 10, and Anna High School 6 out of 10. Greatschools.org has not yet rated Clemons Creek Middle School. According to the Texas Education Agency ("TEA") accountability reports, Sue Evelyn Rattan Elementary School and Clemons Creek Middle School were rated "C" and Anna High School was rated "A" for the 2024-2025 school year. The categories for public schools are A, B, C, D, and F.

Environmental

A Phase I Environmental Site Assessment (the "Phase One ESA") of the District and a portion of the Adjacent Land was completed in October 2021 by Alpha Testing, Inc. ("Alpha"), the report of which is dated October 18, 2021 (the "Report"). According to the Report, the Phase One ESA revealed no evidence of recognized environmental conditions involving the property.

According to the website for the Texas Parks and Wildlife Department, the whooping crane is a federally recognized endangered species and the rufa red knot, piping plover, and black rail are federally recognized threatened species in Collin County. The Developer is not aware of any endangered or threatened species located on the Property.

Existing Mineral Rights

Third parties hold title to certain rights applicable to real property within and around the District (the "Mineral Owners"), including reservations of mineral rights and royalty interests and easements (collectively, the "Third-Party Property Rights") pursuant to various instruments in the chain of title for various tracts of land within and immediately adjacent to the District. These reservations of mineral rights include a waiver by the Mineral Owners of their right to enter onto the surface of the property to explore, develop, drill, produce or extract minerals within the District. The Mineral Owners may only develop such mineral interests by means of wells drilled on land outside of the property of the District.

The Developer is not aware of any ongoing mineral rights development or exploration on or adjacent to the property within the District. The Developer is not aware of any interest in real property (including mineral rights) owned by the Mineral Owners adjacent to the District. Certain rules and regulations of the Texas Railroad

Commission may also restrict the ability of the Mineral Owners to explore or develop the property due to well density, acreage, or location issues.

Although the Developer does not expect the above-described Third-Party Property Rights, or the exercise of such rights or any other third-party real property rights in or around the District, to have a material adverse effect on the Development, the property within the District, or the ability of landowners within Improvement Area #1 to pay Improvement Area #1 Assessments, the Developer makes no guarantee as to such expectation. See “BONDHOLDERS’ RISKS – Exercise of Third-Party Property Rights.”

Flood Zone

According to the Federal Emergency Management Agency (“FEMA”) Flood Insurance Rate Map, Community Panel Number 48085C0155J, effective June 2, 2009, all of the property within the District lies outside of the 100-year and 500-year flood plain, referred to as Zone X.

Utilities

Water and Wastewater. The City will provide both water and wastewater service to the District. The City’s water distribution system and wastewater collection and treatment system currently have sufficient capacity to provide water and wastewater service to the District. See “THE CITY – Water and Wastewater.”

Other Utilities. The Developer expects additional utilities to be provided by: (1) Phone/Data – Grayson Collin Communications (“GCC”); (2) Electric – Grayson Collin Electric Cooperative; (3) Cable – GCC; and (4) Natural Gas - Atmos Energy.

THE DEVELOPER

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City’s Financial Advisor, and the Underwriter, and none of the City, the City’s Financial Advisor, or the Underwriter have any way of guaranteeing the accuracy of such information.

General

In general, the activities of a developer in a development such as the District include purchasing the land, designing the subdivision, including the utilities and streets to be installed and any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities, as well as telephone and electric service) and selling improved lots and commercial reserves, if any, to builders, developers, or other third parties. The relative success or failure of a developer to perform such activities within a development may have a material effect on the security of revenue bonds, such as the Bonds, issued by a municipality for a public improvement district. A developer is generally under no obligation to a public improvement district, such as the District, to develop the property which it owns in a development. Furthermore, there is no restriction on the developer’s right to sell any or all of the land which the developer owns within a development. In addition, a developer is ordinarily the major tax and assessment payer within a district during its development.

Description of the Developer

The Developer owns the property in the District, including Improvement Area #1. Bloomfield Properties, Inc. is the Developer’s general partner (Bloomfield Properties, Inc. and Developer are, together, “Bloomfield”). Bloomfield was formed in September 2004 with Don Dykstra as President. In July 2013 by Sumitomo Forestry America, Inc. (“Sumitomo”) purchased 50% of Bloomfield, and in May 2017 Sumitomo purchased an additional 15% of Bloomfield and Bloomfield became a consolidated subsidiary of Sumitomo. The remaining 35% is owned by entities controlled by Mr. Dykstra and Tim Stewart. Sumitomo was founded in 1691 and is a publicly traded company listed on the Tokyo Stock Exchange.

Bloomfield develops the majority of the lots that it builds homes on in approximately sixty locations throughout the DFW Metroplex. Since its founding Bloomfield has developed approximately 13,500 lots and constructed approximately 19,500 homes. Bloomfield has experience developing in neighborhoods with various types of District financing, including Paloma Creek in Little Elm, Cross Oak Ranch in Oak Point, Woodcreek in Fate and Grand Heritage in Lavon and has built homes in neighborhoods with public improvement districts, including Timberbrook in Justin and Meadow Vista in Anna.

Bloomfield focuses on the price range between \$300,000 and \$800,000 and, per Residential Strategies Inc. (“RSI”) (4th quarter 2024 report) has the fifth largest market share in the Dallas – Fort Worth market. For 2024, Bloomfield was ranked as the 33rd largest builder in the United States per ProBuilder Magazine Top 200 Builders. Bloomfield was also named 2021 Homebuilder of the Year by the Greater Fort Worth Builder Association.

By combining development with homebuilding expertise Bloomfield has been able to design and develop neighborhoods directly responding to the needs of targeted buyer profiles. This has translated into a vertically integrated operation with great efficiencies and high sales volume.

Examples of projects undertaken by Bloomfield include:

<u>Name</u>	<u>City</u>	<u>Number of Lots Remaining</u>	<u>Total Number of Lots</u>	<u>Average Home Prices</u>
West Crossing	Anna	33	733	\$586,000
Kreymer Estates	Wylie	11	446	\$607,000
Country Lakes	Denton	74	549	\$591,000
Arrowbrook	Aubrey	107	702	\$586,000
Ridge Ranch	Mesquite	516	896	\$489,000
Timberbrook	Justin	1,345	1,820	\$535,000

Biographies of Key Developer Parties

Don Dykstra. Don Dykstra has been President of Bloomfield Properties, Inc., since its founding in 2004 and is primarily focused on land acquisition, entitlement, and development. From 1987 through 2003, Don worked for Pulte Home Corporation in a variety of management positions, including President of the Dallas – Fort Worth Division. From 1981 to 1987, he worked as a certified public accountant with EY & Company with a specialty in real estate. Don received his Bachelor of Science degree in Accounting from California Polytechnic University – Pomona, California, in 1981.

Tim Stewart. Tim Stewart joined Bloomfield Homes in 2010 and is Vice President of Bloomfield Properties, Inc., and President of the Developer. Tim is responsible for the homebuilding operation. From 1993 to 2010, Tim was with Pulte Home Corporation in a variety of management positions including Division President for San Antonio and Senior Vice President for Asset Management. From 1990 to 1993 Tim was a certified public accountant with Price Waterhouse & Co. Tim received his Bachelor of Science degree in Accounting from Michigan State University in 1990.

Steve Corradi. Steve Corradi has been Vice President of Finance with the Developer since 2016. Prior to joining Bloomfield, Steve held financial management positions with a number of firms in the homebuilding, contracting, and telecommunications industries. Steve also was a certified public accountant with EY & Company from 1981 to 1987. Steve received his Bachelor of Science in Accounting from the Wharton school of Business – University of Pennsylvania in 1981.

Clint Vincent. Clint Vincent has been Vice President of Land with Bloomfield since 2020 and oversees all land development activities. Clint has worked in land development for public and private companies in the Dallas – Fort Worth market since 2000. Clint received a Bachelor of Science in Civil Engineering from Texas Tech University in 1999.

History and Financing of the District

Property Acquisition. The Developer acquired the land in the District and a portion of the Adjacent Land in two transactions on December 16, 2021 from various members of the Miller and Rollins families (as listed on the deeds). The first transaction was 116.974 acres purchased for \$5,264,037. The second transaction was 243.477 acres purchased for \$10,956,490. The purchase prices were funded with the existing Revolving Credit Agreement and there are no deeds of trust or liens on the property.

On November 3, 2023, the Developer subsequently sold 29.399 acres and 29.754 acres of such property to Crystal Anna Residential Partners and Wildflower Anna LLC (together, the “Mixed-Use Owners”), respectively, which property lies outside the District, is part of the Adjacent Land under the Development Agreement, and is expected to be developed as adjacent commercial and multifamily development. The collective purchase price for such properties was \$9,137,220.

Acquisition and Development Financing. The Developer has entered into a Fifth Amended and Restated Credit Agreement, dated as of April 30, 2024 (the “Revolving Credit Agreement”), with a group of lenders led by Fifth Third Bank, National Association (collectively, the “Lenders”) providing for loans in a combined maximum amount of \$500,000,000 outstanding at any time. The Revolving Credit Agreement is unsecured and matures on April 30, 2028. As of September 30, 2025, the Developer had loans outstanding in the amount of \$394,680,000, leaving \$105,320,000 available pursuant to the Revolving Credit Agreement. The Developer may repay the outstanding portion of the Revolving Credit Agreement from any available resources, including revenue generated from sales of the lots developed and homes constructed in the District.

The Revolving Credit Agreement imposes a number of conditions upon the Developer’s right to obtain loans. If the Developer were unable to satisfy such conditions, release of funds from the Revolving Credit Agreement and the construction of the Improvement Area #1 Projects could be delayed or prevented entirely, which would adversely affect the security for the Bonds.

There are no liens against the property within the District. The PID Act provides that the Assessment Lien is a first and prior lien against the assessed property within Improvement Area #1 of the District and is superior to all other liens and claims except liens or claims for State, county, school district, or municipality ad valorem taxes.

Sufficiency of Developer’s Financing. According to the Developer, the Developer’s available financing sources are sufficient to fund the total budgeted costs of the Improvement Area #1 Projects in the approximate amount of \$9,761,192, the costs of the Private Improvements in the approximate amount of \$2,864,044, and the expected costs of the Amenities allocable to Improvement Area #1 in the approximate amount of \$2,400,000. The Developer’s financing sources include the Revolving Credit Agreement and the net proceeds of the Bonds in the approximate amount of \$5,722,000*, and Developer equity. See “SOURCES AND USES,” “THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS,” and “THE DEVELOPMENT – Amenities and Private Improvements.”

THE ADMINISTRATOR

The following information has been provided by the Administrator. Certain of the following information is beyond the direct knowledge of the City, the City’s Financial Advisor, and the Underwriter, and none of the City, the City’s Financial Advisor, or the Underwriter have any way of guaranteeing the accuracy of such information. The Administrator has reviewed this Limited Offering Memorandum and warrants and represents that the information herein under the caption “THE ADMINISTRATOR” does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading.

The City has selected P3Works, LLC, as the Administrator for the District. The City has entered into an agreement with the Administrator to provide specialized services related to the administration of the District needed to support the issuance of the Bonds. The Administrator will primarily be responsible for preparing the annual update

* Preliminary; subject to change.

to the Service and Assessment Plan. The Administrator is a consulting firm focused on providing district services relating to the formation and administration of public improvement districts, and is based in Austin, Houston, and North Richland Hills, Texas.

The Administrator's duties will include:

- Preparation of the annual update to the Service and Assessment Plan
- Preparation of assessment rolls for City billing and collection
- Establishing and maintaining a database of all City parcel IDs within the District
- Trust account analysis and reconciliation
- Property owner inquiries
- Determination of Prepayment amounts
- Preparation and review of disclosure notices with Dissemination Agent
- Review of developer draw requests for reimbursement of authorized improvement costs.

APPRAISAL

General. Peyco Southwest Realty, Inc. (the "Appraiser") prepared an appraisal report for the City effective as of July 1, 2026, based upon a physical inspection of Improvement Area #1 of the District conducted on September 15, 2025 (the "Appraisal"). The Appraisal was prepared at the request of the City and the Underwriter. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to Improvement Area #1 of the District. The Appraisal is attached hereto as APPENDIX H and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions, and qualifications, which are set forth therein. See "APPENDIX H – Appraisal."

Value Estimates. The Appraiser estimated the prospective market value of the fee simple interests of the Improvement Area #1 Assessed Property at completion of the Improvement Area #1 Projects. See "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS." The Appraisal does not reflect the value of Improvement Area #1 of the District as if sold to a single purchaser in a single transaction. The prospective market value estimate "upon completion" of Improvement Area #1 using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal, as of July 1, 2026, is \$16,574,000 (\$97,000/lot).

None of the City, the Developer, the Financial Advisor, or the Underwriter makes any representation as to the accuracy, completeness assumptions or information contained in the Appraisal. The assumptions and qualifications with respect to the Appraisal are contained therein. There can be no assurance that any such assumptions will be realized and the City, the Developer and the Underwriter make no representation as to the reasonableness of such assumptions. See "BONDHOLDERS' RISKS – Use of Appraisal."

Prospective investors should read the complete Appraisal in order to make an informed decision regarding any contemplated purchase of the Bonds. The complete Appraisal is attached as APPENDIX H.

BONDHOLDERS' RISKS

Before purchasing any of the Bonds, prospective investors and their professional advisors should carefully consider all of the risk factors described below which may create possibilities wherein interest may not be paid when due or that the Bonds may not be paid at maturity or otherwise as scheduled, or, if paid, without premium, if applicable. The following risk factors (which are not intended to be an exhaustive listing of all possible risks associated with an investment in the Bonds) should be carefully considered prior to purchasing any of the Bonds. Moreover, the order of presentation of the risks summarized below does not necessarily reflect the significance of such investment risks.

General

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM A FIRST LIEN ON, SECURITY INTEREST IN, AND PLEDGE OF THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE TRUST ESTATE IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE.

The Underwriter is not obligated to make a market in or repurchase any of the Bonds, and no representation is made by the Underwriter, the City, or the City's Financial Advisor that a market for the Bonds will develop and be maintained in the future. If a market does develop, no assurance can be given regarding future price maintenance of the Bonds. See "– Limited Secondary Market for the Bonds" herein.

The City has not applied for or received a rating on the Bonds. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so. See "– No Credit Rating" herein.

Deemed Representations and Acknowledgment by Investors

Each Investor will be deemed to have acknowledged and represented to the City the matters set forth under the heading "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS" which include, among others, a representation and acknowledgment that the purchase of the Bonds involves investment risks, certain of which are set forth under this heading "BONDHOLDERS' RISKS" and elsewhere herein, and such Investor, either alone or with its purchaser representative(s) (as defined in Rule 501(h) of Regulation D under the Securities Act of 1933), has sophisticated knowledge and experience in financial and business matters and the capacity to evaluate such risks in making an informed investment decision to purchase the Bonds, and the Investor can afford a complete loss of its investment in the Bonds.

General Factors Relating to Payment of the Bonds

The ability of the City to pay debt service on the Bonds as due is subject to various factors that are beyond the City's control. These factors include, among others, (a) the ability or willingness of property owners within Improvement Area #1 to pay Improvement Area #1 Assessments levied by the City, (b) cash flow delays associated with the institution of foreclosure and enforcement proceedings against property within Improvement Area #1, (c) general and local economic conditions which may impact real property values, the ability to liquidate real property holdings and the overall value of real property development projects, and (d) general economic conditions which may impact the general ability to market and sell the property within the District, it being understood that poor economic conditions within the City, State and region may slow the assumed pace of sales of such property.

The rate of development of the property in the District is directly related to the vitality of the residential housing industry. In the event that the sale of the land within Improvement Area #1 should proceed more slowly than expected and the Developer is unable to pay the Improvement Area #1 Assessments, only the value of the Improvement Area #1 Assessed Property, with improvements, will be available for payment of the debt service on the Bonds, and such value can only be realized through the foreclosure or expeditious liquidation of the lands within Improvement Area #1. There is no assurance that the value of such lands will be sufficient for that purpose and the expeditious liquidation of real property through foreclosure or similar means is generally considered to yield sales proceeds in a lesser sum than might otherwise be received through the orderly marketing of such real property.

Assessment Limitations

Improvement Area #1 Annual Installments of Improvement Area #1 Assessments are billed to property owners in Improvement Area #1 of the District. Improvement Area #1 Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as for ad valorem taxes as described under “ASSESSMENT PROCEDURES.” Additionally, Improvement Area #1 Annual Installments established by the Service and Assessment Plan correspond in number and proportionate amount to the number of installments and principal amounts of Bonds maturing in each year, interest on such principal, and the Annual Collection Costs for such year. See “ASSESSMENT PROCEDURES.” The unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Improvement Area #1 Annual Installments of Improvement Area #1 Assessment payments in the future.

In order to pay debt service on the Bonds, it is necessary that Improvement Area #1 Annual Installments are paid in a timely manner. Due to the lack of predictability in the collection of Improvement Area #1 Annual Installments in Improvement Area #1 of the District, the City has established a Reserve Account in the Reserve Fund, to be funded from the proceeds of the Bonds, to cover delinquencies. The Improvement Area #1 Annual Installments are secured by the Assessment Lien. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid depletion of the Reserve Account and delay in payments of debt service on the Bonds. See “BONDHOLDERS’ RISKS – Bondholders’ Remedies and Bankruptcy of Property Owners.”

Upon an ad valorem tax lien foreclosure event of a property within Improvement Area #1, any Improvement Area #1 Assessment that is delinquent will be foreclosed upon in the same manner as the ad valorem tax lien (assuming all necessary conditions and procedures for foreclosure are duly satisfied). To the extent that a foreclosure sale results in insufficient funds to pay in full both the delinquent ad valorem taxes and the delinquent Improvement Area #1 Assessments, the liens securing such delinquent ad valorem taxes and delinquent Improvement Area #1 Assessments would likely be extinguished. Any remaining unpaid balance of the delinquent Improvement Area #1 Assessments would then be an unsecured personal liability of the original property owner.

Based upon the language of Texas Local Government Code, §372.017(b), case law relating to other types of assessment liens and opinions of the Texas Attorney General, the Assessment Lien as it relates to Annual Installment payments that are not yet due should remain in effect following an ad valorem tax lien foreclosure, with future installment payments not being accelerated. Texas Local Government Code §372.018(d) supports this position, stating that an Assessment Lien runs with the land and the portion of an assessment payment that has not yet come due is not eliminated by foreclosure of an ad valorem tax lien.

The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the Assessment Ordinance. However, an Assessment Lien may not be foreclosed upon if any homestead rights of a property owner were properly claimed prior to the adoption of the Assessment Ordinance (“Pre-existing Homestead Rights”) for as long as such rights are maintained on the property. It is unclear under State law whether or not Pre-existing Homestead Rights would prevent the Assessment Lien from attaching to such homestead property or instead cause the Assessment Lien to attach, but remain subject to, the Pre-existing Homestead Rights.

Under State law, in order to establish homestead rights, the claimant must show a combination of both overt acts of homestead usage and intention on the part of the owner to claim the land as a homestead. Mere ownership of the property alone is insufficient and the intent to use the property as a homestead must be a present one, not an intention to make the property a homestead at some indefinite time in the future. As of the date of adoption of the Assessment Ordinance, no such homestead rights will have been claimed. Furthermore, the Developer will own 100% of the property within Improvement Area #1 of the District at the time the Improvement Area #1 Assessments are levied and is not eligible to claim homestead rights. Consequently, there are and can be no homestead rights on the Improvement Area #1 Assessed Property superior to the Assessment Lien and, therefore, the Assessment Lien may be foreclosed upon by the City.

Failure by owners of the parcels to pay Improvement Area #1 Annual Installments when due, depletion of the Reserve Fund, delay in foreclosure proceedings, or the inability of the City to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Improvement Area #1

Assessments levied against such parcels may result in the inability of the City to make full or punctual payments of debt service on the Bonds.

THE IMPROVEMENT AREA #1 ASSESSMENTS CONSTITUTE A FIRST AND PRIOR LIEN AGAINST THE IMPROVEMENT AREA #1 ASSESSED PROPERTY, SUPERIOR TO ALL OTHER LIENS AND CLAIMS EXCEPT LIENS AND CLAIMS FOR STATE, COUNTY, SCHOOL DISTRICT, OR MUNICIPALITY AD VALOREM TAXES AND WILL BE PERSONAL OBLIGATIONS OF AND CHARGES AGAINST THE OWNERS OF PROPERTY LOCATED WITHIN IMPROVEMENT AREA #1 OF THE DISTRICT.

State Law Requiring Notice of Assessment; Failure of Developer to Deliver Required Notice Pursuant to Texas Property Code

The 87th Legislature passed HB 1543, which became effective September 1, 2021, and requires a person who proposes to sell or otherwise convey real property within a public improvement district to provide to the purchaser of the property, before the execution of a binding contract for the purchase of such real property, written notice of the obligation to pay public improvement district assessments, in accordance with Section 5.014, Texas Property Code, as amended. In the event a contract of purchase and sale is entered into without the seller providing the notice, the intended purchaser is entitled to terminate the contract of purchase and sale. If the Developer does not provide the required notice and prospective purchasers of property within Improvement Area #1 terminate a purchase and sale contract, the anticipated absorption schedule may be affected. In addition to the right to terminate the purchase contract, a property owner who did not receive the required notice is entitled, after sale, to sue for damages for (i) all costs relative to the purchase, plus interest and reasonable attorney's fees, or (ii) an amount not to exceed \$5,000, plus reasonable attorney's fees. In a suit filed pursuant to clause (i), any damages awarded must go first to pay any outstanding liens on the property. In such an event, the outstanding Improvement Area #1 Assessments on such property should be prepaid. See "DESCRIPTION OF THE BONDS – Redemption Provisions." In the event of such prepayment, a partial redemption of the Bonds could occur. On payment of all damages respectively to the lienholders and purchaser pursuant to clause (i), the purchaser is required to reconvey the property to the seller. Further, if the Developer does not provide the required notice and become liable for monetary damages, the anticipated buildout and absorption schedule may be affected. No assurances can be given that the projected buildout and absorption schedules presented in this Limited Offering Memorandum will be realized. The forms of notice to be provided to homebuyers are attached as Appendix B to the Service and Assessment Plan and will be included in each Annual Service Plan Update. See "Appendix B – Form of Service and Assessment Plan."

Potential Future Changes in State Law Regarding Public Improvement Districts

During Texas legislative sessions and interim business of the Texas legislature, various proposals and reports have been presented by committees of Texas Senate and Texas House of Representative which suggest or recommend changes to the PID Act relating to oversight of bonds secured by special assessments including adopting requirements relating to levels of build out or adding State level oversight in connection with the issuance of bonds secured by special assessments under the PID Act. The 89th Legislative Session of the State convened on January 14, 2025 and concluded on June 2, 2025. When the regular Legislature is not in session, the Governor of Texas may call one or more special sessions, at the Governor's direction, each lasting no more than 30 days, and for which the Governor sets the agenda. Since the conclusion of the 89th Regular Session, the Governor called two special sessions, the first special session which began on July 21, 2025 and concluded on August 15, 2025 and the second special session which began on August 15, 2025 and concluded on September 4, 2025. It is impossible to predict what new proposals may be presented regarding the PID Act and the issuance of special assessment bonds during any upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Texas Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. It is impossible to predict with certainty the impact that any such future legislation will or may have on the security for the Bonds.

General Risks of Real Estate Investment and Development

Investments in undeveloped or developing real estate are generally considered to be speculative in nature and to involve a high degree of risk. The Development will be subject to the risks generally incident to real estate investments and development. Many factors that may affect the Development, including the schedule for and/or the costs of the various improvements to be constructed within the District necessary to serve residents therein, as well as

the operating revenues of the Developer, including those derived from the Development, are not within the control of the Developer. Such factors include changes in national, regional and local economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market and economic conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; acts of God (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; contractor or subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer.

The Development cannot be completed without the Developer obtaining a variety of governmental approvals and permits, some of which have already been obtained. Certain permits are necessary to initiate construction of each phase of the Development and to allow the occupancy of residences and to satisfy conditions included in the approvals and permits. There can be no assurance that all of these permits and approvals can be obtained or that the conditions to the approvals and permits can be fulfilled. The failure to obtain any of the required approvals or fulfill any one of the conditions could cause materially adverse financial results for the Developer.

A slowdown of the development process and the related absorption rate within the Development because of any or all of the foregoing could affect adversely land values. As described herein, the Improvement Area #1 Assessments are an imposition against the land only. Neither the Developer nor any other subsequent landowner is a guarantor of the Improvement Area #1 Assessments and the recourse for the failure of the Developer or any other landowner to pay the Improvement Area #1 Assessments is limited to the collection proceedings against the land as described herein. The timely payment of the Bonds depends on the willingness and ability of the Developer and any subsequent owners to pay the Improvement Area #1 Assessments when due. Any or all of the foregoing could reduce the willingness and ability of such owners to pay the Improvement Area #1 Assessments and could greatly reduce the value of the property within Improvement Area #1 in the event such property has to be foreclosed. If Improvement Area #1 Annual Installments are not timely paid and there are insufficient funds in the accounts of the Reserve Fund, a nonpayment could result in a payment default under the Indenture.

Risks Related to the Current Residential Real Estate Market

The real estate market is currently experiencing a slowing of new home sales and new home closings due in part to rising inflation and mortgage interest rates. It is difficult to determine what effects the tariffs imposed by the federal administration and the retaliatory tariffs against the United States will have on inflation and mortgage interest rates. Downturns in the real estate market, mortgage rates, and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of parcel, lot, and home sales within the District. No assurances can be given that projected home prices and buildout values presented in this Limited Offering Memorandum will be realized.

Risks Related to Increase in Costs of Building Materials and Labor Shortages

As a result of low supply and high demand, shipping constraints, and the ongoing trade war (including tariffs and retaliatory tariffs), there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. Further, the federal administration's impositions and threatened impositions of tariffs and the imposition or threatened imposition of retaliatory tariffs against the United States will impact the ability of the Developer to estimate costs. If the Actual Costs of the Improvement Area #1 Projects are substantially greater than the estimated costs or if the Developer is unable to access building materials in a timely manner, it may affect the ability of the Developer to complete the Improvement Area #1 Projects or pay the Improvement Area #1 Assessments when due. See "THE DEVELOPER – History and Financing of the District." If the cost of materials remains high or increase, it may affect the ability of the Developer to construct homes within Improvement Area #1.

The federal administration's immigration policies may impact the State's workforce. Undocumented construction workers make up a large percentage of construction workers in the State. Mass deportations or

immigration policies that make it challenging for foreign workers to work in the United States may result in labor shortages, particularly in construction. Labor shortages will impact the Developer's ability to estimate costs and to complete the Improvement Area #1 Projects and the Developer's ability to construct homes within Improvement Area #1.

Completion of Homes

The cost and time for completion of homes by the Developer is uncertain and may be affected by changes in national, regional and local economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes yet to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; force majeure (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer.

Absorption Rate

There can be no assurance that the Developer will be able to achieve its anticipated absorption rates. Failure to achieve the absorption rate estimates may adversely affect the estimated value of the District, could impair the economic viability of the District, and could reduce the ability or desire of property owners in Improvement Area #1 to pay the Improvement Area #1 Assessments.

Competition

The housing industry in the Dallas-Fort Worth area is very competitive, and none of the Developer, the City, the City's Financial Advisor, or the Underwriter can give any assurance that the building programs which are planned throughout the District will be completed in accordance with the Developer's expectations. The successful development of the land within the District, the success of the Development, and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market, and other factors beyond the control of the Developer. The competitive position of the Developer in the sale of developed lots or of any homebuilder in the sale of single-family residential units is affected by most of the factors discussed in this section, and such competitive position is directly related to maintenance of market values in Improvement Area #1 of the District.

There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise become able to compete with the Development. Below is a list of competitive projects in the area as of September 2025.

Project Name	Developer	Approximate distance from District	Year Started	Number of Single-Family Units	Approximate Number of Units Remaining	Home Prices
Hurricane Creek	Centurion American	1 mile	2020	1,851	1,196	\$567,000+
Meadow Vista	Bloomfield	3 miles	2024	731	731	\$529,000+
West Crossing	Bloomfield	3 miles	2006	1,114	33	\$587,000+

Source: The Developer

Lien Foreclosure and Bankruptcy

The payment of Improvement Area #1 Assessments and the ability of the City to foreclose on the lien of a delinquent unpaid Improvement Area #1 Assessment may be limited by bankruptcy, insolvency or other laws

generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. Although bankruptcy proceedings would not cause the Improvement Area #1 Assessments to become extinguished, bankruptcy of a property owner in all likelihood would result in a delay in prosecuting foreclosure proceedings. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds, and the possibility that delinquent Improvement Area #1 Assessments might not be paid in full. See "OVERLAPPING TAXES AND DEBT."

Direct and Overlapping Indebtedness, Improvement Area #1 Assessments and Taxes

The ability of an owner of Improvement Area #1 Assessed Property to pay the Improvement Area #1 Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of Improvement Area #1 currently impose ad valorem taxes on the property within Improvement Area #1 and will likely do so in the future. Such entities could also impose assessment liens on the property within Improvement Area #1. The imposition of additional liens, whether from taxes, assessments, or for private financing, may reduce the ability or willingness of the landowners to pay the Improvement Area #1 Assessments. See "OVERLAPPING TAXES AND DEBT."

Depletion of Accounts of the Reserve Fund; No Prefunding of Delinquency and Prepayment Reserve Account

Failure of the owners of property within Improvement Area #1 of the District to pay the Improvement Area #1 Assessments when due could result in the rapid, total depletion of the accounts in the Reserve Fund prior to replenishment from the resale of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of and interest on the Bonds if sufficient amounts are not available in the Reserve Fund. The Delinquency and Prepayment Reserve Account of the Reserve Fund is not funded from proceeds of the Bonds. Instead, funding of the Delinquency and Prepayment Reserve Account is accumulated over time, by the mechanism described in "SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account)."

The Indenture provides that if after a withdrawal from the Reserve Account the amounts therein are less than the Reserve Account Requirement, the Trustee shall transfer an amount from the Pledged Revenue Fund to the Reserve Account sufficient to cure such deficiency. The Indenture also provides that if the amount on deposit in the Delinquency and Prepayment Reserve Account shall at any time be less than the Delinquency and Prepayment Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Delinquency and Prepayment Reserve Account until the Delinquency and Prepayment Reserve Requirement has been accumulated in the Delinquency and Prepayment Reserve Account; provided, however, that the City shall not be required to replenish the Delinquency and Prepayment Reserve Account in the event funds are transferred from the Delinquency and Prepayment Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment, as described under "SECURITY FOR THE BONDS – Reserve Fund (Reserve Account and Delinquency and Prepayment Reserve Account)."

Hazardous Substances

While governmental taxes, assessments and charges are a common claim against the value of a parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value that may be realized to the assessment is a claim with regard to a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or "Superfund Act," is the most well-known and widely applicable of these laws. It is likely that, should any of the parcels of land located in the District be affected by a hazardous substance, the marketability and value of parcels would be reduced by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the land within the District does not consider the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the parcel. The City has not independently verified, and is not aware,

that the owner (or operator) of any of the parcels within the District has such a current liability with respect to such parcel; however, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the land within the District resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel that is realizable upon a foreclosure.

See “THE DEVELOPMENT — Environmental” for discussion of the Phase One ESA performed on the property within the District.

Regulation

Development within the District may be subject to future federal, state and local regulations. Approval may be required from various agencies from time to time in connection with the layout and design of development in the District, the nature and extent of public improvements, land use, zoning and other matters. Failure to meet any such regulations or obtain any such approvals in a timely manner could delay or adversely affect development in the District and property values.

Availability of Utilities

The progress of development within Improvement Area #1 of the District is also dependent upon the City providing an adequate supply of water and wastewater service to the Development. If the City fails to provide water and wastewater services to the property in the District, the Development cannot be substantially completed, and the Developer will not be able to construct homes. See “THE CITY – Water and Wastewater.”

Flood Plain and Risk from Weather Events

According to the FEMA Flood Insurance Rate Map, Community Panel Number 48085C0155J, effective June 2, 2009, all of the property within the District lies outside of the 100-year and 500-year flood plain, referred to as Zone X. FEMA will from time to time revise its Flood Insurance Rate Maps. None of the City, the Underwriter, or the Developer make any representation as to whether FEMA may revise its Flood Insurance Rate Maps, whether such revisions may result in homes that are currently outside of the 100-year and 500-year flood plain from being included in the 100-year or 500-year flood plain in the future, or whether extreme flooding events may occur more often than assumed in creating the rate maps.

All of the State, including the City, is subject to extreme weather events that can cause loss of life and damage to property through strong winds, wildfires, hurricanes, tropical storms, flooding, heavy rains and freezes, including events similar to the severe winter storm that the continental United States experienced in February 2021, which resulted in disruptions in the Electric Reliability Council of Texas power grid and prolonged blackouts throughout the State. It is impossible to predict whether similar events will occur in the future and the impact they may have on the City, including land within the District.

Exercise of Third-Party Property Rights

As described herein under “THE DEVELOPMENT – Existing Mineral Rights,” there are certain mineral rights reservations located within the District not owned by the Developer. There may also be additional mineral rights and related real property rights reflected in the chain of title for the real property within the District recorded in the real property records of the County.

The Developer does not expect the existence or exercise of any mineral rights or related real property rights in or around the District to have a material adverse effect on the Development, the property within the District, or the ability of landowners within the District to pay Improvement Area #1 Assessments. However, the Developer provides no representations, warranties or other assurances with respect to the existence or exercise of any mineral rights or

related real property rights in or around the District. Furthermore, none of the City, the Financial Advisor, or the Underwriter provide any assurances as to such Developer's expectations.

Bondholders' Remedies and Bankruptcy of Property Owners

In the event of default in the payment of principal or interest on the Bonds or the occurrence of any other Event of Default under the Indenture, the Trustee may proceed, and upon the written request of the Owners of not less than 51% in aggregate Outstanding principal amount of the Bonds under the Indenture shall proceed, to protect and enforce the rights of the Owners under the Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained in the Indenture, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the City's obligations under the Bonds or the Indenture and such obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so its use rests within the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The owners of the Bonds cannot themselves foreclose on property within Improvement Area #1 or sell property within Improvement Area #1 in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the owners of the Bonds further may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. In this regard, should the City file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the City to seek judicial foreclosure of its Assessment Lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "BONDHOLDERS' RISKS – Chapter 9 Bankruptcy Limitation to Bondholders' Rights" herein.

Any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a property owner within the District pursuant to the Federal Bankruptcy Code could, subject to its discretion, delay or limit any attempt by the City to collect delinquent Improvement Area #1 Assessments, or delinquent ad valorem taxes, against such property owner.

In addition, in 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) ("Tooke") that a waiver of sovereign immunity must be provided for by statute in "clear and unambiguous" language. In so ruling, the Court declared that statutory language such as "sue and be sued", in and of itself, did not constitute a clear and unambiguous waiver of sovereign immunity. In *Tooke*, the Court noted the enactment in 2005 of sections 271.151-.160, Texas Local Government Code (the "Local Government Immunity Waiver Act"), which, according to the Court, waives "immunity from suit for contract claims against most local governmental entities in certain circumstances." The Local Government Immunity Waiver Act covers cities and relates to contracts entered into by cities for providing goods or services to cities.

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) ("Wasson"), the Texas Supreme Court (the "Court") addressed whether the distinction between governmental and proprietary acts (as found in tort-based causes of action) applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that "a city's proprietary functions are not done pursuant to the 'will of the people'" and protecting such municipalities "via the [S]tate's immunity is not an efficient way to ensure efficient allocation of [S]tate resources." While the Court recognized that the distinction between governmental and proprietary functions is not clear, the Wasson opinion held that the Proprietary-Governmental Dichotomy applies in a contract-claims context. The Court reviewed Wasson for a second time and issued an opinion on October 5, 2018 clarifying that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function was proprietary or governmental based upon the statutory and common law guidance at the time of inception of the contractual relationship. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its

private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under authority or for the benefit of the State; these are usually activities that can be, and often are, provided by private persons, and therefore are not done as a branch of the State, and do not implicate the state's immunity since they are not performed under the authority, or for the benefit, of the State as sovereign. Notwithstanding the foregoing new case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgement, is justiciable against a municipality.

The City is not aware of any State court construing the Local Government Immunity Waiver Act in the context of whether contractual undertakings of local governments that relate to their borrowing powers are contracts covered by such act. Because it is unclear whether the Texas legislature has effectively waived the City's sovereign immunity from a suit for money damages in the absence of City action, the Trustee or the owners of the Bonds may not be able to bring such a suit against the City for breach of the Bonds or the Indenture covenants. As noted above, the Indenture provides that owners of the Bonds may exercise the remedy of mandamus to enforce the obligations of the City under the Indenture. Neither the remedy of mandamus nor any other type of injunctive relief was at issue in Tooke, and it is unclear whether Tooke will be construed to have any effect with respect to the exercise of mandamus, as such remedy has been interpreted by State courts. In general, State courts have held that a writ of mandamus may be issued to require public officials to perform ministerial acts that clearly pertain to their duties. State courts have held that a ministerial act is defined as a legal duty that is prescribed and defined with a precision and certainty that leaves nothing to the exercise of discretion or judgment, though mandamus is not available to enforce purely contractual duties. However, mandamus may be used to require a public officer to perform legally-imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party (including the payment of moneys due under a contract).

Judicial Foreclosures

Judicial foreclosure proceedings are not mandatory; however, the City has covenanted (subject to provisions set forth in the Indenture) to order and cause such actions to be commenced. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and, in such event, there could be an additional delay in payment of the principal of and interest on the Bonds or such payment may not be made in full. Moreover, in filing a suit to foreclose, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property; the proceeds of any sale of property within Improvement Area #1 available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property. See "OVERLAPPING TAXES AND DEBT." Collection of delinquent taxes, assessments and Improvement Area #1 Assessments may be adversely affected by the effects of market conditions on the foreclosure sale price, and by other factors, including taxpayers' right to redeem property within two years of foreclosure for residential and agricultural use property and six months for other property, and by a time-consuming and expensive collection procedure.

No Acceleration

The Indenture expressly denies the right of acceleration in the event of a payment default or other default under the terms of the Bonds or the Indenture.

Limited Secondary Market for the Bonds

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event an Owner thereof determines to solicit purchasers for the Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Bonds may be sold. Such price may be lower than that paid by the current Owners of the Bonds, depending on the progress of development of Improvement Area #1 subject to the Improvement Area #1 Assessments, existing real estate and financial market conditions and other factors.

No Credit Rating

The City has not applied for or received a rating on the Bonds. Even if a credit rating had been sought for the Bonds, it is not anticipated that such a rating would have been investment grade. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary market trading in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then generally prevailing circumstances. Such prices could be substantially different from the original purchase price.

Chapter 9 Bankruptcy Limitation to Bondholders' Rights

The enforceability of the rights and remedies of the owners of the Bonds may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. The City is authorized under State law to voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946. The City may proceed under Chapter 9 if it (1) is generally not paying its debts, or unable to meet its debts, as they become due, (2) desires to effect a plan to adjust such debts, and (3) has either obtained the agreement of or negotiated in good faith with its creditors, is unable to negotiate with its creditors because negotiation is impracticable, or reasonably believes that a creditor may attempt to obtain a preferential transfer.

If the City decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the City would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the plan if (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code, (2) all payments to be made in connection with the plan are fully disclosed and reasonable, (3) the City is not prohibited by law from taking any action necessary to carry out the plan, (4) administrative expenses are paid in full, (5) all regulatory or electoral approvals required under State law are obtained and (6) the plan is in the best interests of creditors and is feasible. The rights and remedies of the owners of the Bonds would be adjusted in accordance with the confirmed plan of adjustment of the City's debt. The City cannot predict a Bankruptcy Court's treatment of the Bondholders' creditor claim and whether a Bondholder would be repaid in full.

Tax-Exempt Status of the Bonds

The Indenture contains covenants by the City intended to preserve the exclusion from gross income of interest on the Bonds for federal income tax purposes. As discussed under the caption "TAX MATTERS," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Indenture.

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or State level, may adversely affect the tax-exempt status of interest on the Bonds under federal or State law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

As further described in "TAX MATTERS" below, failure of the City to comply with the requirements of the Internal Revenue Code of 1986 (the "Code") and the related legal authorities, or changes in the federal tax law or its application, could cause interest on the Bonds to be included in the gross income of owners of the Bonds for federal income tax purposes, possibly from the date of original issuance of the Bonds. Further, the opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of interest on the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. The IRS has an ongoing program of auditing obligations that are issued and sold as bearing tax-exempt interest to determine whether, in the view of the IRS, interest on such obligations is included in the gross income of the owners thereof for federal income tax purposes. In the past, the IRS has announced audit efforts focused in part on "developer-driven bond transactions," including certain tax increment

financings and certain assessment bond transactions. It cannot be predicted if this IRS focus could lead to an audit of the Bonds or what the result would be of any such audit. If an audit of the Bonds is commenced, under current procedures parties other than the City would have little, if any, right to participate in the audit process. Moreover, because achieving judicial review in connection with an audit of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees may not be practicable. Any action of the IRS, regardless of the outcome, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues, may affect the market price for, or the marketability of, the Bonds. Finally, if the IRS ultimately determines that the interest on the Bonds is not excluded from the gross income of Bondholders for federal income tax purposes, the City may not have the resources to settle with the IRS, the Bonds are not required to be redeemed, and the interest rate on the Bonds will not increase.

Management and Ownership

The management and ownership of the Developer could change in the future. Purchasers of the Bonds should not rely on the management experience of such entities. There are no assurances that such entities will not sell the subject property or that officers will not resign or be replaced. In such circumstances, a new developer or new officers in management positions may not have comparable experience in projects comparable to the Development.

Dependence Upon Developer

The Developer will own all of the Improvement Area #1 Assessed Property in Improvement Area #1 until homes begin to be sold to homebuyers. Therefore, until the Developer sells homes within Improvement Area #1, the Developer will have the obligation for payment of the Improvement Area #1 Annual Installments. The ability of the Developer to make full and timely payment of the Improvement Area #1 Assessments will directly affect the ability of the City to meet its debt service obligations with respect to the Bonds.

Use of Appraisal

Caution should be exercised in the evaluation and use of appraisal results. An appraisal is an estimate of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation and specified therein. The estimated market value specified in the Appraisal is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in the Appraisal is based on various assumptions of future expectations and while the Appraiser's forecasts for the properties in the District is considered by the Appraiser to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.

The Bonds will not necessarily trade at values determined solely by reference to the underlying value of the properties in the District.

In performing its analyses, an appraiser makes numerous assumptions with respect to general business, economic and regulatory conditions, and other matters, many of which are beyond the Appraiser's, Underwriter's, and City's control, as well as to certain factual matters. Furthermore, the Appraiser's analysis, opinions and conclusions are necessarily based upon market, economic, financial, and other circumstances and conditions existing prior to the valuation and date of the Appraisal.

The intended use and user of the Appraisal are specifically identified in the Appraisal as agreed upon in the contract for services and/or reliance language found in the Appraisal. The Appraiser has consented to the use of the Appraisal in this Limited Offering Memorandum in connection with the issuance of the Bonds. No other use or user of the Appraisal is permitted by any other party for any other purpose.

Agricultural Use Valuation and Redemption Rights

The property in the District, including Improvement Area #1, is currently entitled to valuation for ad valorem tax purposes based upon its agricultural use. The Developer expects that property will be removed from agricultural valuation as development progresses and that the property within Improvement Area #1 will no longer be subject to agricultural valuation beginning in 2026. Under State law, an owner of land that is entitled to an agricultural valuation

has the right to redeem such property after a tax sale for a period of two years after the tax sale by paying to the tax sale purchaser a 25% premium, if redeemed during the first year, or a 50% premium, if redeemed during the second year, over the purchase price paid at the tax sale and certain qualifying costs incurred by the purchaser. Although the Improvement Area #1 Assessments are not considered a tax under State law, the PID Act provides that the lien for the Improvement Area #1 Assessments may be enforced in the same manner as a lien for ad valorem taxes. This shared enforcement mechanism raises a possibility that the right to redeem agricultural valuation property may be available following a foreclosure of a lien for the Improvement Area #1 Assessments, though there is no indication in State law that such redemption rights would be available in such a case.

TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel to the City, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof (“Existing Law”), (1) interest on the Bonds for federal income tax purposes will be excludable from the “gross income” of the holders thereof and (2) the Bonds will not be treated as “specified private activity bonds” the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the “Code”). Except as stated above, Bond Counsel to the City will express no opinion as to any other federal, state, or local tax consequences of the purchase, ownership, or disposition of the Bonds. See “APPENDIX D – Form of Bond Counsel Opinion.”

In rendering its opinion, Bond Counsel to the City will rely upon (a) certain information and representations of the City, including information and representations contained in the City’s federal tax certificate, and (b) covenants of the City contained in the Bond documents relating to certain matters, including arbitrage and the use of the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the City to observe the aforementioned representations or covenants could cause the interest on the Bonds to become taxable retroactively to the date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel to the City is conditioned on compliance by the City with such requirements, and Bond Counsel to the City has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel’s opinion is not a guarantee of a result. Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the City with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the City as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the bonds may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Bonds”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Bond, and (ii) the initial offering price to

the public of such Original Issue Discount Bond would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under existing law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner’s basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on existing statutes, regulations, published rulings and court decisions, all of which are subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Interest on the Bonds may be includable in certain corporation’s “adjusted financial statement income” determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a “market discount” and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to “market discount bonds” to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A “market discount bond” is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the “revised issue price” (i.e., the issue price plus accrued original issue discount). The “accrued market discount” is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local And Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number (“TIN”), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient’s federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of foreign investors, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by (i) the unqualified approving legal opinion of the Attorney General to the effect that the Bonds are valid and legally binding obligations of the City under the Constitution and laws of the State, payable from the Trust Estate and, (ii) based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the legal opinion of Bond Counsel, to a like effect.

McCall, Parkhurst & Horton L.L.P., serves as Bond Counsel to the City. Norton Rose Fulbright US LLP serves as Underwriter’s Counsel. The legal fees paid to Bond Counsel and Underwriter’s Counsel are contingent upon the sale and delivery of the Bonds.

Legal Opinions

The City will furnish the Underwriter a transcript of certain certified proceedings incident to the authorization

and issuance of the Bonds. Such transcript will include a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State, to the effect that the Bonds are valid and binding special obligations of the City. The City will also furnish the legal opinion of Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special obligations of the City under the Constitution and laws of the State. The legal opinion of Bond Counsel will further state that the Bonds, including principal thereof and interest thereon, are payable from and secured by a first lien on, security interest in, and pledge of the Trust Estate. Bond Counsel will also provide a legal opinion to the effect that interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described above under the caption "TAX MATTERS," including the alternative minimum tax consequences for corporations. A copy of the opinion of Bond Counsel is attached hereto as "APPENDIX D – Form of Bond Counsel Opinion."

Except as noted below, Bond Counsel did not take part in the preparation of the Limited Offering Memorandum, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Limited Offering Memorandum under the captions or subcaptions "PLAN OF FINANCE – The Bonds," "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Improvement Area #1 Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS – Legal Proceedings" (first paragraph only), "LEGAL MATTERS – Legal Opinions," "SUITABILITY FOR INVESTMENT," "CONTINUING DISCLOSURE – The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS" and "APPENDIX B" and such firm is of the opinion that the information relating to the Bonds, the Bond Ordinance, the Assessment Ordinance, and the Indenture contained therein fairly and accurately describes the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance and the Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Litigation – The City

At the time of delivery and payment for the Bonds, the City will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or overtly threatened against the City affecting the existence of the District, or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof, in accordance with the Indenture, or the collection or application of Improvement Area #1 Assessments securing the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Assessment Ordinance, the Indenture, any action of the City contemplated by any of the said documents, or the collection or application of the Pledged Revenues, or in any way contesting the completeness or accuracy of this Limited Offering Memorandum or any amendment or supplement thereto, or contesting the powers of the City or its authority with respect to the Bonds or any action of the City contemplated by any documents relating to the Bonds.

Litigation – The Developer

At the time of delivery and payment for the Bonds, the Developer will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory body, public board or body pending, or, to the best knowledge of the Developer, threatened against or affecting the Developer wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developer or its officers or would adversely affect (1) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the Bond Ordinance, the Service and Assessment Plan, the Development Agreement, the CFA Agreement, or the Bond Purchase Agreement, or otherwise described in this Limited Offering Memorandum, or (2) the tax-exempt status of interest on the Bonds (individually or in the aggregate, a "Material Adverse Effect"). Principals of the Developer and their affiliated entities may in the future be parties to

pending and/or threatened litigation related to their commercial and real estate development activities. Such litigation occurs in the ordinary course of business and is not expected to have a Material Adverse Effect.

SUITABILITY FOR INVESTMENT

Investment in the Bonds poses certain economic risks. See “BONDHOLDERS’ RISKS”. The Bonds are not rated by any nationally recognized municipal securities rating service. No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. Additional information will be made available to each prospective investor, including the benefit of a site visit to the City and the opportunity to ask questions of the Developer, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. See “BONDHOLDERS’ RISKS – Bondholders’ Remedies and Bankruptcy of Property Owners.” Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by governmental immunity, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

NO RATING

No application for a rating on the Bonds has been made to any rating agency, nor is there any reason to believe that the City would have been successful in obtaining an investment grade rating for the Bonds had application been made.

CONTINUING DISCLOSURE

The City

Pursuant to SEC Rule 15c2-12 (the “Rule”), the City, the Administrator, and Regions Bank (in such capacity, the “Dissemination Agent”) will enter into a Continuing Disclosure Agreement of Issuer (the “Disclosure Agreement of Issuer”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of Issuer, certain financial information and operating data relating to the City (collectively, the “City Reports”). The specific nature of the information to be contained in the City Reports is set forth in “APPENDIX E-1 – Form of Disclosure Agreement of Issuer.” Under certain circumstances, the failure of the City to comply with its obligations under the Disclosure Agreement of Issuer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of Issuer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

The City has agreed to update information and to provide notices of certain specified events only as provided in the Disclosure Agreement of Issuer. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the Disclosure Agreement of Issuer. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Issuer or from any statement made pursuant to the Disclosure Agreement of Issuer.

The City's Compliance with Prior Undertakings

The City believes it has substantially complied in all material respects with its continuing disclosure undertakings pursuant to the Rule during the last 5 years.

The Developer

The Developer, the Administrator, and the Dissemination Agent have entered into a Continuing Disclosure Agreement of Developer (the "Disclosure Agreement of Developer") for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of Developer, certain information regarding the Development and the Improvement Area #1 Projects (collectively, the "Developer Reports"). The specific nature of the information to be contained in the Developer Reports is set forth in "APPENDIX E-2 – Form of Disclosure Agreement of Developer." Under certain circumstances, the failure of the Developer or the Administrator to comply with its obligations under the Disclosure Agreement of Developer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of Developer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance. The Disclosure Agreement of Developer is a voluntary agreement made for the benefit of the holders of the Bonds and is not entered into pursuant to the Rule.

The Developer has agreed to provide (i) certain updated information to the Administrator, which consultant will prepare and provide such updated information in report form and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of Developer. The Developer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the Disclosure Agreement of Developer. The Developer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The Developer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Developer or from any statement made pursuant to the Disclosure Agreement of Developer.

The Developer's Compliance with Prior Undertakings

Except as otherwise described herein, during the last five years, the Developer has complied in all material respects with its continuing disclosure agreements.

In connection with the issuance of two series of bonds for Timberbrook Public Improvement District No. 1 ("Timberbrook PID #1") issued in 2018, the Developer entered into two separate continuing disclosure agreements. Such agreements contained conflicting deadlines for filing of quarterly reports with EMMA. All quarterly reports were filed with EMMA by the later of the two conflicting deadlines. The conflict was discovered in 2021 and the Developer has been in compliance with the 2018 continuing disclosure agreements since June 2021.

In connection with the 2021 issuance of bonds for Timberbrook PID #1 (the "Series 2021 Bonds"), the Developer entered into a continuing disclosure agreement and a completion agreement, both of which required the Developer to certify as to the sufficiency of the Evidence of Available Funds (as defined in the completion agreement and provided at closing of the Series 2021 Bonds) to fund the completion of the improvements that were financed, in part, with proceeds of the Series 2021 Bonds. Although the Developer has certified in its quarterly reports for the Series 2021 Bonds as to the sufficiency of its available funds, generally, to fund such improvements, the quarterly reports for the Series 2021 Bonds have not addressed the sufficiency of the Evidence of Available Funds specifically, as required by the continuing disclosure agreement and the completion agreement. Beginning with its quarterly report for the period ending March 31, 2024, the Developer included in its quarterly reports for the Series 2021 Bonds a copy of the Evidence of Available Funds and a certification as to its sufficiency until termination of the completion agreement.

UNDERWRITING

FMSbonds, Inc. (the “Underwriter”) has agreed to purchase the Bonds from the City at a purchase price of \$_____ (the par amount of the Bonds, less an underwriting discount of \$_____). The Underwriter’s obligations are subject to certain conditions precedent and if obligated to purchase any of the Bonds the Underwriter will be obligated to purchase all of the Bonds. The Bonds may be offered and sold by the Underwriter at prices lower than the initial offering prices stated on the inside cover page hereof, and such initial offering prices may be changed from time to time by the Underwriter.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

The PID Act and Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code, as amended) provide that the Bonds are negotiable instruments and investment securities governed by Chapter 8, Texas Business and Commerce Code, as amended, and are legal and authorized investments for insurance companies, fiduciaries, trustees, or for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State, the PFIA requires that the Bonds be assigned a rating of at least “A” or its equivalent as to investment quality by a national rating agency. See “NO RATING” above. In addition, the PID Act and various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states. No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes.

The City made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes.

INVESTMENTS

The City invests its funds in investments authorized by Texas law in accordance with investment policies approved by the City Council. Both Texas law and the City’s investment policies are subject to change.

Under State law, the City is authorized to make investments meeting the requirements of the PFIA, which currently include (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent; (6) bonds issued, assumed

or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this state that the City selects from a list the governing body or designated investment committee of the City adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in this state that the City selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the City's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the City appoints as the City's custodian of the banking deposits issued for the City's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of the PFIA that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, or are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for City deposits, or (ii) certificates of deposits where (a) the funds are invested by the City through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the City, (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit; (10) fully collateralized repurchase agreements that have a defined termination date, are secured by a combination of cash and obligations described in clause (1) above or clause (12) below, require the securities being purchased by the City or cash held by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (12) commercial paper with a stated maturity of 365 days or less that is rated at least "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank; (13) no-load money market mutual funds registered with and regulated by the United States SEC that provide the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and (14) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract and are pledged to the City and deposited with the City or a third party selected and approved by the City.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAAm" or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying

mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than ten (10) years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Political subdivisions such as the City are authorized to implement securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than “A” or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (12) through (14) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City’s name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

Under State law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for City funds, the maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All City funds must be invested consistent with a formally adopted “Investment Strategy Statement” that specifically addresses each fund’s investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under State law, the City’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived.” At least quarterly the City’s investment officers must submit an investment report to the City Council detailing: (1) the investment position of the City, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value and the fully accrued interest for the reporting period of each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) State law. No person may invest City funds without express written authority from the City Council.

Under State law, the City is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt by written instrument a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the City to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City’s investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City’s investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the entity’s entire portfolio, requires an interpretation of subjective investment standards or relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority), and (c) deliver a written statement in a form acceptable to the City and the business organization attesting to these requirements; (5) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the City’s investment policy; (6) provide specific investment training for the Treasurer, chief financial officer and investment officers; (7) restrict reverse repurchase agreements to not more than

90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the City's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

INFORMATION RELATING TO THE TRUSTEE

The City has appointed Regions Bank, an Alabama state banking corporation, to serve as Trustee. The Trustee is to carry out those duties assignable to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Limited Offering Memorandum and assumes no responsibility for the contents, accuracy, fairness, or completeness of the information set forth in this Limited Offering Memorandum or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application by the City of any of the Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such Bonds by the City. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the project, or the investment quality of the Bonds, about all of which the Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

Additional information about the Trustee may be found at its website at www.regions.com. Neither the information on the Trustee's website, nor any links from that website, is a part of this Limited Offering Memorandum, nor should any such information be relied upon to make investment decisions regarding the Bonds.

SOURCES OF INFORMATION

General

The information contained in this Limited Offering Memorandum has been obtained primarily from the City's records, the Developer and its representatives and other sources believed to be reliable. In accordance with its responsibilities under the federal securities law, the Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum or any sale hereunder will create any implication that there has been no change in the financial condition or operations of the City or the Developer described herein since the date hereof. This Limited Offering Memorandum contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized. The summaries of the statutes, resolutions, ordinances, indentures and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Developer

The information contained in this Limited Offering Memorandum relating to the description of the Improvement Area #1 Projects, the Development, and the Developer generally and, in particular, the information included in the sections captioned "PLAN OF FINANCE" (except for the subcaption "- The Bonds"), "OVERLAPPING TAXES AND DEBT - Agricultural Valuation" (last paragraph only) and "- Homeowners' Association Dues," "THE IMPROVEMENT AREA #1 AUTHORIZED IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Improvement Area #1 Projects, and the Development), "LEGAL MATTERS - Litigation - The Developer,"

“CONTINUING DISCLOSURE – The Developer” and “– The Developer’s Compliance with Prior Undertakings,” “APPENDIX E-2,” “APPENDIX F,” and “APPENDIX G” have been provided by the Developer, and the Developer warrants and represents that the information contained herein is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Developers will deliver a certificate to this effect to the City and the Underwriter.

Experts

The information regarding the Service and Assessment Plan in this Limited Offering Memorandum has been provided by P3Works, LLC and has been included in reliance upon the authority of such firm as experts in the field of assessment allocation/methodology and district administration..

The information regarding the Appraisal in this Limited Offering Memorandum has been provided by the Appraiser, and has been included in reliance upon the authority of such firm as experts in the field of the appraisal of real property. The Appraiser has consented to the inclusion of the Appraisal herein.

Updating of Limited Offering Memorandum

If, subsequent to the date of the Limited Offering Memorandum, the City learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriter, of any adverse event which causes the Limited Offering Memorandum to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the City will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Limited Offering Memorandum satisfactory to the Underwriter; provided, however, that the obligation of the City to so amend or supplement the Limited Offering Memorandum will terminate when the City delivers the Bonds to the Underwriter, unless the Underwriter notifies the City on or before such date that less than all of the Bonds have been sold to ultimate customers; in which case the City’s obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the City delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “anticipate,” “budget” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED HEREIN TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER “CONTINUING DISCLOSURE” HEREIN.

AUTHORIZATION AND APPROVAL

The City Council has approved by resolution this Preliminary Limited Offering Memorandum and the City Council has authorized this Preliminary Limited Offering Memorandum to be used by the Underwriter in connection with the marketing and sale of the Bonds. In the Bond Ordinance, the City Council will approve the form and content of the final Limited Offering Memorandum.

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREAS

Major Employers

The major employers in the City are set forth in the table below.

<u>Employer</u>	<u>Product or Service</u>	<u>Employees</u>
Anna ISD	Education	856
Walmart	Retail	457
City of Anna	Government	191
Pate Rehab	Medical	168
Brookshire's	Grocery Store	97
Loves Travel Shop	Retail	56
McDonalds	Restaurant	49
Hurricane Creek Country Club	Country Club	48
Bronco Manufacturing	Machine Shop	37
Tri-County Vet	Veterinary Clinic	12

Source: City of Anna 2024 Comprehensive Annual Financial Report

Historical Employment in Collin County

	Average Annual				
	2025 ⁽¹⁾	2024	2023	2022	2021
Civilian Labor Force	690,212	680,301	664,539	635,039	597,989
Total Employed	660,197	654,384	640,361	614,007	571,326
Total Unemployed	30,015	25,917	24,178	21,032	26,663
Unemployment Rate	4.3%	3.8%	3.6%	3.3%	4.5%

⁽¹⁾ Data through August 2025.

Source: Texas Workforce Commission.

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Surrounding Economic Activity

The major employers of municipalities surrounding the City are set forth in the table below.

City of McKinney		City of Frisco		City of Plano	
Approximately 18 miles from the City		Approximately 28 miles from the City		Approximately 27 miles from the City	
Employer	Employees	Employer	Employees	Employer	Employees
Raytheon Space & Airborne Systems	4,200	Frisco ISD	8,850	JP Morgan Chase	10,530
McKinney ISD	2,920	Dallas Cowboys	2,000	Bank of America	6,318
Collin County	2,000	City of Frisco	1,813	Capital One Finance	5,578
Globe Life	1,700	HCL Technologies Ltd.	1,500	Toyota Motor North America, Inc.	4,960
Encore Wire Corp.	1,653	ICS	1,300	PepsiCo	3,759
City of McKinney	1,565	Keurig Dr. Pepper Inc.	1,213	Ericsson	3,346
Medical City of McKinney	1,424	Amerisource Bergen Specialty Group	749	At&T Foundry	2,500
Baylor Scott & White Medical Center	1,171	Baylor Scott White/Centennial Hosp.	567	Medical City Plano	2,332
Collin College	794	Mario Sinacola & Sons Excavating	500	Liberty Mutual Insurance Co.	2,184
Simpson Strong-Tile	650	Goodman Networks Inc.	463	USAA	2,092

City of Grapevine	
Approximately 49 miles from the City	
Employer	Employees
Gaylord Texas Resort & Conv Ctr	2,000
Dallas/Ft. Worth Int'l Airport	1,970
Grapevine-Colleyville ISD	1,870
Paycom	990
Baylor Medical	660
Great Wolf Lodge	600
City of Grapevine	590
Boeing Distribution	500
Hyatt Regency DFW	500
Kubota	450

City of Dallas	
Approximately 32 miles from the City	
Employer	Employees
UT Southwestern Medical Ctr.	25,641
Dallas ISD	22,857
Southwest Airlines Co.	19,190
City of Dallas	13,798
Parkland Health & Hosp Sys	13,103
AT&T Inc.	10,690
Dallas County Comm College	8,230
Texas Instruments Inc.	7,704
Methodist Dallas Medical Center	6,689
Dallas County	6,500

Source: Municipal Advisory Council of Texas

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APPENDIX B
FORM OF INDENTURE

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APPENDIX C

FORM OF SERVICE AND ASSESSMENT PLAN

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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APPENDIX E-1

FORM OF DISCLOSURE AGREEMENT OF ISSUER

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APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

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APPENDIX F

PHOTOGRAPHS OF DEVELOPMENT

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APPENDIX G
FORM OF CFA AGREEMENT

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APPENDIX H

APPRAISAL

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Item No. 6.k.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Joseph Cotton

AGENDA ITEM:

Approve a Resolution for Cedar Ridge Phase I Subdivision Improvement Agreement (SIA) (Director of Public Works Joseph Cotton P.E.)

SUMMARY:

During the construction of Cedar Ridge Phase I, County Roads 425 and 427 were not improved by this development. As such, the roadways are still a typically borrow ditch drainage configuration. The borrow ditch and corresponding drainage channels make the construction of sidewalks along these roadways impractical at this time. The developer has agreed to escrow 110% of the estimated construction cost associated with these sidewalks, so that the City can build the sidewalks in the future as part of a CIP roadway project for these two roadways.

FINANCIAL IMPACT:

The estimated cost of the Escrow Sidewalk is \$82,544.60 such that the amount to be paid to the City for the Escrow Sidewalk shall be \$90,799.06 or 110% of the cost of the Escrow Sidewalk.

BACKGROUND:

City requires construction of certain sidewalks adjacent to C.R. 425 and C.R. 427, with the location of the sidewalks totaling 11,626 square feet; however, the City must first perform certain road improvements to C.R. 425 and C.R. 427 prior to the construction of the Escrow Sidewalk. As security to cover the cost of the City's future construction of the Escrow Sidewalk, Developer shall deposit funds with the City in the amount of 110% of the cost of the Escrow Sidewalk.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. Resolution Cedar Ridge Estates Escrow Agreement (Sidewalks)
2. 9.11.2025 SIA Sidewalk-Lackland Clean Version C03029D20251017CR1 Final Document Without Signatures

CITY OF ANNA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS, AUTHORIZING THE ACTING CITY MANAGER TO APPROVE AN ESCROW AGREEMENT FOR CEDAR RIDGE ESTATES DEVELOPMENT. DEVELOPER AGREES TO PAY THE CITY OF ANNA, TEXAS, AN ESCROW DEPOSIT FOR THE PUBLIC IMPROVEMENT SIDEWALK ALONG COUNTY ROAD 427; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Developer has presented concerns with the sidewalk crossing at County Road 427. There are two major drainage crossings along the route. The eastern crossing spans a creek with a flow of just over 12,000 cfs and a depth exceeding 8 feet. There is limited space between the top of the culvert and the existing County Road 427 pavement. With CR 427 being approximately 22 feet wide and lacking curbs, there is concern about aligning the sidewalk too close to the roadway in order to cross over the culvert safely, and;

WHEREAS, both sides of County Road 427 are already developed to the west, where the proposed sidewalk would connect. However, there are currently no sidewalks on either side of the street, and the sidewalk would ultimately lead nowhere until the planned CIP widening of County Road 427 is complete and;

WHEREAS, the City of Anna has future plans to construct County Road 427, as part of the Capital Improvement Project. Whenever the road is widened, the culvert will be extended, and a sidewalk could fit between the curbs and the wingwall.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS, THAT:

Section 1. Incorporation of Recitals; Purpose

The recitals above are incorporated herein as if set forth in full for all purposes.

Section 2. Effective Date.

This resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Anna, Texas, this 27th day of October 2025.

ATTESTED:

APPROVED:

Carrie L. Land, City Secretary

Pete Cain, Mayor

Exhibit A

CEDAR RIDGE PHASE 1 SUBDIVISION IMPROVEMENT AGREEMENT

This Cedar Ridge Phase 1 Subdivision Improvement Agreement (this “Agreement”) is entered into by and between the **CITY OF ANNA**, a home-rule municipality in Collin County, **TEXAS** (the “City”), and **SAGINAW 106, LTD.**, a Texas limited partnership (“Developer”), to be effective on the Effective Date.

SECTION 1 **RECITALS**

WHEREAS, certain terms used in these recitals are defined in Section 2; and

WHEREAS, the City is a home-rule municipality of the State of Texas located within Collin County; and

WHEREAS, Developer and the City are sometimes collectively referenced in this Agreement as (the “Parties,”) or each individually as (“Party”); and

WHEREAS, Developer owns approximately 24.803 acres of real property located in the City, described by metes and bounds in Exhibit A (the “Property”); and

WHEREAS, the Property is zoned as SF-72 per Ordinance 922-2021 and shall be developed in accordance with said zoning; and

WHEREAS, Developer desires to proceed with development of the Property to be known as Cedar Ridge Phase 1, as generally described and/or generally illustrated on the Preliminary Plat approved by City Council Resolution 2023-11-1569 and shown in Exhibit B (the “Preliminary Plat”), which Development collectively totals approximately 96 single-family residential lots and four homeowner’s association lots; and

WHEREAS, the City requires construction of certain sidewalks adjacent to C.R. 425 and C.R. 427, with the location of the sidewalks being more particularly depicted in Exhibit C and labeled “Escrow Sidewalk” totaling 11,626 square feet (the “Escrow Sidewalk”); however, the City must first perform certain road improvements to C.R. 425 and C.R. 427 prior to the construction of the Escrow Sidewalk. As security to cover the cost of the City’s future construction of the Escrow Sidewalk, Developer shall deposit funds with the City in the amount of 110% of the cost of the Escrow Sidewalk. The estimated cost of the Escrow Sidewalk is \$82,544.60 such that the amount to be paid to the City for the Escrow Sidewalk shall be \$90,799.06 (the “Escrow Amount”); and

WHEREAS, Developer understands and acknowledges that the obligations undertaken under this Agreement are primarily for the benefit of the Property; and

WHEREAS, Developer understands and acknowledges that the Public Improvements to be constructed by the City that Developer is obligated to set aside and/or dedicate under this Agreement will benefit the Development by positively contributing to the enhanced nature of the Development, increasing property values within the Property, and encouraging investment and ultimate development of the Property; and

WHEREAS, Developer understands and acknowledges that its acceptance of this Agreement is not an exaction or a concession demanded by the City; rather, it is an undertaking of Developer's voluntary design to ensure consistency, quality, and adequate public improvements that will benefit the Development and the Property, including without limitation Developer's agreement to adhere to City-approved engineering plans and applicable City Regulations; and

WHEREAS, the City and Developer understand and acknowledge that the construction of the Public Improvements and related purchasing and contracting under this Agreement are exempt from the competitive sealed bidding procedures of Chapter 252 of the Texas Local Government Code; and

WHEREAS, the City recognizes the positive impact the Public Improvements will bring to the City and that said improvements will promote state and local economic development, stimulate business and commercial activity in the City for the development and diversification of the economy of the state, promote the development and expansion of commerce in the state, and reduce unemployment or underemployment in the state and that this agreement is a program under Chapter 380 of the Texas Local Government Code; and

WHEREAS, nothing contained in this Agreement, shall be construed as creating a contractual obligation that controls, waives, or supplants the City Council's legislative discretion or functions with respect to any matters not specifically addressed in this Agreement; and

WHEREAS, unless expressly set forth to the contrary in this Agreement, the Parties intend this Agreement to supersede City Regulations only to the extent that City Regulations directly conflict with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereby agree as follows:

SECTION 2 **DEFINITIONS**

Certain terms used in this Agreement are defined in this Section 2. Other terms used in this Agreement are defined in the recitals or in other sections of this Agreement. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Agreement means this Cedar Ridge Phase 1 Subdivision Agreement.

City means the City of Anna, a home-rule municipality located in Collin County, Texas.

City Code means the Code of Ordinances, City of Anna, Texas.

City Council means the governing body of the City.

City Engineer means the current or acting City Engineer of the City of Anna, or a person designated to act on behalf of the City Engineer as determined by the City Manager.

City Manager means the current or acting City Manager of the City of Anna or a person designated to act on behalf of that individual if the designation is in writing and signed by the current or acting City Manager.

City Regulations means the City's applicable development regulations in effect on the Effective Date, including without limitation City Code provisions, ordinances (including without limitation park dedication fees), design standards (including without limitation pavement thickness), and other policies duly adopted by the City; provided, however, that as it relates to Public Improvements for any given phase, the applicable construction standards (including without limitation uniform building codes) shall be those that the City has duly adopted at the time of the filing of an application for a preliminary plat for that phase unless construction of said phase has not commenced within two years of approval of such preliminary plat in which case the construction standards shall be those that the City has duly adopted at the time that construction commences.

Developer means the entity(ies) responsible for developing the Property in accordance with this Agreement.

Development means the Cedar Ridge Phase 2 subdivision on the Property that is the subject of this Agreement.

Effective Date means the effective date of this Agreement, which shall be the date upon which all parties have fully executed and delivered this Agreement.

Escrow means a deposit of cash with the City in accordance with City Regulations.

Final Plat means the final plat as approved by the City Council for the development of the Property, and upon the City's acceptance of the Public Improvements, filed of record in the Official Records of Collin County, Texas.

Mayor means the Mayor of the City of Anna.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Preliminary Plat means the preliminary plat as approved by the City Council by Resolution 2023-11-1569 on November 14, 2023.

Public Improvements means the Escrow Sidewalk depicted in Exhibit C.

Real Property Records of Collin County means the official land recordings of the Collin County Clerk's Office.

SECTION 3

PUBLIC IMPROVEMENTS

3.1 Construction, Ownership, and Transfer of Public Improvements.

(a) Construction Documents. Developer's engineers shall prepare, or cause the preparation of, and provide the City with, construction documents and necessary related documents for the Public Improvements.

(b) Construction Standards, Inspections and Fees. The Public Improvements shall be constructed and inspected, by the City.

(c) Ownership. The Public Improvements shall be owned and constructed by the City. Developer agrees to take any action reasonably required by the City to transfer, convey, or otherwise dedicate or ensure the dedication of land owned by the Developer, right-of-way, or easements for the Public Improvements to the City. To the extent the City requires access to the Property to construct, operate and maintain the Escrow Sidewalk, the City shall have the right of ingress, egress, entry, and access in, to, through, on, over, under, and across the Property for construction of the Escrow Sidewalk.

3.2 Operation and Maintenance. The City shall maintain and operate the Public Improvements.

3.3 Sidewalk Escrow. Notwithstanding any provision of this Agreement, Developer and the City agree that—due to current conditions of perimeter streets C.R. 425 and C.R. 427—the Escrow Sidewalk shall not be constructed until those conditions are remedied or until a future time in accordance with this subsection. As security to cover the cost of construction of the Escrow Sidewalk, Developer shall, within thirty (30) days following the Effective Date of this Agreement, pay to the City the Escrow Amount, being 110% of the cost of the Escrow Sidewalk.

SECTION 4

PAYEE INFORMATION

With respect to any and every type of payment/remittance due to be paid at any time by the Developer to the City after the Effective Date under this Agreement, the name and delivery address of the payee for such payment shall be:

Payee Name: City of Anna

Address: Attn: City Manager
 120 W. 7th Street
 Anna, TX 75409

SECTION 5

ADDITIONAL OBLIGATIONS AND AGREEMENTS

5.1 Administration of Construction of Public Improvements. The Parties agree that the City will be solely responsible to construct the Public Improvements. All public on-site and off-site infrastructure and all other related improvements will be considered a public project and the City will own all such Public Improvements upon completion.

5.2 Conflicts. When not in conflict with the terms and conditions of this Agreement, the development of the Property shall be subject to all applicable City Regulations, including but not limited to the City's subdivision regulations and engineering design standards. In the event of any direct conflict between this Agreement and any other ordinance, rule, regulation, standard, policy, order, guideline, or other City adopted or City enforced requirement, whether existing on the Effective Date or hereinafter adopted, this Agreement, including its exhibits, as applicable, the engineering plans for the Public Improvements as approved by the City shall control.

SECTION 6

EVENTS OF DEFAULT; REMEDIES

6.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than thirty (30) days (or any longer time period to the extent expressly stated in this Agreement as relates to a specific failure to perform) after written notice of the alleged failure has been given except as relates to a type of default for which a different time period is expressly set forth in this Agreement). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured.

6.2 Remedies. Except as otherwise set forth in this Agreement, as compensation for the other party's default, an aggrieved Party is limited to seeking specific performance of the other party's obligations under this Agreement.

SECTION 7

ASSIGNMENT; ENCUMBRANCE

7.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. The obligations, requirements, or covenants to develop the Property subject to this Agreement shall be freely assignable, in whole or in part, to any affiliate or related entity of Developer, or any lien holder on the Property, without the prior written consent of the City. Except as otherwise provided in this paragraph, the obligations, requirements or covenants to the development of the Property shall not be assigned, in whole or in part, by Developer to a non-affiliate or non-related entity of Developer without the prior written consent of the City Manager, which consent shall not be unreasonably withheld or delayed if the assignee demonstrates financial ability to perform. Any receivables due under this Agreement may be assigned by Developer without the consent of, but upon written notice to the City pursuant

to the terms hereof. An assignee shall be considered a “Party” for the purposes of this Agreement. Each assignment shall be in writing executed by Developer and the assignee and shall obligate the assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. Developer shall maintain written records of all assignments made by Developer to assignees, including a copy of each executed assignment and, upon written request from any Party or assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party’s sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property.

7.2 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance herewith shall be considered a “Party” for the purposes of this Agreement.

7.3 Third Party Beneficiaries. Except as otherwise provided herein, this Agreement inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement,

7.4 Notice of Assignment. The following requirements shall apply in the event that Developer sells, assigns, transfers, or otherwise conveys the Property or any part thereof and/or any of its rights or benefits under this Agreement: (i) Developer must provide written notice to the City to the extent required under this section at least fifteen (15) business days in advance of any such sale, assignment, transfer, or other conveyance; (ii) said notice must describe the extent to which any rights or benefits under this Agreement will be sold, assigned, transferred, or otherwise conveyed; (iii) said notice must state the name, mailing address, telephone contact information, and, if known, email address, of the person(s) that will acquire any rights or benefits as a result of any such sale, assignment, transfer or other conveyance; and (iv) said notice must be signed by a duly authorized person representing Developer and a duly authorized representative of the person that will acquire any rights or benefits as a result of the sale, assignment, transfer or other conveyance.

SECTION 8 **RECORDATION**

Binding Obligations. This Agreement and all amendments thereto and assignments hereof shall be recorded in the Real Property records of Collin County. This Agreement binds and constitutes a covenant running with the Property and, upon the Effective Date, is binding upon Developer and the City, and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property.

SECTION 9

GENERAL PROVISIONS

9.1 Term. Except with respect to any earlier termination effected under this Agreement, this Agreement shall terminate upon satisfaction of all obligations by all Parties or the expiration of five (5) years after the Effective Date, whichever occurs earlier.

9.2 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

9.3 Notices. Any notice, submittal, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when delivered personally or upon the expiration of 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	City of Anna, Texas Attn: City Manager 120 W. 7 th Street Anna, TX 75409
With a copy to:	Wolfe, Tidwell & McCoy, LLP Attn: Clark McCoy 2591 Dallas Parkway, Suite 300 Frisco, Texas 75034
To Developer:	Saginaw 106, Ltd. Attn: Tim H. Fleet 3045 Lackland Road Fort Worth, Texas 76116
With a copy to:	Lackland Legal Department Attn: Sarah Powers 3045 Lackland Road Fort Worth, TX 76116

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

9.4 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be

resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

9.5 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

9.6 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of Developer, and that each individual executing this Agreement on behalf of Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions.

9.7 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

9.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in the Collin County District Court.

9.9 Non Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

9.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

9.11 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three (3) business days after the occurrence of a force

majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term “force majeure” shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

9.12 Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the City and Developer expressly amending the terms of this Agreement. By entering into this Agreement, the Parties understand and agree that any previous agreements or understanding between the parties are null and void.

9.13 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

9.14 Statutory Verifications. The Developer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in entering into this Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

9.15 Form 1295. Submitted herewith is a completed Form 1295 from the Developer. The City hereby confirms receipt of the Form 1295 from the Developer. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

9.16 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Metes and Bounds Description of the Property
Exhibit B	Preliminary Plat
Exhibit C	CR 425 & CR 427 – Opinion of Probable Construction Cost/Map

[SIGNATURES PAGES AND EXHIBITS FOLLOW, REMAINDER OF THIS PAGE
INTENTIONALLY LEFT BLANK]

EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

CITY OF ANNA

By: _____
Name: Marc Marchand
Title: Acting City Manager
Date: _____

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on this 27th day of October 2025, Marc Marchand, Acting City Manager, City of Anna, Texas, on behalf of said City.

Notary Public, State of Texas

[SEAL]

DEVELOPER:

SAGINAW 106, LTD.,
a Texas limited partnership

By: WINDFALL INVESTMENTS, INC.,
a Texas corporation,
its General Partner

By: _____
Tim H. Fleet, its President

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____ 2025, by Tim H. Fleet in his capacity as President of WINDFALL INVESTMENTS, INC., a Texas CORPORATION, as general partner of Saginaw 106, Ltd., a Texas limited partnership, on behalf of said limited partnership.

Notary Public in and for the State of Texas

Exhibit A
METES AND BOUNDS DESCRIPTION OF THE PROPERTY

BEING a tract of land situated in the Josiah C. Brantley Survey, Abstract Number 114, Collin County, Texas and being all of that certain called 24.82 acre tract of land described in Special Warranty Deed to Saginaw 106 LTD., as recorded in Instrument Number 20211202002450260, Official Public Records, Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found at the northwest corner of the plat of Sweetwater Crossing, Phase 1, as recorded in Volume R, Page 197, (Instrument Number 19000101001038500), Official Public Records, Collin County, Texas, being in the east Right-of-Way line of the Dallas Area Rapid Transit tract as recorded in Volume 5443, Page 5532, Official Public Records, Collin County, Texas;

THENCE N 21°53'33"W, a distance of 93.18 feet to a 3/8 inch iron rod found for the northwest corner of said called 24.82 acre tract;

THENCE N 63°43'52"E, along the northerly line of said called 24.82 acre tract, at 2.56 feet pass a 1/2 inch iron rod found at the southwest corner of Camden Parc in Anna, Phase 4, as recorded in Instrument Number 20220222010000710, Official Public Records, Collin County, Texas, and then along the common line of said northerly line and the southeasterly line of said Camden Parc in Anna in all a total distance of 1558.89 feet to a 1/2 inch iron rod found at an angle point in said common line;

THENCE N 35°50'20"E, a distance of 868.35 feet continuing along said common line, passing the southeasterly corner of said Camden Parc in Anna to the most northerly corner of said called 24.82 acre tract, being in the existing southwesterly Right-of-Way line of County Road 427 (generally recognized as a variable width Right-of-Way, no recording documentation found);

THENCE S 58°35'33"E, a distance of 274.57 feet along said southwesterly Right-of-Way line to a 1/2 inch iron rod found for the most northeast corner of said called 24.82 acre tract and being the northwest corner of that certain called 39.747 acre tract of land described in Special Warranty Deed to Saginaw 106 Ltd., as recorded in Instrument Number 20211101002231410, Official Public Records, Collin County, Texas;

THENCE S 35°29'37"W, a distance of 771.75 feet along the common line of the easterly line of said called 24.82 acre tract and the westerly line of said called 39.747 acre tract to 3 inch steel fence post found at an angle in said common line;

THENCE S 02°58'58"E, a distance of 733.91 feet continuing along said common line to a 1/2 inch iron rod with cap stamped "1519 Surveying" found in the northerly line of Sweetwater Crossing, Phase 2, as recorded in Instrument Number 20200512010001640, Official Public Records, Collin County, Texas;

THENCE N 89°11'21"W, a distance of 1696.20 feet along the south line of said called 24.82 acre tract and the north line of said Sweetwater Crossing, Phase 2 and then along the north line of the aforementioned Sweetwater Crossing, Phase 1 returning to the Point of Beginning and containing 1,080,433 square feet or 24.803 acres of land, more or less.

Exhibit “B”

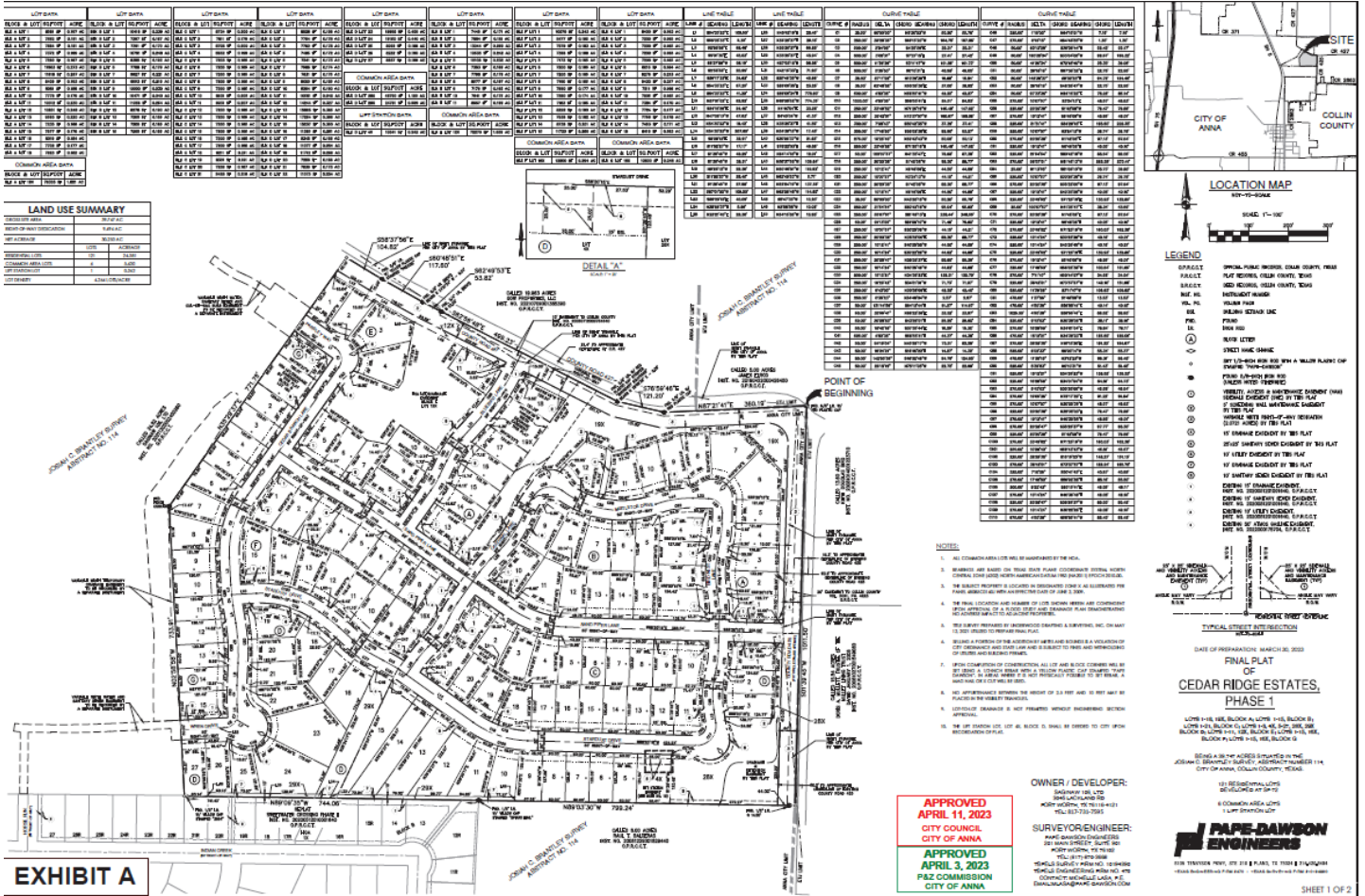
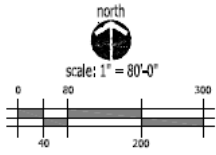
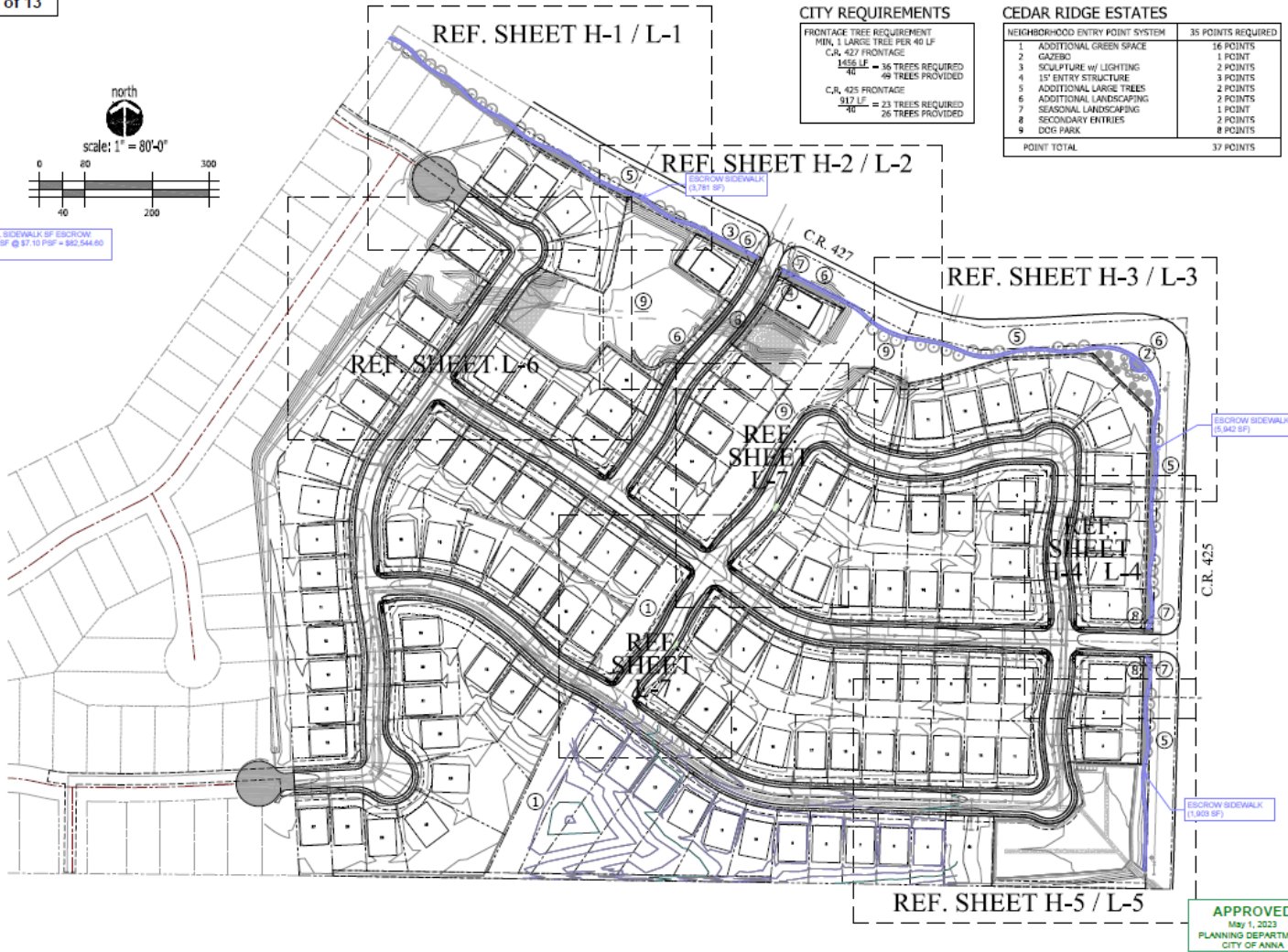


Exhibit “C”



TOTAL SIDEWALK SF ESCROW:
11626 SF @ \$7.10 PSF = \$82,544.60



APPROVED
May 1, 2023
PLANNING DEPARTMENT
CITY OF ANNA

drawn by: _____
 date: 02-20-23

rev/sions
02-27-23
03-01-23
03-03-23
03-23-23
03-27-23
04-28-23



**Learning
Design Group**
Landscape Architecture

400 Bell Ave. Suite 1140 North Village Plaza, Suite 1140
P.O. Box 440000 New York, NY 10004-0400
Tel: 212.757.4400 Fax: 212.757.4480
<http://www.learningdesigngroup.com>

NEIGHBORHOOD ENTRY
POINT TOTALS

CEDAR RIDGE ESTATES
PHASES 1 and 2
ANNA, TEXAS

file name:
c:\Program Files\Microsoft
Office\Office\EX-1
sheet
EX-1



Item No. 6.I.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Muhamad Madhat

AGENDA ITEM:

Approve a Resolution awarding the Pavement Improvements for the 4th Street project to Pace Construction Services. (CIP Manager Muhamad Madhat)

SUMMARY:

The City of Anna desires to reconstruct approximately one thousand five hundred forty linear feet (1,540 LF) of concrete sidewalk to include ADA accessible ramps, street lights, eight hundred linear feet (800 LF) of conduit and wiring, three hundred eighty linear feet (380 LF) of concrete curb, related pavement repair and utility adjustments, new crosswalk and handicap striping under the general direction of the Texas Community Development Block Grant (hereinafter called "TxCDBG") Program administered by the Texas Department of Agriculture (TDA).

FINANCIAL IMPACT:

Funding for this project is available in the FY2026 Community Investment Program budget from Roadway Impact Fee Funds. The estimated cost of construction contract including a 15% contingency is \$561,183.90. The Texas Community Development Block Grant (hereinafter called "TxCDBG") Program administered by the Texas Department of Agriculture (TDA) will reimburse the City in the amount of \$390,000.00 upon project completion.

BACKGROUND:

In 2023, the City of Anna EDC/CDC contracted with Public Management to assist the City in the application for grants for infrastructure improvements in the downtown area. The City was successful in receiving approval for two grants, including this TxCDBG Grant for improvements to 4th Street project (Riggins St to SH 5). The City has publicly bid the construction project in accordance with Texas Local Government Code. The qualified bid was received from Pace Construction Services in the amount of \$487,986.00.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Resilient.

ATTACHMENTS:

1. Resolution - Pace Construction Services
2. 4th Street - Anna TX Bid Recommendation letter (10-17-25)

CITY OF ANNA, TEXAS
RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF ANNA, TEXAS, AWARDING THE PAVEMENT IMPROVEMENTS FOR 4TH STREET PROJECT TO PACE CONSTRUCTION SERVICES IN THE AMOUNT NOT TO EXCEED FIVE HUNDRED SIXTY-ONE THOUSAND ONE HUNDRED EIGHTY-THREE DOLLARS AND NINETY CENTS (\$561,183.90), INCLUDING A 15%CONTINGENCY, WITH AN EFFECTIVE DATE.

WHEREAS, in 2023, the City of Anna EDC/CDC contracted with Public Management to assist the City in the application for grants for infrastructure improvements in the downtown area. The City was successful in receiving approval for two grants, including this TxCDBG Grant for improvements to 4th Street project; and,

WHEREAS, the City of Anna desires to reconstruct and new installation of sidewalks and street lighting along 4th Street between North Powell Parkway and Riggins Street. There will also be asphalt pavement removal and replacement at the intersection with Interurban Street; this includes crosswalk striping, stop bar marking, and four barrier free ramps; and,

WHEREAS, the best qualified bid was received from Pace Construction Services, in the amount of \$487,986.00; and,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS, THAT:

Section 1. Recitals Incorporated.

The recitals above are incorporated herein as if set forth in full for all purposes.

Section 2. Authorization of Payment and Funding.

That the City Council of the City of Anna authorizes the Acting City Manager to execute a contract not to exceed \$561,183.90 to Pace Construction Services, for the construction of Pavement Improvements for 4th Street project.

The funding for the project shall come from Roadway Impact fee and shall not to exceed \$561,183.90, including contingency funds.

PASSED AND APPROVED by the City Council of the City of Anna, Texas, on this 27th day of October 2025.

ATTEST:

APPROVED:

City Secretary, Carrie L. Land

Mayor, Pete Cain



October 17, 2025

Mr. Muhamad Madhat
CIP Manager
City of Anna
120 W. 7th Street
Anna, TX 75409

RE: Paving Improvements to 4th street

Dear Mr. Madhat:

The City of Anna received four (4) bids for the Paving Improvements to 4th Street project on October 6, 2025. The four (4) bids were as follows:

Grod Construction LLC.....	\$535,183.00
Pace Construction Services.....	\$487,986.00
Tejas Cutters LLC (US).....	\$628,625.82
Coronado Roadway Construction.....	\$487,337.00

Upon reviews of information provided to Huitt-Zollars by the contractors, we recommend the Paving Improvements to 4th Street project be awarded to Pace Construction Services because they are the best value bidder for this project. Should you have any questions please do not hesitate to call me.

Sincerely,
Huitt-Zollars, Inc.

A handwritten signature in black ink, appearing to be 'ER' or similar initials, written over a light blue horizontal line.

Eduardo E. Reyes, P.E., CCM, ENV SP
Sr. Associate



Item No. 6.m.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Lauren Mecke

AGENDA ITEM:

Approve a Resolution regarding a Joinder to Development Agreement adding a new party to an existing Development Agreement with Foursquare Healthcare, LTD (Res. No. 2025-09-1834). (Planning Manager Lauren Mecke)

SUMMARY:

Staff recommends approval.

FINANCIAL IMPACT:

This item has no financial impact.

BACKGROUND:

The City and Foursquare Health, LTD entered into a Development Agreement for the Anna Skilled Nursing at the September 23, 2025 Council meeting. (Res. No. 2025-09-1834)(DA 25-0001)

Anna RE Development, LLC purchased the property and wishes to join the agreement as it was approved.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Excellent.

ATTACHMENTS:

1. Joinder Resolution
2. Exhibit 1 (Joinder to DA) - Anna Skilled Nursing (DA 25-0001)
3. Exhibit A (Joinder Description) - Anna Skilled Nursing (DA 25-0001)
4. Exhibit B (Joinder Depiction) - Anna Skilled Nursing (DA 25-0001)

CITY OF ANNA, TEXAS
RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF ANNA, TEXAS, APPROVING A JOINDER TO DEVELOPMENT AGREEMENT WITH ANNA RE DEVELOPMENT, LLC RELATING TO THE ANNA SKILLED NURSING DEVELOPMENT AGREEMENT.

WHEREAS, the City and Foursquare had previously entered into that certain Development Agreement dated as of September 12, 2025 (the "Agreement");

WHEREAS, Anna RE Development, LLC is the owner of a tract of real property described in Exhibit A and depicted in Exhibit B (the "Property") within Exhibit 1 of the Joinder to Development Agreement; and

WHEREAS, the City and Foursquare wish to add Anna RE Development, LLC to the Agreement and to include Anna RE Development, LLC as a party under, pursuant to, and in accordance with all of the terms and provisions of the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS, THAT:

Section 1. Recitals Incorporated.

The recitals above are incorporated herein as if set forth in full for all purposes.

Section 2. Approval

The City Council hereby approves the Joinder to Development Agreement with Anna RE Development, LLC attached hereto as Exhibit 1 and ratifies and approves the Acting City Manager's execution of the same. The Acting City Manager is hereby authorized to execute all documents and take all other actions necessary to finalize, act under and enforce the Agreement.

PASSED by the City Council of the City of Anna, Texas, on this 27th day of October 2025.

ATTESTED:

APPROVED:

Carrie L. Land, City Secretary

Pete Cain, Mayor

JOINDER TO DEVELOPMENT AGREEMENT

This JOINDER TO DEVELOPMENT AGREEMENT (this “Joinder”), is entered effective as of October 27, 2025 by and among City of Anna, Texas, a Texas home-rule municipality (the “City”), Foursquare Healthcare, Ltd., a Texas limited partnership (“Foursquare”) and Anna RE Development, LLC, a Texas limited liability company (“New Owner”).

WITNESSETH THAT:

WHEREAS, the City and Foursquare had previously entered into that certain Development Agreement dated as of September 12, 2025 (the “Agreement”);

WHEREAS, New Owner is the owner of a tract of real property described in Exhibit A and depicted on Exhibit B (the “Property”) of the Agreement; and

WHEREAS, City and Foursquare wish to add New Owner to the Agreement and to include New Owner as a party under, pursuant to, and in accordance with all of the terms and provisions of the Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Joinder and Assumption. New Owner hereby joins in, assumes, and agrees to be bound by all of the terms and conditions of the Agreement and shall be jointly and severally liable, along with Foursquare, for all obligations thereunder.
2. Acknowledgment of Agreement Obligation. City and Foursquare hereby acknowledge, accept, and agree to the joinder of New Owner, and hereby confirm, agree and accept this Joinder and all provisions hereof.
3. Representations and Warranties. New Owner represents and warrants to City and Foursquare that:
 - a. It has full legal power and authority to execute and deliver this Joinder;
 - b. This Joinder has been duly authorized and executed; and
 - c. This Joinder constitutes a valid and binding obligation enforceable against it.
4. No Waiver. Nothing in this Joinder shall be construed as a release or waiver of any obligations of Foursquare under the Agreement.
5. Governing Law. This Joinder shall be governed by the laws of the State of Texas.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned have executed this Joinder as of the date set forth above.

CITY:

CITY OF ANNA, TEXAS

By: _____
Pete Cain, Mayor

IN WITNESS WHEREOF:

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

Before me, the undersigned notary public, on the 27th day of October 2025, appeared Pete Cain, known to me (or proved to me) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in his capacity as Mayor of the City of Anna, Texas.

Notary Public, State of Texas

FOURSQUARE:

FOURSQUARE HEALTHCARE, LTD.,

a Texas limited partnership

By: NC RESOURCES, INC.

a Texas corporation,

its General Partner

By:

Shane Lewis, Vice President

IN WITNESS WHEREOF:

STATE OF TEXAS §

§

COUNTY OF DALLAS §

Before me, the undersigned notary public, on the 27th day of October 2025, appeared Shane Lewis, known to me (or proved to me) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in his capacity as Vice President of NC Resources, Inc., a Texas corporation and general partner of Foursquare Healthcare, Ltd., a Texas limited partnership.

Notary Public, State of Texas

NEW OWNER:

ANNA RE DEVELOPMENT, LLC,
a Texas limited liability company

By: _____
Shane Lewis, President

IN WITNESS WHEREOF:

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned notary public, on the 27th day of October 2025, appeared Shane Lewis, known to me (or proved to me) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in his capacity as President of Anna RE Development, LLC.

Notary Public, State of Texas

PROPERTY DESCRIPTION

BEING a tract of land situated in the David E.W. Babb Survey, Abstract No. 33, Collin County, Texas, and being all of a called 1.14 acre tract of land described in the General Warranty Deed to Mel-Hwy 5 LLC, recorded in Instrument No. 20211116002339690, Official Public Records, Collin County, Texas, and all of a called 14.102 acre tract of land described in the General Warranty Deed to Mel-Hwy5, LLC, recorded in Instrument No. 2021006002048430, Official Public Records, Collin County, Texas; and being more particularly described as follows:

BEGINNING at a mag nail found at the northeast corner of said 1.14 acre tract and being the northwest corner of a called 1.1092 acre tract of land designated as "Parcel 122" described in the Final Judgment to the State of Texas recorded in Instrument No. 20210223000344400, Official Public Records, Collin County, Texas and being the intersection of the approximate centerline of County Road 365 (Highland Road - no record found) with the west right-of-way line of State Highway No. 5 (Powell Parkway - a variable width right-of-way);

THENCE with said west right-of-way line of State Highway No. 5, the following courses and distances:

South 18°42'08" West, a distance of 492.59 feet to a 5/8-inch iron rod with plastic cap stamped "TXDOT Survey Marker, Right-of-Way Monument" found for corner;

South 16°52'01" West, passing at a distance of 82.16 feet the south corner of said 1.14 acre tract and being the southwest corner of said 1.1092 acre tract, same being an angle point in the east line of said 14.02 acre tract and the north corner of a called 0.6961 acre tract of land designated as Parcel 121, recorded in the Deed to the State of Texas recorded in Instrument No. 20190107000019120, Official Public Records, Collin County, Texas, and continuing a total distance of 384.09 feet to a 5/8-inch iron rod with plastic cap stamped "TXDOT Survey Marker, Right-of-Way Monument" found for corner;

South 19°56'53" West, a distance of 291.35 feet to a 1/2-inch iron rod found at the southwest corner of said 0.6961 acre tract and being the southeast corner of said 14.02 acre tract

THENCE North 65°53'56" West, departing said west right-of-way line and with the southerly line of said 14.02 acre tract a distance of 755.81 feet to a rail road spike found for the southwest corner of said 14.02 acre tract and being in the approximate centerline of said County Road 365;

THENCE with the west and northerly line of said 14.02 and 1.14 acre tract and said approximate centerline, the following courses and distances:

North 29°43'24" East, a distance of 577.78 feet to a 60d nail found for corner;

North 33°51'03" East, a distance of 100.02 feet to a 60d nail found for corner;

North 43°25'32" East, a distance of 99.75 feet to a 60d nail found for corner;

North 51°50'40" East, a distance of 100.11 feet to a 60d nail found for corner;

North 64°07'09" East, a distance of 99.93 feet to a 60d nail found for corner;

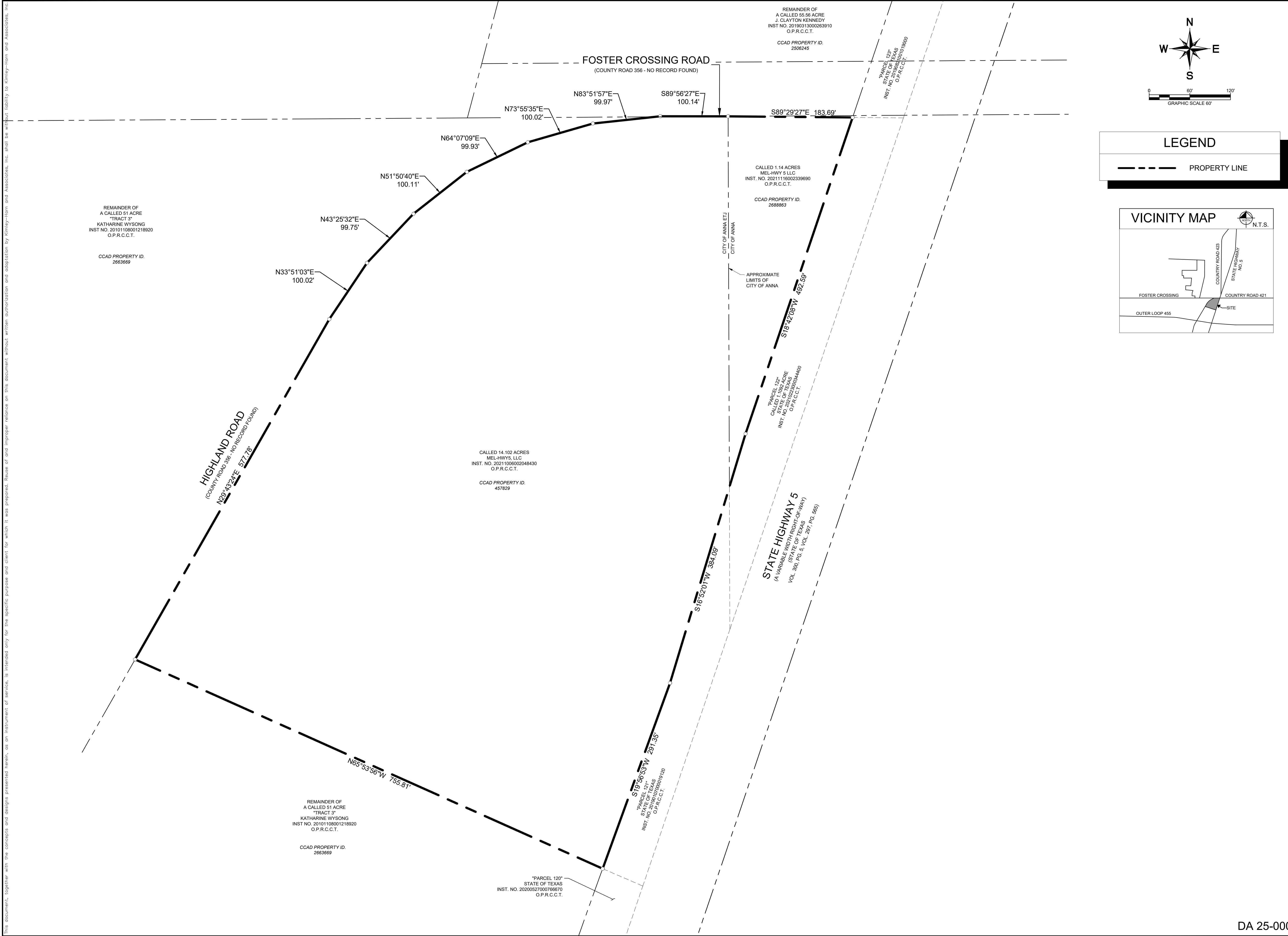
North 73°55'35" East, a distance of 100.02 feet to a 60d nail found for corner;

North 83°51'57" East, a distance of 99.97 feet to a 60d nail found for corner;

South 89°56'27" East, a distance of 100.14 feet to a rail road spike found at the northeast corner of said 14.02 acre tract and being the northwest corner of said 1.14 acre tract;

South 89°29'27" East, a distance of 183.69 feet to the **POINT OF BEGINNING**; and containing a computed area of 663,969 square feet or 15.2426 acres of land.

This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kinney-Horn and Associates, Inc. shall be without liability to Kinney-Horn and Associates, Inc.



ANNA SKILLED NURSING	TEXAS	METES AND BOUNDS EXHIBIT	KHA PROJECT 064510605		Kimley»»Horn © 2025 KIMLEY-HORN AND ASSOCIATES, INC. 2500 PACIFIC AVENUE, SUITE 1100 DALLAS, TEXAS 75226 PHONE: 972-770-1500 FAX: 972-239-3820 WWW.KIMLEY-HORN.COM FIRM NO. F-928						
			DATE AUGUST 2025								
			SCALE AS SHOWN								
			DESIGNED BY KAW								
			DRAWN BY JHI								
			CHECKED BY AMU								
			SHEET NUMBER 1 OF 1				No.	REVISIONS	DATE	BY	



Item No. 6.n.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Lauren Mecke

AGENDA ITEM:

Approve a Resolution entering into a Development Agreement with Grayson-Collin Recreational Association, Inc. regarding the Hurricane Creek Country Club. (Planning Manager Lauren Mecke)

SUMMARY:

Recommended for approval.

FINANCIAL IMPACT:

This item has no financial impact.

BACKGROUND:

Hurricane Creek Country Club has purchased six acres contiguous to the golf course property from the developer of Liberty Hills. The golf course is being redesigned and part of that will include the six acres. The golf course and Country Club have been and are currently within the City's ETJ.

Upon approval of this agreement, the Hurricane Creek Country Club will submit a petition to disannex the six acres from the city limits.

STRATEGIC CONNECTIONS:

This item has no strategic connection.

ATTACHMENTS:

1. Resolution (DA) Hurricane Creek County Club
2. Exhibit 1 (DA) Hurricane Creek Country Club UPDATED
3. Property Depiction (DA) Hurricane Creek Country Club

CITY OF ANNA, TEXAS
RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF ANNA, TEXAS, APPROVING A DEVELOPMENT AGREEMENT WITH GRAYSON-COLLIN RECREATIONAL ASSOCIATION, INC. RELATING TO THE HURRICANE CREEK COUNTY CLUB AND GOLF COURSE.

WHEREAS, Grayson-Collin Recreational Association, Inc. (the “Owner”) owns a 204.66-acre tract of real property consisting of an existing golf course and country club commonly known as the Hurricane Creek Country Club being described more particularly in Exhibit A (the “Property”); and

WHEREAS, the Owner desires to redesign the golf course on the Property including without limitation a certain 6.836-acre site located within the City’s corporate limits and described in Exhibit B (the “6.836-Acre Tract”); and

WHEREAS, the Owner and the City intend that the 6.836-Acre Tract be disannexed from the City’s corporate limits and become part of the City’s ETJ under the terms of this Agreement and the City’s adoption of an ordinance disannexing the 6.836-Acre Tract; and

WHEREAS, the Parties desire that subsequent to said disannexation, the Property—including without limitation the 6.836-Acre Tract—shall continue to remain within the City’s ETJ unless the Parties amend this Agreement in the future to expressly provide for all or a portion of the Property to be removed from the City’s ETJ; and

WHEREAS, the Property is within the City’s Certificate of Convenience and Necessity for the provision of retail water and sewer service and the Owner and the City intend that the City will provide retail wastewater service to the Property under the terms of this Agreement and applicable City Regulations; and

WHEREAS, the Parties desire to enter into this Agreement under Section 212.172, Texas Local Government Code, for the purposes stated therein and including, without limitation, to: (i) provide for the terms of disannexation of the Additional Area from the City’s corporate limits (the “Disannexation”); (ii) specify the use and development of the Property now and in the future; (iii) provide exemptions from certain City Regulations that may otherwise apply to the Property; (iv) provide for the connection of the Club’s sanitary sewer system to City’s sanitary sewer lines; (v) prohibit any part of the Property being annexed by the City now or in the future unless the Owner consent to such annexation; and (vi) establish those other lawful terms and considerations regarding the Property deemed appropriate by the Parties; and

WHEREAS, the Parties agree that the City has provided to the landowner of the Property, whether one or more, with: (1) a statement that the landowner is not required to enter into this Agreement; (2) a reference to the authority under which the City may annex the Property—but only if agreed to by the Owner—including without limitation Subchapter C-3, Chapter 43, Texas Local Government Code; (3) a plain-language description of the annexation procedures applicable to the Property with the understanding that all or any

part of the Property cannot be annexed by the City now or in the future unless the Owner consent to such annexation; (4) a statement that said procedures require the landowner's consent; and (5) a statement regarding the Property's immunity from annexation and the municipality's limited waiver of immunity to suit; and

WHEREAS, it is the Parties' mutual intent that this agreement shall govern only the subject matter specifically set forth herein and shall supersede City Regulations only to the extent that any such City Regulations directly conflict with the terms of this Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS THAT:

Section 1. **Recitals Incorporated.**

The recitals above are incorporated herein as if set forth in full for all purposes.

Section 2. **Approval**

The City Council hereby approves the Development Agreement with Grayson-Collin Recreational Association, Inc. attached hereto as Exhibit 1 and ratifies and approves the Acting City Manager's execution of the same. The Acting City Manager is hereby authorized to execute all documents and take all other actions necessary to finalize, act under and enforce the Agreement.

PASSED by the City Council of the City of Anna, Texas, on this 27th day of October 2025.

ATTESTED:

APPROVED:

Carrie L. Land, City Secretary

Pete Cain, Mayor

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”) is entered effective as of _____, 2025 (“Effective Date”) between the City of Anna, Texas, a Texas home-rule municipality (the “City”) and Grayson-Collin Recreational Association, Inc., a Texas corporation (“Owner”) as follows:

RECITALS

WHEREAS, the City and the Owner are sometimes referenced herein collectively as the “Parties” or individually as a “Party”; and

WHEREAS, the Owner owns a 204.66-acre tract of real property consisting of an existing golf course and country club commonly known as the Hurricane Creek Country Club being described more particularly in Exhibit A (the “Property”); and

WHEREAS, the Owner desires to redesign the golf course on the Property including without limitation a certain 6.836-acre site located within the City’s corporate limits and described in Exhibit B (the “6.836-Acre Tract”); and

WHEREAS, the Owner and the City intend that the 6.836-Acre Tract be disannexed from the City’s corporate limits and become part of the City’s ETJ under the terms of this Agreement and the City’s adoption of an ordinance disannexing the 6.836-Acre Tract; and

WHEREAS, the Parties desire that subsequent to said disannexation, the Property—including without limitation the 6.836-Acre Tract—shall continue to remain within the City’s ETJ unless the Parties amend this Agreement in the future to expressly provide for all or a portion of the Property to be removed from the City’s ETJ; and

WHEREAS, the Property is within the City’s Certificate of Convenience and Necessity for the provision of retail water and sewer service and the Owner and the City intend that the City will provide retail wastewater service to the Property under the terms of this Agreement and applicable City Regulations; and

WHEREAS, the Parties desire to enter into this Agreement under Section 212.172, Texas Local Government Code, for the purposes stated therein and including, without limitation, to: (i) provide for the terms of disannexation of the Additional Area from the City’s corporate limits (the “Disannexation”); (ii) specify the use and development of the Property now and in the future; (iii) provide exemptions from certain City Regulations that may otherwise apply to the Property; (iv) provide for the connection of the Club’s sanitary sewer system to City’s sanitary sewer lines; (v) prohibit any part of the Property being annexed by the City now or in the future unless the Owner consent to such annexation; and (vi) establish those other lawful terms and considerations regarding the Property deemed appropriate by the Parties; and

WHEREAS, the Parties agree that the City has provided to the landowner of the Property, whether one or more, with: (1) a statement that the landowner is not required to enter into this Agreement; (2) a reference to the authority under which the City may annex the Property—but

only if agreed to by the Owner—including without limitation Subchapter C-3, Chapter 43, Texas Local Government Code; (3) a plain-language description of the annexation procedures applicable to the Property with the understanding that all or any part of the Property cannot be annexed by the City now or in the future unless the Owner consent to such annexation; (4) a statement that said procedures require the landowner's consent; and (5) a statement regarding the Property's immunity from annexation and the municipality's limited waiver of immunity to suit; and

WHEREAS, it is the Parties' mutual intent that this agreement shall govern only the subject matter specifically set forth herein and shall supersede City Regulations only to the extent that any such City Regulations directly conflict with the terms of this Agreement;

NOW, THEREFORE, in consideration of the above recitals and the mutual consideration as reflected in the covenants, duties and obligations. contained herein, the sufficiency of which is hereby acknowledged, the Parties hereto agree as follows, effective as of the Effective Date.

SECTION 1. RECITALS INCORPORATED.

The recitals set forth above are incorporated herein as if set forth in full to further describe the Parties' intent under this Agreement.

SECTION 2. DISANNEXATION / IMMUNITY FROM ANNEXATION / NO REMOVAL FROM ETJ

- A. Disannexation. The Owner has or will in the near future petitioned the for the Disannexation. If the City has not already disannexed the Additional Area, the City agrees that it will complete the Disannexation before the expiration of sixty (60) days after the date the Owner submits a disannexation petition/application to the City on the City's standard form (the "Disannexation Petition"). Owner shall further execute and supply any and all instruments and/or other documentation necessary for the City to legally disannex the Additional Area. Should the City fail to timely complete the Disannexation in accordance with this Agreement, Owner shall have the right to terminate this Agreement with 30 calendar days' advance notice to the City; provided, however, that such termination shall not occur if the City completes the annexation of the Property before the expiration of said 30 calendar days' advance notice provided by Owner.
- B. Immunity from Annexation. The Property shall be immune from annexation by the City—and immune from all City ad valorem property taxes—unless and until all or any part of the Property is annexed after mutual written agreement by the Parties providing for the terms of such annexation and municipal services to the Property.
- C. No ETJ Removal. The Property shall not be removed from the City's ETJ unless and until all or any part of the Property is removed after mutual written agreement by the Parties providing for the terms of such removal. Owner waives any and all rights to remove the Property from the City's ETJ under Texas Local Government Code § 42.101 et seq. or any other applicable law.

SECTION 3. LAND USE AND RELATED REGULATIONS.

Exemptions. Notwithstanding any provision of The Anna City Code of Ordinances (“Anna Code”) or any other law, ordinance, or regulation of the City (collectively, “City Regulations”), the City shall not enforce any provision of:

1. Anna Code, Article 8.03 “Noise,” as said article may be amended, or any other City Regulations concerning noise with regard to construction and maintenance of the golf course and related facilities on all or any part of the Property; or
2. Anna Code, Article 9.07 “Tree Preservation,” as said article may be amended, or any other City Regulations concerning tree removal or tree preservation with regard to all or any part of the Property.

SECTION 4. SANITARY SEWER SERVICE.

A. Wastewater/Sanitary Sewer Facilities.

(1) Owner’s General Obligations. Owner is responsible for the design, installation, construction and all associated costs and maintenance of all onsite and offsite wastewater/sanitary sewer improvements necessary to serve the Property, including without limitation any meters required to measure flow into the City’s wastewater system, as generally depicted in **Exhibit C**. Owner may connect said wastewater/sanitary sewer improvements to the City’s wastewater/sanitary sewer improvements in accordance with applicable City Regulations. The design and construction plans for all improvements necessary to connect the Owner’s wastewater/sanitary sewer improvements necessary to serve the Property to the City’s sanitary sewer improvements shall be approved by the City in advance of the commencement of construction of same. Approval of such plans and proper connection to the City’s wastewater system is a condition for the City to provide wastewater service to the Property of any part thereof. Any attempt to connect to the City’s wastewater system in any manner that is not strictly in accordance with the plans approved by the City is a material breach and default under this Agreement.

(2) Easement/Ownership. Owner shall be responsible for any acquisition of any easements and other property acquisitions that may be necessary to connect its wastewater/sanitary sewer improvements to the City’s wastewater/sanitary sewer improvements. The size, extent and locations of said easements or other property interests shall be approved by the City’s Director of Public Works or his/her designee as part of the construction approval process.

B. Retail Wastewater Services.

(1) The City represents and confirms that it currently has and reasonably expects to continue to have the capacity to provide to the Property continuous and adequate retail wastewater service at times and in capacities sufficient to meet the service demands of the Property.

(2) The City shall operate and maintain its wastewater facilities to serve the Property at the same rates as similar projects located within the City's ETJ. Upon approved connection of Owner's wastewater facilities to the City's wastewater facilities, the City shall at all times maintain said its own wastewater facilities, or cause the same to be maintained, in good condition and order in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards, orders of any governmental entity with jurisdiction over same.

(3) The City does not agree to provide wastewater/sewer service to any areas outside of the Property and knowingly allowing any volume of wastewater into the City's wastewater facilities from any area outside of the Property would be a material breach and default under this Agreement.

SECTION 5. DEFAULT.

If Owner, its heirs, successors or assigns or any Subsequent Owner of the Property or any part thereof fails to comply with any of the material terms and conditions included in this Agreement (such defaulting owner referenced herein as "Defaulting Owner"), the City will have the following non-exclusive and cumulative remedies.

- A. Withholding and/or cessations of providing utilities the Property.
- B. Withholding or revocation of permits and other approvals required for development and use of the portion of the Property that is the subject of the default (but no other portions of the Property) including without limitation building permits and certificates of occupancy.
- C. Any and all remedies available to it at equity or in law.
- D. Notwithstanding the foregoing, a Defaulting Owner shall not be liable for the remedies under this section—other than a default described under Section 4.B.(3)—unless there is a breach of any material term or condition of this Agreement and such breach remains uncured after 45 calendar days following receipt of written notice from the City provided in accordance with this Agreement describing said breach in reasonable detail (or, if the cure of the breach has diligently and continuously been undertaken but reasonably requires more than 45 calendar days to cure, then such additional amount of time as is reasonably necessary to effect the cure, as determined by both Parties mutually and in good faith but in no event shall such additional period exceed 90 days unless agreed to in writing by the Parties).
- E. Only as relates to a default under Section 4.B.(3), a Defaulting Owner shall be liable to pay to the City the sum of \$2,000 for each breach of said section. The Defaulting Owner shall be liable to pay the City said \$2,000 sum per day for each day that such breach

occurs. The sums of money to be paid for such breach(es) is not to be considered as a penalty, but shall be deemed, taken and treated as reasonable liquidated damages that accrue per day that such a failure shall exist or occur. The said amounts are fixed and agreed upon by the Parties because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the City in such event would sustain; and said amounts are agreed to be the amounts of damages which the City would sustain. The sum of liquidated damages shall be calculated to include each and every day of the occurrence of the breach beginning on the date that the City first provides written notice of such breach under this paragraph and the City shall not be required to provide any subsequent written notices as to subsequent dates or times during which such breach is repeated or continues to occur. Also included in the calculation of the sum of liquidated damages shall be each day that the breach occurred before the City gave written notice of such breach To the extent that it can be proven that such breach previously occurred.

SECTION 6. BINDING ON SUCCESSORS, AGREEMENT RUNS WITH THE LAND.

This Agreement will be binding upon and inure to the benefit of the Parties' respective successors, assigns and personal representatives. This Agreement runs with the land and is binding on all subsequent owners of the Property or any portions thereof (each, a "Subsequent Owner"). This section shall be construed liberally to ensure the Parties' intent that this Agreement shall be enforceable regardless of any change of ownership of or interest in the Property or any part thereof. Notwithstanding anything to the contrary in this Section 6 or elsewhere in this Agreement, if the Owner or a Subsequent Owner (the "Transferor") conveys, assigns, or transfers its entire interest in the Property or any part thereof (the "Transferred Property") to a Subsequent Owner (the "Transferee") who assumes Transferor's obligations under this Agreement with respect to the Transferred Property, the Transferor shall be automatically released from its obligations under this Agreement relating to the Transferred Property subsequent to the date of transfer and the Transferee shall be fully obligated under this Agreement from that date forward as relates to the Transferred Property.

SECTION 7. INDEMNIFICATION AND HOLD HARMLESS.

THE OWNER OR ANY SUBSEQUENT OWNER OF THE PROPERTY (THE "INDEMNIFYING PARTY" WHETHER ONE OR MORE), HEREBY COVENANTS AND AGREES TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY THE CITY AND ITS OFFICIALS, OFFICERS, AGENTS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ALL THIRD-PARTY CLAIMS, SUITS, JUDGMENTS, DAMAGES, AND DEMANDS AGAINST THE CITY, WHETHER REAL OR ASSERTED INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEY'S FEES, RELATED EXPENSES, EXPERT WITNESS FEES, CONSULTANT FEES, AND OTHER COSTS (TOGETHER,

“CLAIMS”), ARISING OUT OF THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF THE INDEMNIFYING PARTY, INCLUDING WITHOUT LIMITATION THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF ANY OF THE INDEMNIFYING PARTY’S EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, MATERIAL MEN, AND/OR AGENTS, IN CONNECTION WITH THE DESIGN OR CONSTRUCTION OF ANY PUBLIC INFRASTRUCTURE, STRUCTURES, OR OTHER FACILITIES OR IMPROVEMENTS RELATED TO THE WASTEWATER LINE SERVICING THE PROPERTY; AND IT IS EXPRESSLY UNDERSTOOD THAT SUCH CLAIMS SHALL, EXCEPT AS MODIFIED BELOW, INCLUDE CLAIMS EVEN IF CAUSED BY THE CITY’S OWN CONCURRENT NEGLIGENCE SUBJECT TO THE TERMS OF THIS SECTION. THE INDEMNIFYING PARTY SHALL NOT, HOWEVER, BE REQUIRED TO INDEMNIFY THE CITY AGAINST CLAIMS CAUSED BY THE CITY’S SOLE NEGLIGENCE OR BY THE CITY’S WILLFUL MISCONDUCT OR GROSS NEGLIGENCE. IF THE CITY INCURS CLAIMS THAT ARE CAUSED BY THE CONCURRENT NEGLIGENCE OF THE INDEMNIFYING PARTY AND THE CITY, THE INDEMNIFYING PARTY’S INDEMNITY OBLIGATION WILL BE LIMITED TO A FRACTION OF THE TOTAL CLAIMS EQUIVALENT TO THE INDEMNIFYING PARTY’S OWN PERCENTAGE OF RESPONSIBILITY. THE INDEMNIFYING PARTY FURTHER COVENANTS AND AGREES TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY, THE CITY AGAINST ANY AND ALL CLAIMS BY ANY PERSON CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY AS OF THE EFFECTIVE DATE WHO HAS NOT SIGNED THIS AGREEMENT IF SUCH CLAIMS RELATE IN ANY MANNER OR ARISE IN CONNECTION WITH: (1) THE CITY’S RELIANCE UPON ANY OF THE INDEMNIFYING PARTIES’ REPRESENTATIONS IN THIS AGREEMENT; (2) THIS AGREEMENT OR OWNERSHIP OF THE PROPERTY; OR (3) THE CITY’S APPROVAL OF ANY TYPE OF DEVELOPMENT APPLICATION OR SUBMISSION WITH RESPECT TO THE PROPERTY. At no time shall the City have any control over or charge of the Property or the design, construction or installation of any of the improvements to the Property or any part thereof or related work or undertakings, nor the means, methods, techniques, sequences or procedures utilized for the design, construction or installation related to same. This Agreement does not create a joint enterprise or venture between the City and any Owner or Subsequent Owner. This section shall survive the termination of this Agreement.

SECTION 8. RECORDATION.

This document, including all Exhibits, shall be recorded in the Official Records of Collin County, Texas.

SECTION 9. ENTIRE AGREEMENT.

This Agreement is the entire agreement of the Parties regarding the subject matter hereto and supersedes and replaces any prior agreements relating to the same subject matter.

SECTION 10. RECITALS AND EXHIBITS.

The recitals herein and exhibits attached hereto are hereby incorporated by reference.

SECTION 11. AUTHORITY.

Owner represents and warrants to the City that the Owner owns the Property and that the person executing this Agreement on behalf of Owner is fully authorized to bind the Owner to all of the terms of this Agreement.

SECTION 12. INVALID PROVISIONS.

If any provision of this Agreement is held not valid, such provision will be deemed to be excised there from and the invalidity thereof will not affect any of the other provisions contained herein.

SECTION 13. FORCE MAJEURE.

Whenever a period of time is prescribed in this Agreement for a Party (the "Acting Party") to take an action (other than a payment obligation), the Acting Party will not be liable or responsible for, and there will be excluded from the computation of any such time period, the period of time (the "Force Majeure Period") of delays caused by strikes, riots, acts of God, pandemic, enemy action, shortages of labor or materials, war, acts of terrorism, flood, fire, explosion, unavoidable casualty, or any other causes that are beyond the reasonable control of the Acting Party or any of its employees, agents, or contractors, but not any economic hardship, changes in market conditions, and insufficiency of funds ("Force Majeure"). However, a date will only be extended by a Force Majeure Period if the Acting Party gives notice to the other Party of the occurrence or commencement of the event that constitutes Force Majeure within five days after the Acting Party knows of the existence or commencement of such event, and claims (in such notice) that such event constitutes Force Majeure. A Party that has claimed the right to temporarily suspend its performance under this section shall provide written reports to the other Party at least once every week detailing: (i) the extent to which the force majeure event or circumstance continue to prevent the Party's performance; (ii) all of the measures being employed to regain the ability to perform; and (iii) the projected date upon which the Party will be able to resume performance, which projected date the Parties agree and acknowledge is only an estimate and not a binding commitment by the Party claiming force majeure.

SECTION 14. EFFECTIVE DATE.

This Agreement will be effective upon the Effective Date first stated herein.

SECTION 15. MISCELLANEOUS.

- A. Notices. Any and all notices required to be given by either of the Parties hereto must be in writing and will be deemed delivered upon personal service, if hand-delivered, or when mailed in the United States mail, certified, return receipt requested, addressed as follows:

To City:

City of Anna
Attn: City Manager
120 W 7th Street
Anna, Texas 75409

With a copy to:

Wolfe, Tidwell & McCoy, LLP
Attn: Clark McCoy
2591 Dallas Parkway, Suite 300
Frisco, Texas 75034

To Owner:

Grayson-Collin Recreational Association, Inc.
Attn: Greg Morrison
1800 Fairview Ln
Anna, Texas 75409

With a copy to:

Addison, Clow & Martin
Attn: Matt Martin
5429 LBJ Freeway, Suite 400
Dallas, Texas 75240

- B. Interpretation. Each Party has been actively involved in negotiating this Agreement. Accordingly, a rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision. Headings in this Agreement are for the convenience of the Parties and are not intended to be used in construing this document.
- C. Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required. All references to time periods in terms of “days” mean calendar days unless otherwise set forth.
- D. Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the

Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, and that each individual executing this Agreement on behalf of Owner has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions.

- E. Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
- F. Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County, Texas. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in a Collin County District Court.
- G. Non Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.
- H. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
- I. Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the Parties expressly amending the terms of this Agreement. By entering into this Agreement, any previous agreements or understanding between the Parties relating to the same subject matter are null and void.
- J. Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.
- K. Statutory Verifications. Owner makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by,

or is under common control with Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

- (1) Not a Sanctioned Company. Owner represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (2) No Boycott of Israel. Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- (3) No Discrimination Against Firearm Entities. Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.
- (4) No Boycott of Energy Companies. Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.
- (5) Form 1295. Submitted herewith is a completed Form 1295 in connection with the participation of Owner for the purposes of Section 2252.908 of the Texas Government Code in the execution of this Agreement generated by the Texas Ethics Commission’s (the “TEC”) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the “Form

1295”). The City hereby confirms receipt of the Form 1295 from Owner to the extent that each constitutes a “business entity” for the purposes of Section 2252.908 of the Texas Government Code, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. Owner and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by Owner; and, neither the City nor its consultants have verified such information.

[signature page follows]

CITY OF ANNA, TEXAS

By: _____
Pete Cain, Mayor

IN WITNESS WHEREOF:

STATE OF TEXAS §

§

COUNTY OF COLLIN §

Before me, the undersigned notary public, on the _____ day of _____ 2025, appeared Pete Cain, known to me (or proved to me) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in his capacity as Mayor of the City of Anna, Texas.

Notary Public, State of Texas

GRAYSON-COLLIN RECREATIONAL ASSOCIATION, INC.,
a Texas corporation

By: _____
Curt Kelley, its President

IN WITNESS WHEREOF:

STATE OF TEXAS §

§

COUNTY OF COLLIN §

Before me, the undersigned notary public, on the _____ day of _____ 2025, appeared Curt Kelley known to me (or proved to me) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same in his/her capacity as President of Grayson-Collin Recreational Association, Inc., a Texas corporation.

Notary Public, State of Texas

**EXHIBIT A
DESCRIPTION OF THE PROPERTY**

TRACT 1:

BEING a tract of land situated in the W. P. Burns Survey, Abstract No. 100, the Zachariah Roberts Survey, Abstract No. 760,

the Henry Smith Survey, Abstract No. 822 and the Jonas Whitaker Survey, Abstract No. 981, City of Anna, Collin County,

Texas, and being all of a called 179.55-acre tract of land, described in a Warranty Deed to Grayson-Collin Recreational

Association, Inc., recorded in Volume 705, Page 90 of the Land Records of Collin County, Texas, all of a called 7.493-acre

tract of land, described in a Warranty Deed to Grayson-Collin Recreational Association, Inc., recorded in Volume 738, Page

342 of the Land Records of Collin County, Texas, all of a called 6.836-acre tract of land, described in a Special Warranty

Deed to Grayson-Collin Recreational Association, Inc., recorded in Instrument No. 2025000038079 of the Official Public

Records of Collin County, Texas, and all of a called 0.1993-acre tract of land, described in a Special Warranty Deed to

Grayson-Collin Recreational Association, Inc., recorded in Instrument No. 2025000078899 of the Official Public Records of

Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with a red plastic cap, stamped "KHA" found for the southeast corner of said 6.836-acre

tract, same being on a westerly line of a called 139.983-acre tract of land, described in a deed to PH Land Holdings, LLC (an

undivided 53.498% interest), recorded in Instrument No. 2024000150141, a deed to SH Dev Liberty Hills Anna, LLC (an

undivided 25.456% interest), recorded in Instrument No. 2024000151576, and a deed to LH Residential Development, LLC

(an undivided 21.046% interest), recorded in Instrument No. 2024000160359, all of the Official Public Records of Collin

County, Texas;

THENCE South 89°45'34" West, along the southerly line of said 6.836-acre tract and the westerly line of said 139.983-acre

tract, passing at a distance of 339.45 feet, a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578" found for a

northwesterly corner of said 139.983-acre tract, and the northeast corner of Hurricane Creek Estates, an unrecorded

subdivision, same also being the northeast corner of a tract of land, described in a deed to Michael and Jamie May, recorded

in County Clerk's File No. 94-0027890 of the Land Records of Collin County, Texas, continuing along the southerly line of said

6.836-acre tract and the northerly line of said May tract, passing at a distance of 391.11 feet, a 1/2-inch iron rod with a plastic

cap, stamped "RPLS 6578" found for the southeast corner of said 179.55-acre tract, continuing along the southerly line of said

179.55-acre tract, the northerly line of said Hurricane Creek Estates, the north line of said Michael and Jamie May tract and

the north line of a tract of land, described in a deed to Georgia E. Curry, recorded in Instrument No. 23000024778 of the

Official Public Records of Collin County, Texas, a total distance of 833.72 feet to the northwest corner of said Curry tract,

same being the northeast corner of a tract of land, described in a deed to Tony and Virginia French, recorded in County

Clerk's File No. 93-0072679 of the Land Records of Collin County, Texas;

THENCE South 80°55'18" West, continuing along the southerly line of said 179.55-acre tract, the northerly line of said

Hurricane Creek Estates, the north line of said French tract, the north line of a tract of land, described in a deed to Peter C. &

Kathryn A. Sears, recorded in Volume 3066, Page 705 of the Land Records of Collin County, Texas, the north line of a tract of

land, described in a deed to Kelley Family Revocable Living Trust, recorded in Volume 4557, Page 753, Land Records of

Collin County, Texas and the north line of a tract of land, described in a deed to Robert M. & Tina S. Johnson, recorded in

Instrument No. 20150420000437220 of the Official Public Records of Collin County, Texas, passing at a distance of 817.23

feet, a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578", found for a northeast corner of a called 341.162-acre tract

of land, described in a deed to VC Liberty Hills, LLC, recorded in Instrument No. 2024000150080 of the Official Public

Records of Collin County, Texas, continuing along a northerly line of said 341.162-acre tract, passing at a distance of

1161.24 feet, a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578", found

for a witness corner, continuing for a total

distance of 1,715.56 feet to a point for corner in Hurricane Creek;

THENCE in a northerly direction, along the westerly line of said 179.55-acre tract, an easterly line of said 341.162-acre tract,

and along said Hurricane Creek, the following:

North 33°07'26" East, a distance of 87.28 feet to a point for corner;

North 18°00'15" East, a distance of 87.08 feet to a point for corner;

North 32°29'33" East, a distance of 70.40 feet to a point for corner;

North 15°38'49" East, a distance of 59.78 feet to a point for corner;

North 01°39'28" East, a distance of 48.44 feet to a point for corner;

North 30°41'01" East, a distance of 59.62 feet to a point for corner;

North 51°20'01" East, a distance of 137.88 feet to a point for corner;

North 35°56'57" East, a distance of 74.92 feet to a point for corner;

North 50°34'40" East, a distance of 65.48 feet to a point for corner;

North 29°18'26" West, a distance of 118.30 feet to a point for corner;

North 23°42'08" West, a distance of 180.18 feet to a point for corner;

North 10°33'50" West, a distance of 186.03 feet to a point for corner;

North 21°56'56" East, a distance of 127.45 feet to a point for corner;

North 64°30'25" East, a distance of 68.26 feet to a point for corner;

North 37°03'53" East, a distance of 61.50 feet to a point for corner;

North 20°21'46" East, a distance of 68.45 feet to a point for corner;

North 07°21'55" West, a distance of 142.57 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for

corner near the bottom of an earthen dam;

North 02°18'45" East, a distance of 180.02 feet to a point for corner in a pond;

THENCE North 86°05'16" East, continuing along the westerly line of said 179.55-acre tract, the easterly line of said

341.162-acre tract, a distance of 165.03 feet to a point for corner on the east bank of the pond;

THENCE in a northerly direction, continuing along the westerly line of said 179.55-acre tract, the easterly line of said

341.162-acre tract the following:

North 17°58'21" East, a distance of 290.04 feet to a point for corner;

North 29°09'31" East, a distance of 250.04 feet to a point for corner;

North 60°56'07" East, a distance of 110.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 37°19'08" East, a distance of 70.01 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 19°23'16" West, a distance of 200.03 feet to a point for corner;

South 64°36'06" East, a distance of 115.02 feet to a point for corner;

North 09°56'57" West, a distance of 120.02 feet to a point for corner;

North 20°37'55" East, a distance of 205.03 feet to a point for corner;

North 24°28'32" East, a distance of 150.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 06°15'31" West, a distance of 85.01 feet to a point for corner;

North 25°08'27" West, a distance of 200.03 feet to a point for corner;

North 81°20'55" West, a distance of 205.03 feet to a point for corner;

North 16°52'45" East, a distance of 500.08 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 31°50'15" East, a distance of 265.04 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 25°45'05" East, a distance of 190.03 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 89°36'28" East, a distance of 190.03 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

South 59°49'47" East, a distance of 150.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 40°29'25" East, a distance of 55.01 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for corner;

North 32°52'18" West, a distance of 100.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for

corner;

North 59°44'48" East, a distance of 390.06 feet to a point for corner;

North 65°09'26" East, a distance of 350.05 feet to a point for corner near the northeasterly edge of said pond;

THENCE North 31°00'14" East, departing said pond, continuing along the westerly line of said 179.55-acre tract, the easterly

line of said 341.162-acre tract, a distance of 345.05 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for

the northernmost corner of said 179.55-acre tract;

THENCE South 66°25'20" East, along the northerly line of said 179.55-acre tract, continuing along the easterly line of said

341.162-acre tract, passing at a distance of 387.40 feet, a 5/8-inch iron rod with a red plastic cap, stamped "KHA found for a

southeasterly corner of said 341.162-acre tract, same being on a southerly line of aforesaid Tract One (called 694.344-acres),

continuing along a southerly line of said Tract One (called 694.344-acres), a total distance of 1,304.63 feet to a 1/2-inch iron

rod with a plastic cap, stamped "RPLS 6578" found for corner;

THENCE South 43°56'13" East, continuing along the northerly line of said 179.55-acre tract and a southerly line of said Tract

One (called 694.344-acres), a distance of 1,122.33 feet to a 1/2-inch iron rod found for the northeast corner of said

179.55-acre tract;

THENCE South 16°00'07" West, along the easterly line of said 179.55-acre tract and a westerly line of said Tract One (called

694.344-acres), a distance of 318.43 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for the northwest

corner of aforesaid 0.1993-acre tract;

THENCE South 73°59'53" East, departing the easterly line of said 179.55-acre tract and a westerly line of said Tract One

(called 694.344-acres), along the northerly line of said 0.1993-acre tract, a distance of 66.14 feet to a 5/8-inch iron rod with a

red plastic cap, stamped "KHA" set for corner;

THENCE North 59°11'09" East, continuing along the northerly line of said 0.1993-acre tract, a distance of 41.06 feet to a

5/8-inch iron rod with a red plastic cap, stamped "KHA" set for the northeast corner of said 0.1993-acre tract, and being at the

beginning of a non-tangent curve to the right with a radius of 1,155.00 feet, a central angle of 06°56'47", and a chord bearing

and distance of South 15°05'56" West, 139.94 feet;

THENCE in a southerly direction, along the easterly line of said 0.1993-acre tract, with said non-tangent curve to the right, an

arc distance of 140.03 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for the southeast corner of said

0.1993-acre tract;

THENCE North 28°05'06" West, along the southerly line of said 0.1993-acre tract, a distance of 41.75 feet to a 5/8-inch iron

rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 73°59'53" West, continuing along the southerly line of said 0.1993-acre tract, a distance of 67.40 feet to a

5/8-inch iron rod with a red plastic cap, stamped "KHA" set for the southwest corner of said 0.1993-acre tract, same being on

the easterly line of aforesaid 179.55-acre tract and a westerly line of aforesaid Tract One (called 694.344-acres);

THENCE South 16°00'07" West, along the easterly line of said 179.55-acre tract and a westerly line of said Tract One (called

694.344-acres), a distance of 232.81 feet to a 1/2-inch iron rod found for corner on a northerly line of aforesaid 139.983-acre

tract;

THENCE South 68°39'59" West, continuing along the easterly line of said 179.55-acre tract and the northerly line of said

139.983-acre tract, a distance of 279.46 feet to a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578", found for the

southeast corner of said 179.55-acre tract, same being the northeast corner of aforesaid 7.493-acre tract;

THENCE South 71°32'49" West, along an easterly line of said 7.493-acre tract and the northerly line of said 139.983-acre

tract, a distance of 175.46 feet to a 1/2-inch iron rod found for corner;

THENCE South 64°28'26" West, continuing along an easterly line of said 7.493-acre tract and the northerly line of said

139.983-acre tract, a distance of 48.15 feet to a 1-inch iron pipe found for the southeast corner of said 7.493-acre tract;

THENCE North 20°05'14" West, along the southerly line of said 7.493-acre tract and the northerly line of said 139.983-acre

tract, a distance of 393.31 feet to a 1/2-inch iron rod found for corner;

THENCE North 38°05'22" West, continuing along the southerly line of said 7.493-acre tract and the northerly line of said

139.983-acre tract, a distance of 416.71 feet to a 1-inch iron pipe found for corner;

THENCE North 60°30'30" West, continuing along the southerly line of said 7.493-acre tract and the northerly line of said

139.983-acre tract, a distance of 753.11 feet to a 1/2-inch iron rod found for the southwest corner of said 7.493-acre tract and

the northwest corner of said 139.983-acre tract, same being on an easterly line of aforesaid 179.55-acre tract;

THENCE South 03°14'06" West, along the easterly line of said 179.55-acre tract and the westerly line of said 139.983-acre

tract, a distance of 278.87 feet to a 1/2-inch iron rod found for corner;

THENCE South 35°44'24" West, continuing along the easterly line of said 179.55-acre tract and the westerly line of said

139.983-acre tract, a distance of 668.54 feet to a 1-inch iron pipe found for corner;

THENCE South 12°31'05" East, continuing along the easterly line of said 179.55-acre tract and the westerly line of said

139.983-acre tract, a distance of 690.45 feet to a 1.5-inch iron pipe found for corner;

THENCE South 22°16'10" East, continuing along the easterly line of said 179.55-acre tract and the westerly line of said

139.983-acre tract, a distance of 763.64 feet to a 1-inch iron pipe found for corner;

THENCE South 22°57'03" West, continuing along the easterly line of said 179.55-acre tract and the westerly line of said

139.983-acre tract, a distance of 88.61 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" found for the

northwest corner of aforesaid 6.836-acre tract;

THENCE South 55°59'25" East, departing the easterly line of said 179.55-acre tract, along the northerly line of said

6.836-acre tract and the westerly line of said 139.983-acre tract, a distance of 162.63 feet to a 5/8-inch iron rod with a red

plastic cap, stamped "KHA" found for the northeast corner of said 6.836-acre tract;

THENCE South 20°05'05" West, along the easterly line of said 6.836-acre tract and the westerly line of said 139.983-acre

tract, a distance of 311.17 feet to a 5/8-inch iron rod with a red plastic cap,

stamped "KHA" found for corner;

THENCE South 28°38'55" East, continuing along the easterly line of said 6.836-acre tract and the westerly line of said

139.983-acre tract, a distance of 272.83 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" found for corner;

THENCE South 17°53'59" West, continuing along the easterly line of said 6.836-acre tract and the westerly line of said

139.983-acre tract, a distance of 452.04 feet to the POINT OF BEGINNING and containing 204.66 acres (8,915,160 square

feet) of land, more or less.

TRACT 2 : EASEMENT ESTATE

A Non-exclusive easement for road purposes created in instrument executed by W. B. Powell to Grayson-Collin Recreational

Association, Inc., dated February 19, 1968, filed March 19, 1970, recorded in Volume 753, Page 387, Deed Records, Collin

County, Texas.

EXHIBIT B
DESCRIPTION OF THE 6.836-ACRE TRACT

BEING a tract of land situated in the Henry Smith Survey, Abstract No. 822, City of Anna, Collin County, Texas, and being a portion of Tract One, a called 694.344-acre tract of land, described in a Correction Special Warranty Deed to Liberty 800, LP, as recorded in Instrument No. 2023000025691 of the Official Public Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578" found on the north line of a tract of land, described in a deed to Michael and Jamie May, as recorded in County Clerk's File No. 94-0027890 of the Land Records of Collin County, Texas, for the southerly, southeast corner of a called 179.55-acre tract of land, described in a Warranty Deed to Grayson-Collin Recreational Association, Inc., as recorded in Volume 705, Page 90 of the Land Records of Collin County, Texas and a southwest corner of said Tract One (called 694.344-acres);

THENCE North 17°52'19" East, along the easterly line of said 179.55-acre tract and the westerly line of said Tract One (called 694.344-acres), a distance of 782.57 feet to a 42-inch Elm tree found for a corner;

THENCE North 22°57'03" East, continuing along the easterly line of said 179.55-acre tract and the westerly line of said Tract One (called 694.344-acres), a distance of 336.25 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for a corner;

THENCE South 55°59'25" East, departing the easterly line of said 179.55-acre tract and the westerly line of said Tract One (called 694.344-acres), crossing said Tract One (called 694.344-acres), a distance of 162.63 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 20°05'05" West, continuing across said Tract One (called 694.344-acres), a distance of 311.17 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

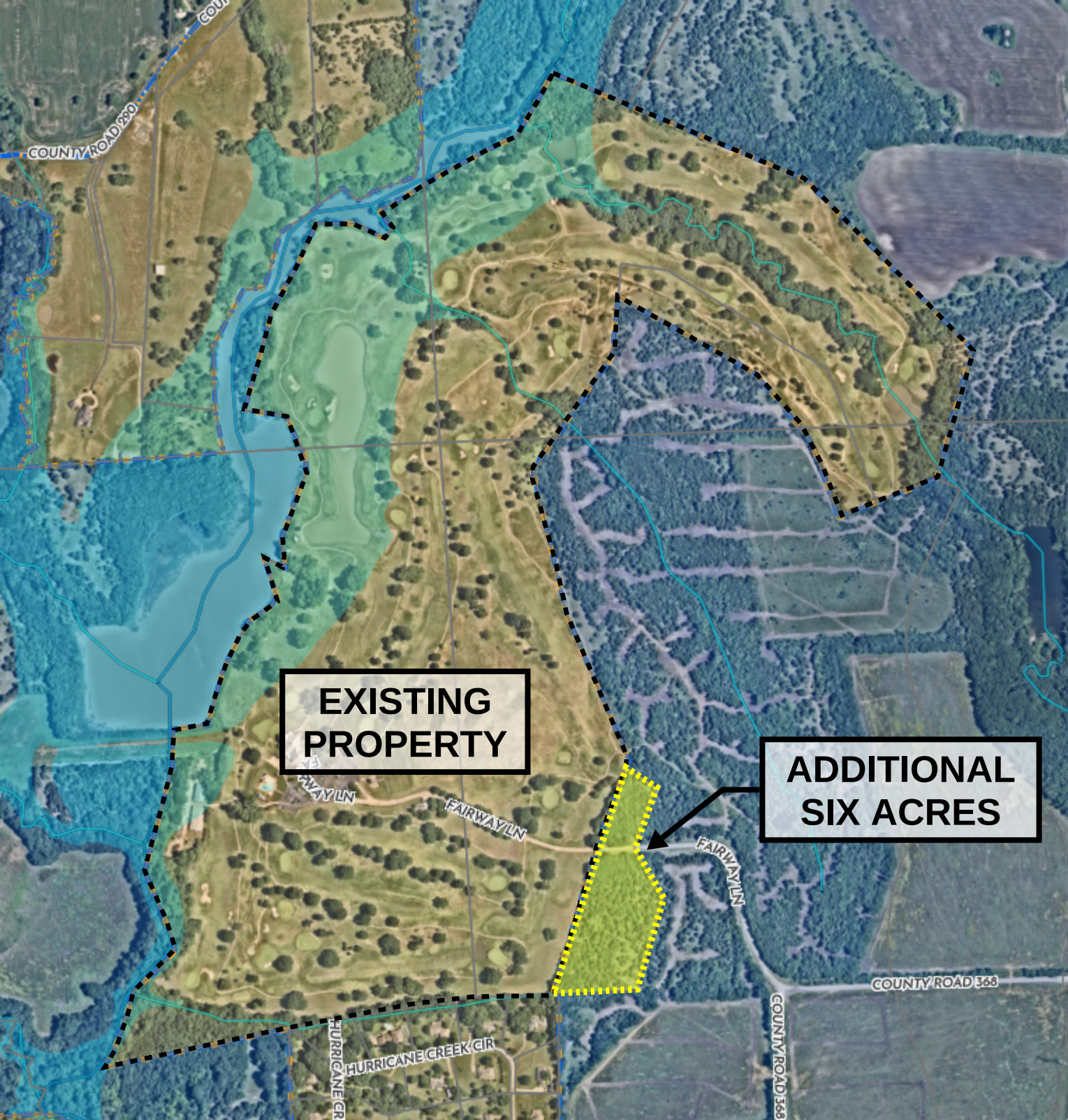
THENCE South 28°38'55" East, continuing across said Tract One (called 694.344-acres), a distance of 272.83 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 17°53'59" West, continuing across said Tract One (called 694.344-acres), a distance of 452.04 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 89°45'34" West, continuing across said Tract One (called 694.344-acres), a distance of 339.45 feet to a 1/2-inch iron rod with a plastic cap, stamped "RPLS 6578" found for the northeast corner of aforesaid May tract, and being on the westerly line of said Tract One (called 694.344-acres);

THENCE South 89°45'34" West, along the north line of said May tract and a southerly line of said Tract One (called 694.344-acres), a distance of 51.66 feet to the **POINT OF BEGINNING** and containing 6.836 acres (297,780 square feet) of land, more or less

diez engineering (254) 353-8800 10401 Highway 100 Austin, Texas 78758 PRATT&KNIGHT 14000 Highway 100 Austin, Texas 78758		ON BOARDING - JUNE 1994 PHONE: 372/28007 221 L. Wright Lane Austin, Texas 78758	
SCALE 1" = 87' 0"		HURRICANE CREEK COUNTRY CLUB UTILITY PLAN Collin County, Texas	
VERTICAL 1" = 87' 0"		UTILITY PLAN 1" = 87' 0"	



**EXISTING
PROPERTY**

**ADDITIONAL
SIX ACRES**



Item No. 6.o.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025
Staff Contact: Jeff Freeth

AGENDA ITEM:

Approve a Resolution approving and authorizing the Acting City Manager to execute an extension to the Agreement between Grace Place Community Garden and the City of Anna. (Acting Director of Community Services Jeffrey Freeth)

SUMMARY:

Staff recommends extending an agreement between the City of Anna and Grace Place Community Garden for the use of the garden as an educational space for a period of one year. The City will provide a stipend of \$1,000 to be applied to the Grace Place Community Garden utility bill.

FINANCIAL IMPACT:

A stipend of \$1,000 per year is proposed to be applied to the Grace Place Community Garden utility bill.

BACKGROUND:

In October 2024, the City of Anna and Grace Place Community Garden re-entered, for the third year, into a mutually beneficial agreement to enhance community involvement by providing a location for outdoor, hands-on gardening education. During the one-year period, 5 classes were hosted in collaboration with local expert speakers.

October 4 – Homeowner's Guide to Tree Care – 1 attended

March 7 – Garden Bed Preparation – 4 attended

August 22 – Winter is Coming (Preparing your lawn for the cooler months), A collaboration with McKinney and Frisco. - 10 attended

August 29 – The Buzz About Bees — 15 attended

September 25 – Container Gardening presented by North Texas Food Bank - 8 attended

2 additional classes were hosted in collaboration with the Cities of McKinney and Frisco at their respective locations.

On Monday, October 20, 2025, at their regularly held meeting, the Parks Advisory and Recreation Advisory board approved the recommendation to the City Council to approve the Grace Place Community Garden Agreement.

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing the strategic outcome area: Neighborly

ATTACHMENTS:

1. Grace Place Community Garden Agreement Resolution 2025

CITY OF ANNA, TEXAS
RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF ANNA, TEXAS, APPROVING AND AUTHORIZING THE ACTING CITY MANAGER TO EXECUTE AN EXTENSION TO THE AGREEMENT FOR THE PROVISION OF AN UTILITY BILL STIPEND AND CONTINUED COMMUNITY EDUCATION PROGRAMMING BETWEEN GRACE PLACE COMMUNITY GARDEN AND THE CITY OF ANNA, TEXAS.

WHEREAS, the City of Anna, Texas (the "City") and Grace Place of Anna ("Grace Place") desire to enter into an Agreement for the provision of a utility bill stipend and continued community education programming (the "Agreement"); and

WHEREAS, the City Council of the City of Anna, Texas (the "City Council") has determined that the Agreement with Grace Place will benefit the residents of the City of Anna, Texas and serve a public purpose that the City could otherwise provide;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS, THAT:

Section 1.

The recitals set forth above are incorporated herein for all purposes as if set forth in full.

Section 2.

The City Council hereby approves the Agreement, attached hereto as Exhibit 1, incorporated herein for all purposes, and authorizes the Acting City Manager to execute same on its behalf. The Acting City Manager is hereby authorized to execute all documents and to take all other actions necessary to finalize, act under, and enforce the Agreement.

PASSED AND APPROVED by the City Council of the City of Anna, Texas, on this 27th day of October 2025.

ATTESTED:

APPROVED:

Carrie L. Land, City Secretary

Pete Cain, Mayor

Agreement
between
City of Anna
and
Grace Place of Anna

This Agreement (The “Agreement”) sets for the terms and understanding between the City of Anna, Texas (the “City”) and Grace Place of Anna, a Texas nonprofit corporation (“Grace Place”) for the provision of a utility bill stipend and creation of community education programming.

Section 1. Background

- 1.01 Grace Place established a community garden (the “Garden”) in 2022 to provide access to fresh vegetables to the community and to supplement the fresh vegetable supply at Grace Place Food Pantry.
- 1.02 The City and Grace Place desire to reach a mutually beneficial agreement to enhance community involvement and educational opportunities and to provide for a public purpose that the City could otherwise undertake as further described in this Agreement.

Section 2. General Terms

- 2.01 For and in consideration of the promises and agreements set forth in this Agreement, Grace Place will, at its sole expense, carry out the daily maintenance and management of the Garden and allow public use. Grace Place will also allow use and access of and to its facilities to host public educational classes and engagement opportunities pertaining to gardening and health.
- 2.02 For and in consideration of the promises and agreements set forth in this Agreement, the City will provide a one-year credit of \$1,000 to the account at 501 N. Powell Pkwy Anna, TX 75409. The City will provide assistance with planning, marketing, and volunteer management for the purpose of public educational classes hosted at the Garden.
- 2.03 Notwithstanding any other term of this Agreement, the provision of a monthly stipend and educational class assistance shall automatically terminate, without any action or notice provided by the City, if the Garden shall no longer be accessible to the public or if the ability to host at minimum six engagement opportunities per year has not been made available.

2.04 The City and Grace Place acknowledge and agree that the exchange of consideration outlined in the Agreement fairly compensates Grace Place and the City for their respective contributions.

2.05 All costs associated with this Agreement shall be paid from the current revenues available to the paying party.

Section 3. Term and Effective Date.

3.01 Subject to this Agreement terminating due to non-appropriation of funding by the City, the extension term of this Agreement is one year. Following each term, this agreement shall be brought before the Anna City Council for renewal for a period of one year if neither party gives notice of its intent to terminate this Agreement within 60 days before the expiration of the current term.

3.02 The effective date of this Agreement is the date that this Agreement has been duly authorized by the governing bodies of the Parties and signed and dated by the duly authorized representatives.

Section 4. Liability Release and Indemnification.

4.01 Grace Place shall defend, hold harmless, and fully indemnify the City, its officials, officers, agents, employees, and servants while acting in the scope of their duties as such, from and against all claims, demands, liabilities, and causes of action of any kind or character (collectively "claims"), including the costs of defense thereof, brought by any employee, agent, official, student, partner, guest, or servant of Grace Place or any third party (including but not limited to assigns, heirs, bystanders, or survivors) for any injury, death, loss, or damage to persons and/or to property that is in any manner related to the City's use or enjoyment of the Garden, including but not limited to claims relating to the use or nonuse of any equipment located at or used for the Garden or any condition of the premises.

4.02 The City and Grace Place agree and acknowledge that each entity is not an agent of the other entity and, except as otherwise expressed herein, that each entity is responsible for its own acts, omissions, forbearance, negligence, and deeds, and for those of its agents or employees. This Agreement does not and shall not be construed to entitle either party or any of their respective employees, if applicable, to any benefit, privilege, or other amenities of employment applicable to other party. The City understands and agrees that the City, its employees, servants, agents, and representatives shall not represent themselves to be employees, servants, agents, and/or representatives of Grace Place. Grace Place understands and agrees that the City, its employees, servants, agents, and representatives shall not present themselves to be employees, servants, agents, and/or representatives of the City. At no time shall the City have any control or supervision over Grace Place's means, methods, techniques, sequences, decisions or undertakings of any nature whatsoever.

Section 5. Other Provisions.

- 5.01 This Agreement has been duly approved by the authorized body of each party to this Agreement in accordance with applicable law. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary consents, orders or resolutions or other instruments extending said authority have been duly passed and are now in full force and effect.
- 5.02 This Agreement may be amended at any time by a duly authorized written agreement of the Parties.
- 5.03 The Parties do not intend that this Agreement shall inure to the benefit of any third party. The Parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. This Agreement represents the entire and integrated Agreement between the Parties relating to its subject matter and supersedes all prior negotiations, representations and/or Agreements, either written or oral to the extent related to the subject matter of this Agreement.
- 5.04 The validity of this Agreement, and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performable and all compensation payable in Collin County, Texas and any disputes arising hereunder or growing out of or related to the performance of this Agreement shall be brought solely in a court of competent jurisdiction in Collin County, Texas.
- 5.05 In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the extent possible.

This Agreement has been executed by the Parties on the respective dates set forth below:

GRACE PLACE OF ANNA

CITY OF ANNA

Lafe Angell, its authorized Director

Marc Marchand, Acting City Manager

Date: _____

Date: _____



Item No. 7.a.

City Council Agenda
Staff Report

Meeting Date: 10/27/2025

Staff Contact:

AGENDA ITEM:

Consider/Discuss/Action on naming purple as the official city color. (Mayor Cain)

SUMMARY:

This item is to discuss and take action on making the official city color purple.

FINANCIAL IMPACT:

BACKGROUND:

On August 12, 2025, Council discussed changing the official city color to purple. Motion was made to take no action and approved 4-3.

STRATEGIC CONNECTIONS:

ATTACHMENTS: